TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH DRAFT DEVELOPMENT CHARGES BACKGROUND STUDY (2022)

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TOWNSHIP OF
ASHFIELD-COLBORNE-WAWANOSH

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DEVELOPMENT CHARGES BACKGROUND STUDY

July 6, 2022,

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File No. 15277

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1.0 Introduction

The Township of Ashfield-Colborne-Wawanosh (ACW) is considering establishing, by by-law, development charges to pay for capital costs required due to increased needs for services arising from development. The by-law may establish development charges against residential and non-residential development activities in the Township during the period of 2022-2027. This by-law would be passed under the statutory authority of the *Development Charges Act, 1997* (DCA) as amended and its accompanying Regulations.

Section 10 of the Act requires that a development charge background study be completed and specifies the contents of the study. *Ontario Regulation 82/98,* Section 8*,* as amended (O.Reg. 82/98) further defines the content of the study. This Development Charges Background Study (Background Study) has been prepared in order to provide Council with sufficient information to make a decision on the value of any development charge to adopt. This report includes the following major components:

- An outline of the framework for conducting the study;
- An overview of the local growth forecasts for residential and non-residential activities;
- A summary of growth-related projects and services;
- A synopsis of the methodology applied to establish a development charge;
- The calculations associated with establishing development charges for each applicable service category;
- Asset management information for assets funded by the development charges;
- Presentation of the proposed development charge schedule; and
- Details on the process to implement a Development Charges By-law.

2.0 Background

The Township currently administers a wide variety of public services and maintains an extensive inventory of facilities, infrastructure, equipment and land. Several major infrastructure projects have been initiated in recent years or are being planned for implementation in the foreseeable future. Given the capital investment associated with the provision of these projects and other municipal activities, Council has expressed an interest in considering a new Development Charge By-law to recover applicable costs from new development activities.

B. M. Ross and Associates Limited (BMROSS) was engaged to conduct a Development Charges Background Study to consider the adoption of development charges applicable to new construction activities within the Township. Section 10 of the DCA specifies that the Background Study must include the following components:

- Forecasts for the anticipated amount, type and location of development for which development charges can be applied;
- An estimate of the increased level of service required to accommodate growth (for each service incorporated into the development charge);
- Forecasts of the average service levels for certain services over the 10-year period immediately preceding the preparation of the Background Study. The assessment of previous service levels must consider both the quality and quantity of service provided;
- Assessment of long-term capital and operating costs for infrastructure required for each applicable service;
- Consideration of the use of more than one development charge bylaw to reflect different service areas; and
- An evaluation of life cycle costs and financial sustainability over the lifetime of the asset.

3.0 Current Practice

Currently, the Township of ACW does not collect development charges. Should a development charge bylaw be passed, it would be the first development charge bylaw in the Township.

Given this, there is no existing approach to development charges and there are no development charge reserve funds.

4.0 Approach

The purpose of this study is to conform to the requirements of the DCA and to support an amount that can be collected as a development charge. It includes a forecast of future residential and non-residential growth review and overview of the process of

implementing and collecting the development charges. The approach to conducting the development of this background report is as follows:

- Review with Township staff and Council development charges and discuss projects that may be eligible for inclusion;
- Review historical and future growth in the Township. Township staff provided information on buildings/development activity since the previous report was prepared;
- Township staff and consulting engineers provided updated capital works forecasts and potential projects;
- BMROSS analyzed and evaluated the services collected for in the existing by-law, and the proposed works to service new development, with respect to:
    - Applicability under the Act;
    - Benefit to existing development;
    - Allocation between different types of development;
    - Level of service in the community;
    - Potential impact of long-term capital and operating costs for the proposed works; and
    - Service areas of the proposed works.

The following represent the final components of the development charges process:

- Provide Council with an interim presentation to identify proposed services that could be collected for in a development charge;
- Council determines a development charge amount they intend to collect by by-law;
- Establish, by Council resolution, a development charge schedule which the Township intends to collect;
- Prepare a draft Development Charges By-law prescribing the proposed development charges schedule;
- Arrange a public meeting to present details on the study process and the proposed development charges schedule. The meeting is a requirement of the DCA. A minimum 20-day notice period must be provided prior to the meeting;
- Acknowledge and attempt to address concerns raised during the statutory public meeting, and document input received through consultation;
- Finalize the implementing By-law following consideration of comments received via consultation;
- Obtain, by Council resolution, approval of the proposed Development Charges By-law; and
- Circulate the Notice of Passage for the Development Charges By-law. The By-law will immediately come into effect. The By-law may be appealed to the Ontario Land Tribunal (OLT) in the 40-day period following the passage of the By-law.

5.0 Population and Growth Forecast

5.1 General

Forecasts have been prepared to project population and household growth for the Township over a 25-year planning period. The growth forecasts were established following an assessment of general growth and development trends in ACW as identified from statistical data, building permit data and background research. The forecasts extrapolated from these analyses are considered reasonable projections of growth and development within the Township. The background research and analyses of population and growth is included in Appendix A.

5.2 Current Population and Household Trends

The most recent population count for the Township of ACW is the 2021 Census (see Table 5.1). In 2021, the population of ACW was 5,884 permanent residents, an increase of 462 persons from the 2016 count and 302 persons from the 2011 Census. The increase in population between 2016 and 2021 equates to an annual average growth rate of 1.65%. Over the last 10 years of census data, the annual average growth rate was 0.53%. The recent increase in population of the Township is a result of the development known as 'The Bluffs'.

There are a number of small rural hamlets throughout ACW. These communities include: Port Albert, Saltford and Dungannon. These communities are not large enough to be counted as population centres through the Census. Given this, the population of these area are estimated based on counts from dissemination blocks of the Census. ACW also has a seasonal population, with cottages located along the lakeshore area of the Township. The Census counts do not include seasonal residents.

Table 5.1 summarizes the recent census data for ACW and the above noted communities. Note, census data for Saltford, Port Albert and Dungannon are only available for 2016-2021.

Table 5.1 Census Population Counts, 2001-2021

Year	Saltford	Port Albert	Dungannon	ACW
2001	n/a	n/a	n/a	5,411
2006	n/a	n/a	n/a	5,409
2011	384	n/a	n/a	5,582
2016	378	364	313	5,422
2021	374	381	314	5,884
5-year change	**-4**	**17**	**1**	**462**
10-year change	**-**	**-**	**-**	**302**
20-year change	**-**	**-**	**-**	**473**
5-year change (%)	**-**	**-**	**-**	**8.52**
10-year change (%)	**-**	**-**	**-**	**5.41**
20-year change (%)	**-**	**-**	**-**	**8.74**
5-year average annual growth rate (%)	**-**	**-**	**-**	**1.65**

Year	Saltford	Port Albert	Dungannon	ACW
10-year average annual growth rate (%)	**-**	**-**	**-**	**0.53**
20-year average annual growth rate (%)	**-**	**-**	**-**	**0.42**

Generally the population of the hamlets in ACW has remained relatively steady. The recent growth in the population in ACW has occurred along the lakeshore, in conjunction with the development of 'The Bluffs' subdivision. Some of the population increase may also be attributable to the conversion of seasonal homes to permanently occupied dwellings.

The number of permanently occupied private dwellings in ACW, Saltford, Port Albert and Dungannon as counted through previous censuses are summarized in Table 5.2 The number of private dwellings in the Township has increased over the last 10 years, with approximately 288 new dwellings. Counts of occupied dwellings for Saltford, Port Albert and Dungannon are not available earlier than 2016.

Over the last census period, there has been an increase in the number of occupied dwellings in ACW. In the last 5 years, the number of occupied dwellings in ACW has increased by 250 units or by 11.87%. The number of units in Saltford, Dungannon and Port Albert have not changed significantly in the last five years.

Table 5.2 Census Occupied Dwelling Counts, 2011-2021

Year	Saltford	Dungannon	Port Albert	ACW
2011	134	-	-	2069
2016	135	125	291	2107
2021	140	129	284	2357
5-year change	**5**	**4**	**-7**	**250**
10-year change	**6**	**-**	**-**	**288**
5-year change (%)	**3.7**	**3.2**	**-2.49**	**11.87**
10-year change (%)	**4.48**	**-**	**-**	**13.92**
5-year average annual growth rate (%)	**-**	**-**	**-**	**2.27**
10-year average annual growth rate (%)	**-**	**-**	**-**	**1.31**

To gain a better understanding of residential development occurring in ACW, building permit data for new residential dwellings was assessed. Table 5.3 summarizes the number of new residential building units throughout the Township between 2012 and 2021.

Table 5.3 Building Permits Issued for New Residential Development, 2012-2021

Year	New Permanent	New Seasonal	Total
2012	15	2	17
2013	17	2	19
2014	10	2	12
2015	19	1	20
2016	24	0	24
2017	48	1	49
2018	44	0	44
2019	79	1	80
2020	79	4	83
2021	89	4	93
5-year total	**339**	**10**	**349**
10-year total	**424**	**17**	**441**
5-year average	**67.8**	**2**	**69.8**
10-year average	**42.4**	**1.7**	**44.1**

Over the past 10 years, there were permits issued for 441 new residential units in ACW. All the development in ACW has historically been single detached homes. An examination of the average number of permits over the last 10, and 5 years shows an increase in the average number of new units per year. This increase reflects the recent increase in new homes built throughout the ACW. There are limited opportunities for more intensive type development in the Township as a result of the lack of wastewater servicing in the hamlets.

In the future, it is expected that the majority of new units will continue to be single detached homes.

5.3 Population and Households Forecast

5.3.1 Forecast Methodology

For the purposes of this study, a population forecast for ACW was developed. These forecasts are based on input from staff, forecasted developments, and building permit data.

The forecast incorporated the following methodological components:

- The 2021 population and household counts, as determined by the 2021 Census, were used as the starting points for the projections.
- Overall, it is estimated that development will occur at a rate of 44 units/year in ACW over the next 25 years. Given the proposed developments in Saltford, it is forecasted that growth will occur at a rate of 10 additional units a year from 2023 to 2030, and slow to 5 units in subsequent years once the proposed developments have been built.

- Residential growth in Port Albert is forecasted to occur at a rate of 3 units/year.
- The population density of ACW is forecasted to decline from 2.5 persons per unit to 2.46 over the study period.
- The expected number of households and population density was then used to forecast the population increase.
- It is expected that the majority of development will occur as single detached units.

Several major assumptions were also made to substantiate the use of the aforementioned methodology as the basis for a population forecast. They are as follows:

- Population growth will generally be accommodated through the development of existing lots and registered lots through Plans of Subdivisions and Site Plans.
- Water supply capacity for Saltford will increase in the near future.

5.3.2 Residential and Population Forecast

A residential and population growth forecast was developed for ACW based upon the previously discussed methodology. Table 5.4 shows the population forecasts for Saltford, Port Albert and the remainder of the Township. Table 5.5 contains the forecasted number of additional dwelling units over the same period.

Table 5.4: Residential Population Forecast 2022-2047

	Saltford	Port Albert	Remainder of the Township	ACW (Total)
2021	374	381	5,128	5,883
2022	374	387	5,232	5,993
2027	494	417	5,631	6,542
2032	578	449	6,019	7,046
2037	643	484	6,434	7,561
2042	679	521	6,871	8,071
2047	741	561	7,310	8,612
5-year change	**120**	**30**	**399**	**549**
10-year change	**204**	**62**	**787**	**1,053**
20-year change	**305**	**134**	**1,639**	**2,078**
25-year change	**367**	**174**	**2,078**	**2,619**

Table 5.5: Residential Dwelling Forecast 2022-2047

	Saltford	Port Albert	Remainder of the Township	ACW (Total)
2021	140	284	1,933	2,357
2022	140	287	1,974	2,401
2027	185	302	2,134	2,621
2032	225	317	2,299	2,841
2037	250	332	2,479	3,061
2042	275	347	2,659	3,281
2047	300	362	2,839	3,501
5-year change	**45**	**15**	**160**	**220**
10-year change	**85**	**30**	**325**	**440**
20-year change	**135**	**60**	**385**	**880**
25-year change	**160**	**75**	**865**	**1,100**

5.4 Non-Residential Development Forecast

The forecast for non-residential development is based on the average amount of new non-residential growth in ACW over the last five years. The average annual amount of non-residential growth in the Township is 6,107 ft^2 per year. It is predicted that non-residential growth will continue at current rates. Given this, the forecasted amount of non-residential growth over the next 5, 10 and 20 years is shown in Table 5.6.

Table 5.6 Forecasted Non-Residential Growth (ft^2)

Year	ACW Non-Residential Growth (ft^2)
2022-2027	30,536
2022-2032	61,072
2022-2042	122,144

6.0 Review of Growth-Related Capital Costs

6.1 General Considerations

Projects and services that are anticipated to be required as a result of growth throughout ACW were reviewed and evaluated. The following factors and evaluation steps were considered during this process:

- Identification of municipal services required to permit occupancy for new development (e.g., water, wastewater, parks and recreation, public work facilities, roads, etc.).
- A review of new projects/services that were proposed to be collected for in a development charge because they will be required as a result of growth.
- Assessment of the applicability of services and projects under the DCA, taking the following factors into consideration:
    - Eligible Services: Development charges can only be applied to each of the following services to recover the growth-related capital costs for facility construction and improvement, land acquisition and improvement, equipment and furnishings:
        - Water and wastewater services.
        - Stormwater infrastructure.
        - Services related to a highway (as defined in subsection 1(1) of the *Municipal Act, 2001*).
        - Electrical power services.
        - Policing services.
        - Ambulance services.
        - Waste diversion services.
        - Fire Protection services.
        - Library services.
        - Long term care services.
        - Parks and recreation services.
        - Childcare and early year programs and services.
        - Housing services.
        - Services related to by-law enforcement and municipally administered courts.
        - Emergency preparedness services.
        - Transit services; and
        - Development charge background studies; and
        - Studies related to the above matters;
- Identification of completed projects and services which benefit future development and included allocations specifically for growth (i.e., additional capacity).
- Identification of proposed projects and services which will provide benefit to further development within the next ten years; and
- Assessment of the probable capital costs which will be incurred for those projects or services determined to be DCA-eligible.

6.2 Review of Services for Development Charges

Services that are anticipated to be required as a result of growth in the Township were reviewed and evaluated as part of the study. Table 6.1 provides a summary of service categories/projects that are proposed to be included in the development charge

calculation. Additional information on the projects included in Table 6.1 is also included in Appendix B.

Table 6.1 Projects for Inclusion in Development Charges

Service Category	Project	Description
Administration	Development Charge Background Study	• Under the DCA, the cost of undertaking the background study required to implement development charges is eligible for recovery through development charges. • Two studies anticipated over the next 10 years. • This project is attributed solely to future development.
Administration	Parks and Recreation Master Plan	• A Parks and Recreation Master Plan is being undertaken to identify future needs related to parks and recreation services. The cost of the study is $60,000 and a grant of $57,500 was received. • This project benefits future and existing development.
Administration	Zoning Bylaw Update	• The Zoning Bylaw requires updating on a 5-year basis. Cost associated with two zoning bylaw updates is $30,000. • This project benefits future and existing development.
Administration	Official Plan Update	• The Official Plan requires updating on a 5-year basis. Cost associated with two Official Plan updates is $50,000. • This project benefits future and existing development.
Administration	Comprehensive Review	• The Township anticipates undertaking a comprehensive review of settlement area boundaries within the next 10 years. The cost associated with this is $50,000. • This project benefits future and existing development.
Administration	Road Needs Study	• The Township undertakes road need studies on a 5-year basis. The cost of two road needs studies is $36,000. • This project benefits future and existing development.

Service Category	Project	Description
Administration	Growth and Servicing Master Plan	• The Township is planning on undertaking a Growth and Servicing Master Plan to investigate future infrastructure needs related to growth. The estimated cost of this study is $165,000. • This project benefits future and existing development.
Parks and Recreation	Washroom Facilities	• The Township anticipates additional washroom facilities will be constructed in the Township. The estimated cost for two facilities is $500,000. • This project benefits future and existing development.
Parks and Recreation	Playground Equipment	• There are a number of parks throughout the Township. Additional playground equipment will be purchased to equip the parkland. The estimated cost is $50,000. • This project benefits future and existing development.
Parks and Recreation	Gazebo – Saltford	• The Township is planning on constructing a gazebo in Saltford. The estimated cost is $93,000. • This project benefits future and existing development.
Parks and Recreation	Gazebo – Port Albert	• The Township is planning on constructing a gazebo at Port Albert. The estimated cost is $93,000. • This project benefits future and existing development.
Parks and Recreation	Trail Development	• The Township anticipates additional trail development over the next 10 years. The estimated cost is $100,000. • This project benefits future and existing development.
Services Related to Highways	Birch Beach Bridge Replacement	• The Township is replacing and widening the Birch Beach Bridge. The cost of the work is $870,061.73. A grant in the amount of $557,325 was received. • This project benefits future and existing development.
Services Related to Highways	Zion Road Bridge Replacement	• The Township is planning on replacing and widening Zion Road Bridge. The cost of the work is estimated at $1,780,000. • This project benefits future and existing development.

Service Category	Project	Description
Services Related to Highways	One Tonne Truck	• The Township is planning on adding a one-ton truck to the public works fleet. • The estimated cost is: $130,000. • This project benefits future and existing development.
Services Related to Highways	Back Hoe	• The Township is planning on adding a back hoe to the public works fleet. • The estimated cost is: $210,000 • This project benefits future and existing development.
Services Related to Highways	Sidewalk Plow	• It is anticipated the Township will add a sidewalk plow to the public works fleet. • The estimated cost is: $120,000 • This project benefits future and existing development.
Services Related to Highways	Birch Beach Road Upgrades	• This project will upgrade and widen Birch Beach Road to accommodate future traffic levels. • The estimated cost: $393,000. • This project benefits future and existing development.
Services Related to Highways	London Road Intersection Improvements	• This project involves shifting the intersection of London Road and Highway 21 as a result of future traffic levels. • The estimated cost of this work is $110,000 • This project benefits future and existing development.
Services Related to Highways	Airport Road, Mill Road, Champlain Boulevard	• Drainage and surface improvements are required to Airport Road, Mill Road and Champlain Boulevard. These improvements are required to support future growth in these areas. • The estimated cost of this work is: $2,800,000 • This project benefits future and existing development.
Services Related to Highways	Westmount Line Upgrades	• Upgrades to Westmount Line, north of Saltford, are required to support future growth. • The cost of this work is: $490,000. • This project benefits future and existing development.

Service Category	Project	Description
Services Related to Highways	Zion Road Upgrades	• Associated with the replacement of the Zion Road Bridge is the widening and upgrading of Zion Road. These upgrades are planned to support future growth. • The cost of this work is: $633,000. • This project benefits future and existing development.
Services Related to Highways	Glen's Hill Road Upgrade	• This road requires upgrades to drainage and the surface as a result of increased development and traffic levels. • The estimated cost of this work is $900,000. • This project benefits future and existing development.
Water	Saltford Water Expansion	• The Township is undertaking a Class Environmental Assessment to investigate an additional well to supply Saltford. The additional supply is required to support future growth. • The project includes drilling and the technical work associated with a new well. • The cost of this work is estimated at $360,000. • This project benefits future and existing development.

6.3 Service Areas

The DCA requires consideration of the spatial benefits of service areas. Through this Background Study, it has been identified that there are two service areas for the purposes of collecting development charges:

- Municipal-wide
- Saltford

Saltford was identified as having an area-specific development charge as a result of the Saltford Water Expansion project. This project benefits those within the Saltford settlement area and as such, is considered an area-specific charge.

The following table summarizes the projects collected for in each of the service areas.

Table 6.2 Development Charge Projects and Applicable Service Areas

Service Category	Project	Service Area
Administration	• Development Charge Background Study • Parks and Recreation Master Plan • Zoning By-law Update • Official Plan Update • Comprehensive Review • Road Needs Study • Growth & Servicing Master Plan	• Municipal-Wide
Parks and Recreation	• Washrooms • Gazebos • Playground Equipment • Trail Development	• Municipal-Wide
Services Related to Highways	• Birch Beach Bridge • Zion Road Bridge • One Tonne Truck • Backhoe • Sidewalk Plow • Birch Beach Road • London Road Intersection Improvement • Airport Road, Mill Road and Champlain Boulevard • Westmount Line Improvements • Zion Road Upgrades • Glen's Hill Road Upgrade	• Municipal-Wide
Water	• Saltford Water Expansion	• Saltford

6.4 Asset Management

Amendments to the Development Charges Act in 2015 and Ontario Regulation 82/98 require that development charge background studies include an asset management plan. This plan must include all assets with capital costs funded by development charges and demonstrate that assets are financially sustainable over their full life cycle.

The Township of ACW last updated their asset management plan in 2013. The intent of the AMP is to serve as a strategic, tactical and financial document to allow the Township to follow sound asset management practices while optimizing available

resources and achieving a desired level of service. The AMP included consideration of the following asset categories: road network, bridges and culverts, water network, and storm sewer network.

A number of the projects funded through development charges have been either built or are expansions to existing infrastructure. These projects were evaluated as part of the 2013 AMP and include:

- Birch Beach Bridge
- Zion Road Bridge
- London Road
- Airport Road, Mill Road and Champlain Road
- Westmount Roads
- Zion Road
- Glen's Hill Road

Additionally, studies included under the Administration development charge are not considered assets.

The remaining projects have yet to be constructed and represent new assets. It is expected that as these projects are built or bought, they will be incorporated into future updates of the AMP. Given the estimated life cycle of the assets (based on the lifetime estimates used in the 2013 AMP), the replacement costs were estimated assuming 4% annual inflation. The assets not included in the 2013 AMP have a life-cycle cost totaling: $13.6 million dollars. The assumed life expectancy of the assets ranges from 10 to 75 years. Assuming 3.5% annual interest on reserves, the Township will require an additional $114,162 per year to fund the lifecycle costs of these additional projects. This amount does not factor in potential grants or other contributions.

The number of additional residences in ACW is expected to continue to increase over the next 10 years. The forecasted addition of 440 units will contribute to the existing assessment base and offset the costs associated with these additional assets. Given this, and the Township's continued efforts towards establishing long-term funding strategies, the projects included in the development charges are considered financially sustainable over their life cycles.

7.0 Calculation of the Development Charge

7.1 Methodology

The DCA and O. Reg. 82/98 prescribe the methodology which must be applied to calculate the growth-related capital costs for those projects and services being considered for inclusion into the development charge (i.e., DCA-recoverable capital costs). The following outlines the methodology used to calculate possible development charges for each service category:

Preliminary Capital Cost Assessment

- Establish the total estimated capital costs for those projects or services with growth related components which will be implemented within ten years (i.e., gross growth-related capital costs). Exclude costs for local services installed or paid for by land developers as a condition of approval under Section 51 of the Planning Act (subdivision of land);
- Define the benefiting area for the proposed works and estimate the total capacity of the growth-related project or service. Exclude the proportion of the service that can be met by the excess capacity of existing facilities, unless Council has indicated, at the time the excess capacity was created, that it would be paid for by new development;
- Reduce the net growth-related capital costs of the project or service by the value of any anticipated grants or subsidies.

Service Level and Benefit Adjustments

- Review the service description to determine if the proposed works exceed the average level of service (service standard) in the Township over the previous 10-year period. The determination of average service level must take into account the quantity of service (i.e., number or size) and the quality of service (i.e., value or cost). Reduce the net cost of the works by any anticipated increase in the service standard.
- Reduce the net capital cost by the amount the increase in service would benefit existing development.
- Allocate the net capital costs for project or service between residential and non-residential development (i.e., industrial, institutional, commercial activities), based upon anticipated benefit.

Development Charge Calculation and Cash Flow Adjustments

- Calculate the development charge for each service based upon the estimated amount of future growth it will facilitate during the applicable planning period;
- Determine the residential development charge for various types of dwellings based upon the expected occupancy characteristics. Establish area-specific charges for localized projects and services, as required.
- Establish the non-residential development charge based upon a building standard (i.e., cost per square metre of development). Establish area-specific charges for localized projects and services, as required.

7.2 Assumptions Used in the Development Charge Calculation

7.2.1 Spatial Applicability of Capital Costs

The projects included in the following service categories that benefit development on a municipal-wide basis: Administration, Parks and Recreation, Services Related to a Highway. The project included in the Water services category has a specific benefiting area as summarized in Table 6.2. Given this, the service areas are:

- Municipal-Wide
- Saltford

7.2.2 Allocation of Costs Between Growth and Existing Development

Where a proposed service provides a benefit to existing development, the capital costs must be reduced by the amount of the benefit. Where applicable, for purposes of allocating project costs between future growth and existing development, design capacities have been converted to single person equivalents. This permits a cost per person value to be calculated, which applies equally to both existing development and predicted growth. For other projects, where capacity is not defined, the allocation is based on the assumed proportion of benefit to existing and future development.

7.2.3 Allocation of Costs Between Residential and Non-Residential Development

For the purposes of this study, a series of ratios were established to calculate the relative benefit of projects and services to residential and non-residential activities. The ratios were established based upon the current assessment data. Table 7.1 shows the percentage of residential and non-residential development in ACW.

Table 7.1 Ratio of Residential and Non-Residential Development in ACW

Category	ACW
Residential	92.4%
Non-Residential	7.6%

7.2.4 Occupancy Considerations

The average occupancy rate in ACW, based on the population and number of dwellings as reported in the Census is 2.5 persons per dwelling unit. Different types of residential development contain different numbers of occupants. On a per unit basis, the smaller the average occupancy, the less demand is generally placed on services. For purposes of this report, the occupancies defined in Table 7.2 are assumed for various housing types. The occupancies for single and semi-detached homes and multiple units are based on the latest census data. The density of apartments are assumed based on relative occupancy levels in relation to the other categories.

Table 7.2 Residential Occupancies for Various Dwelling Types

Residential Unit Type	Persons Per Unit	Percentage of Single-Family Unit Charge
Single Family Residential, including semi-detached	2.57	100%
Multiple Unit (e.g. rowhouse)	1.79	70%
Apartment (2+ bedroom)	1.79	70%
Apartments (bachelor, 1 bedroom) , mobile homes, park model trailers	1.5	58%

7.3 Calculated Development Charge

Appendix B provides information on each service category and service component, as well as the key considerations for the calculation of development charges. Based upon the calculations presented in Appendix B, development charge schedules have been prepared for residential and non-residential activities. Table 7.3 provides a summary of the development charge calculations per capita, based on the calculations outlined in Appendix B for the service areas. The calculated development charges for the different unit types for the services areas are summarized in Tables 7.4. The calculated non-residential charges are summarized in Table 7.5.

It is recommended that development charges schedules, selected by Council using this Report as a guide, be collected by by-law in ACW for the period 2022-27.

Table 7.3 Calculated Development Charges per Capita

Service Category	Development Charge per Capita
Municipal-wide	
• Administration	422
• Parks & Recreation	609
• Services Related to a Highway	2,444
Municipal-wide Total	**3,475**
Saltford Water	468
Municipal-wide Total	**3,475**
Saltford Total	**3,943**

Table 7.4 Calculated Residential Development Charges Per Unit

Service Category	Single & Semi-Detached (per unit)	Multi-units (per unit)	Apartment (2 bed room +) per unit	Apartment (1 bedroom, bachelor), mobile homes, park model trailers (per unit)
Municipal-wide				
• Administration	1,085	756	756	633
• Parks & Recreation	1,565	1,090	1,090	914
• Services Related to a Highway	6,280	4,374	4,374	3,665
Municipal-wide Total	**8,930**	**6,220**	**6,220**	**5,212**
Saltford Water	1,204	838	838	702
Saltford Total	**10,134**	**7,058**	**7,058**	**5,914**

Table 7.5 Calculated Non-Residential Development Charges (per sq.ft)

Service Category	Non-Residential Development Charge (per sq. ft)
Municipal-wide	
• Administration	0.31
• Parks & Recreation	-
• Services Related to a Highway	1.68
Municipal-wide Total	**2.00**

7.4 Development Charge Capital Program Summary

Table 7.6 summarizes the net project costs, amount attributable to existing development and amount recoverable through development charges. Over the next 10 years, $585,275 may be recovered from Administrative and Parks and Recreation services through development charges. Over the next 20 years, the potential amount recoverable through development charges related to Services Related to Highways and Saltford Water Services is $3,072,684. Actual collection will depend on development in the future. For the projects included in the development charges $5,810,278 is attributed to existing development and must be funded through reserves, rates and other sources.

Table 7.6 Development Charge Capital Program Summary

Category	Total Cost	Grants/ Subsidies	Net Cost	Benefit to Existing ($)	Benefit to Future ($)	DC Recoverable - Residential ($)	DC Recoverable - Non-Residential ($)
Administration	451,000	57,500	393,500	142,625	250,875	231,856	19,019
Parks and Recreation	836,000	-	836,000	501,600	334,400	334,400	-
Services Related to Highways	8,436,062	557,325.	7,878,737	5,094,053	2,784,684	2,573,048	211,636
Water	360,000	-	360,000.00	72,000	288,000.00	288,000	-
Total	**10,083,062**	**614,825.**	**9,468,2367**	**5,810,278**	**3,657,959**	**3,427,304**	**230,655.00**

8.0 Implementation

8.1 General Considerations

As discussed, a Development Charges By-law must be adopted to implement a development charges schedule and the associated collection policies. Section 5(1)(9) of the DCA prescribes that the ACW must establish rules within the implementing by-law to set out how development charges will be applied at the local level.

This section of the report outlines certain components of the DCA which will need to be considered during the preparation of the Development Charges By-law.

8.2 Applicable Development

Section 2(2) of the DCA prescribes that development charges can be collected against development activities requiring one or more of the following:

- Issuance of a building permit;
- Condominium Act approval;
- Certain Planning Act approvals (i.e., minor variances, re-zonings, consents, severances, plans of subdivision).

Development charges cannot be applied to development activities which:

- Enlarge an existing dwelling unit;
- Create a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings;
- Create additional dwelling units as prescribed (subject to prescribed restrictions); and
- Increase the gross floor area of an industrial development by less than 50%.

Section 3 of the DCA further prescribes that lands owned, and used by, municipal governments and school boards are not subject to the provisions of the by-law. However, Council is also permitted to include provisions in the by-law which exempt specific types of development from development charges. In this respect, local municipalities commonly exempt places of worship, public hospitals and farm buildings from the development charges specified in the by-law.

8.3 Charge Ceilings

Development charges to be collected against new development must not exceed the values defined in Tables 7.4 to 7.5 of this study. Council can establish Development Charges Schedules in the by-law which prescribe charges which are less than those calculated in the aforementioned tables for the entire Township, specific areas of the Township, or specific categories of development.

8.4 Phasing-in

Council is permitted to phase-in development charges over the five-year lifespan of the by-law. Phasing-in of development charges is occasionally implemented by local municipalities concerned with the financial burden placed upon new development,

particularly in areas where these fees have not previously been applied. Any phasing in of development charges will be outlined in the Development Charge By-law.

8.5 Inflation Adjustments

The DCA permits development charges to be adjusted to inflation, on an annual basis, using an index specified in the by-law. This measure is commonly employed by local municipalities to ensure that the fees collected reflect the real cost of the projects and services.

8.6 Front-Ending Agreements

The Development Charges By-law may contain policies which permit the Township to enter into front-ending agreements with land developers for infrastructure activities specified in the by-law (e.g., watermain installation, road extensions). Front-ending agreements allow developers to finance all, or a portion of the capital costs of a project in order to permit the work to proceed in advance of a municipal capital works schedule. The agreement is required to stipulate, at a minimum, the nature and cost of the work, a cost-sharing program, a collection system and the specific benefiting area.

Under front-ending agreements, the Township typically assumes the following general responsibilities:

- Collecting development charges from subsequent development activities in the defined service area;
- Reimbursing the other parties in the agreement for a share of the development charge (corresponding to the work completed).

Front-ending agreements are subject to public review. Affected property owners may appeal the terms of an agreement to the Ontario Land Tribunal.

8.7 Credits

The Development Charges By-law may contain provisions which allow the Township to permit works specified in the by-law to be carried out by an individual in exchange for credit towards the applicable development charge. The amount of the credit established must reflect the reasonable cost for the doing the work, as agreed upon by the involved parties. The credit provided by the Township can only be applied to the service category, or categories, which are directly related to the work undertaken.

9.0 SUMMARY

This report presents the results of a Development Charges Background Study for the Township of ACW. Council is considering a new Development Charges By-law for the Township and the study is required under the *Development Charges Act, 1997*.

The study incorporated the primary key activities:

- Review of historic growth in ACW and extrapolation of growth and development forecasts for that study area;

- Review and evaluation of capital works projects that would be required to service the predicted growth;
- Calculation of a recommended Development Charge Amount for the proposed projects and services in accordance with the DCA.

It is our opinion that the Development Charge Amounts set out in Tables 7.3-7.8 of the report are in compliance with the provisions of the DCA and O. Reg. 82/98. However, the charge that is used in the implementing by-law will be set by Council after due consideration.

10.0 FUTURE ACTION

The following represent the final activities required to adopt a Development Charges program:

- Council reviews the Background Study. Following due consideration and any required revisions, Council accepts this draft report and by resolution, agrees that the intent of the Township is to implement the growth-related capital works itemized in Appendix B;
- Council considers a Development Charge Amount to establish, and specific implementation policies to be incorporated into the implementing by-law;
- A draft by-law is prepared in accordance with the recommendations of Council;
- The statutory public meeting is held with a minimum 20-day notice period. The Background Study and the draft By-law will be made available for public review during the notice period;
- Council must pass the implementing by-law within one year of the completion of Background Study. A 40-day review period must be provided after the passage of the By-law. Any individual or organization may appeal the provisions of the Development Charges By-law to the Ontario Land Tribunal during the review period.

All of which is respectfully submitted.

B. M. ROSS AND ASSOCIATES LIMITED

Per _____

Lisa J. Courtney M.Sc., RPP, MCIP
Senior Planner

Per _____

Matt Pearson, RPP, MCIP
Senior Planner

APPENDIX A
GROWTH AND DEVELOPMENT FORECAST

1.0 INTRODUCTION

1.1 General

Section 5(1) of the Development Charges Act, S.O. 1997 (DCA) stipulates that for the purposes of calculating a development charge, "the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated". The following discussion summarizes the process undertaken to develop a growth and development forecast for the Township of Ashfield-Colborne-Wawanosh (ACW).

Development forecasts have been prepared in conjunction with the Development Charges Background Study to project a population for ACW over 10-year (2022-2032), 20-year (2022-2042), and 25-year (2022-2047) planning periods. The growth projections were established following an assessment of general growth and development trends evident in the Township as identified from statistical data, recent population projections and other background research. The forecasts extrapolated from this analysis are considered to be realistic predictions of population and household growth in Township. An estimate of non-residential development has been prepared through an analysis of available building permit information.

The growth projections established in this study provide a basis for determining the level of service required to accommodate future development activities. In this regard, the growth forecasts provide a framework to estimate (1) the capital expenditures needed to finance additional service and (2) an appropriate development charge to recover growth related capital costs.

1.2 Background

A series of reports were reviewed to gather background information on population growth and general development trends in the study area. The following are among the key sources of information consulted during this review:

- Statistics Canada Census of Canada data for the period 2001-2021 (data is collected in 5-year intervals).
- Building permit records compiled by the Township for the period 2012-2021. The records detail the type (e.g., residential, commercial, industrial) and value of development.
- ACW staff, and
- An assessment of current development projects and proposals.

2.0 BACKGROUND POPULATION & DEVELOPMENT INFORMATION

2.1 Residential Growth Trends

2.1.1 Population

The most recent population count for the Township of ACW is the 2021 Census. In 2021, the population of ACW was 5,884 permanent residents, an increase of 462

persons from the 2016 count and 302 persons from the 2011 Census. The increase in population between 2016 and 2021 equates to an annual average growth rate of 1.65%. Over the last 10 years of census data, the annual average growth rate was 0.53%. The recent increase in population of the Township is a result of the development known as 'The Bluffs'.

There are a number of small rural hamlets throughout ACW. These communities include: Port Albert, Saltford and Dungannon. These communities are not large enough to be counted as population centres through the Census. Given this, the population of these area are estimated based on counts from dissemination blocks of the Census. ACW also has a seasonal population, with cottages located along the lakeshore area of the Township. The Census counts do not include seasonal residents.

Table 2.1 summarizes the recent census data for ACW and the above noted communities. Note, census data for Saltford, Port Albert and Dungannon are only available for 2021-2016.

Table 2.1 Census Population Counts, 2001-2021

Year	Saltford	Port Albert	Dungannon	ACW
2001	n/a	n/a	n/a	5,411
2006	n/a	n/a	n/a	5,409
2011	384	n/a	n/a	5,582
2016	378	364	313	5,422
2021	374	381	314	5,884
5-year change	**-4**	**17**	**1**	**462**
10-year change	**-**	**-**	**-**	**302**
20-year change	**-**	**-**	**-**	**473**
5-year change (%)	**-**	**-**	**-**	**8.52**
10-year change (%)	**-**	**-**	**-**	**5.41**
20-year change (%)	**-**	**-**	**-**	**8.74**
5-year average annual growth rate (%)	**-**	**-**	**-**	**1.65**
10-year average annual growth rate (%)	**-**	**-**	**-**	**0.53**
20-year average annual growth rate (%)	**-**	**-**	**-**	**0.42**

Generally the population of the hamlets in ACW has remained relatively steady. The recent growth in the population in ACW has occurred along the lakeshore, in conjunction with the development of 'The Bluffs' subdivision. Some of the population increase may also be attributable to the conversion of seasonal homes to permanently occupied dwellings.

The 2016 Census (2021 data is not yet available) was consulted to identify recent levels of movement within and to the Township. Between the 2016 and 2011 census periods, 8.2% of the population moved. Approximately 4.4% moved within the Township, with 3.8% moving to ACW from within Ontario, and 0.3% moving from another province. There were no migrants from outside of Canada that moved to ACW.

The average age in ACW, as of the 2021 census, is 43.5 years old. This is older than the provincial average of 41.8 years. Those aged 65 and over account for 22.6% of the population of ACW, whereas children, or those aged 14 or less make up approximately 17.1% of the population. The proportion of the population aged 65 and over in ACW is significantly greater than for Ontario as a whole at 16.7%. This reflects the Township's role as a retirement destination and a general aging of the rural population.

2.1.2 Residential Development

The number of permanently occupied private dwellings in ACW, Saltford, Port Albert and Dungannon as counted through previous censuses are summarized in Table 2.2 The number of private dwellings in the Township has increased over the last 10 years, with approximately 288 new dwellings. Counts of occupied dwellings for Saltford, Port Albert and Dungannon are not available earlier than 2016.

Over the last census period, there has been an increase in the number of occupied dwellings in ACW. In the last 5 years, the number of occupied dwellings in ACW has increased by 250 units or by 11.87%. The number of units in Saltford, Dungannon and Port Albert have not changed significantly in the last five years.

Table 2.2 Census Occupied Dwelling Counts, 2011-2021

Year	Saltford	Dungannon	Port Albert	ACW
2011	134	-	-	2069
2016	135	125	291	2107
2021	140	129	284	2357
5-year change	**5**	**4**	**-7**	**250**
10-year change	**6**	**-**	**-**	**288**
5-year change (%)	**3.7**	**3.2**	**-2.49**	**11.87**
10-year change (%)	**4.48**	**-**	**-**	**13.92**
5-year average annual growth rate (%)	**-**	**-**	**-**	**2.27**
10-year average annual growth rate (%)	**-**	**-**	**-**	**1.31**

To gain a better understanding of residential development occurring in ACW, building permit data for new residential dwellings was assessed. Table 2.3 summarizes the number of new residential building units throughout the Township between 2012 and 2021.

Table 2.3 Building Permits Issued for New Residential Development, 2012-2021

Year	New Permanent	New Seasonal	Total
2012	15	2	17
2013	17	2	19
2014	10	2	12
2015	19	1	20
2016	24	0	24
2017	48	1	49
2018	44	0	44
2019	79	1	80
2020	79	4	83
2021	89	4	93
5-year total	**339**	**10**	**349**
10-year total	**424**	**17**	**441**
5-year average	**67.8**	**2**	**69.8**
10-year average	**42.4**	**1.7**	**44.1**

Over the past 10 years, there were permits issued for 441 new residential units in ACW. All the development in ACW has historically been single detached homes. An examination of the average number of permits over the last 10, and 5 years shows an increase in the average number of new units per year. This increase reflects the recent increase in new homes built throughout the ACW. There are limited opportunities for more intensive type development in the Township as a result of the lack of wastewater servicing in the hamlets.

In the future, it is expected that the majority of new units will continue to be single detached homes.

2.1.3 Occupancy

For the purposes of this study, the average household density, or occupancy, is calculated from the permanent population and number of usually occupied dwellings. It is generally expressed as the average number of persons per household. The household density for ACW, Saltford, Port Albert and Dungannon based on census data, is shown in Table 2.4.

Table 2.4 Household Densities (Persons Per Unit)

Year	Saltford	Port Albert	Dungannon	ACW
2006	-	-	-	2.76
2011	2.87	-	-	2.7
2016	2.80	1.25	2.50	2.57
2021	2.67	1.34	2.43	2.5

Overall, the number of people per dwelling unit in the Township has declined over the last 10 years. This trend is common across rural Southwestern Ontario, as a result of shifting demographics, with more seniors, fewer children per household, and an increase in the number of single-person households. The low density within Port Albert is likely a reflection of the seasonal population in the community.

2.1.4 Types of Residential Development

Residential development in ACW includes a variety of types of dwelling units, including single detached, semi detached, row, apartment and moveable dwellings. Table 2.5 summarizes the number of single detached, multi and apartment units, population living the different unit types and average density as reported through the 2021 Census. For reference, moveable dwellings are included as multi-units.

Table 2.5 2021 Count of Residential Units by Type, ACW

Unit Type	Population	Number of Units	Persons Per Unit (PPU)
Single & Semi Detached	5,415	2,105	2.57
Multi	430	240	1.79
Apartment	15	5	3

2.1.5 Residential Developments

The majority of residential development in ACW occurs on existing lots, lots created by severance, or lots created by Plan of Subdivision. Municipal staff provided information on the following potential developments listed in Table 2.6. There are 221 approved lots and a further 66 draft approved. There are approximately 160 infill lots, 31 potential lots and 47 units in the proposal stage.

Table 2.6 Potential Residential Developments

Name	Total Unbuilt Units	Status
Nine Mile	17	Approved
The Bluffs	200	Approved
VanStone	4	Approved
Saltford Heights	66	Draft Approved
Allan's Creek Estates	2	Infill
Horizon View Road	9	Infill
Meyer Drive	8	Infill
Golf Course Road	5	Infill
Benmiller	5	Infill
Dungannon	30	Infill
Port Albert	100	Infill

Name	Total Unbuilt Units	Status
Birch Beach	26	Potential Development
Port Albert	5	Potential Development
Saltford Estates	30	Proposed Development
Ironside	17	Proposed Development

2.2 Seasonal Occupied Dwellings

There are a number of seasonally occupied dwellings, used primarily as cottages, in the Township. The majority of these seasonally occupied homes are located along the Lake Huron shoreline. This also includes a number of recreational dwellings in trailer parks. The number of seasonal units can be estimated from the difference between total private dwellings and usually occupied dwellings from the latest Census. The estimated number of seasonal units is 792.

For the purposes of development charges, new seasonal dwellings are captured in the new residential building permit data. There is no differentiation between new seasonal and new permanent residential units for development charges.

2.3 Non-Residential Growth Trends

2.3.1 Labour Force

Labour and employment for ACW was obtained from the 2016 Census. The number of persons employed was 2,645 or 59.1% of the population aged 15 and over. The unemployment rate is 5.7% which was lower than the Ontario rate of 7.4%. Approximately 37.4% of the population reported not being in the labour force. Approximately 24% of the workers in the Township are self-employed.

Approximately 38% of those over the age of 15 reported working full time and 30% worked part time. The majority of employed residents in ACW work in trades, transport and equipment operators (19.3%), management occupations (18%), sales and service occupations (16.9%), and natural resources and agriculture (12.5%).

The majority of employees in ACW (60%) commute to work outside of the Township to another municipality within Huron County. 14% of employees work within ACW and 26% commute to another County within Ontario. This generally reflects the absence of major employers within the Township.

2.3.2 Non-Residential Development

The number of building permits issued for non-residential development, including additions and new construction, in the Township over the last 10 years is summarized in Table 2.7. In the last five years there have been 20 building permits issued for new non-residential buildings. Table 2.8 summarizes the amount of new non-residential growth in square feet, based on permit information. Over the last five years, the average amount of new non-residential growth is 18,951 ft^2.

Table 2.7 Summary of Non-Residential Building Permits 2017-2021, ACW

Year	Number of Permits Issued
2012	5
2013	8
2014	155
2015	5
2016	2
2017	6
2018	3
2019	3
2020	1
2021	0
5-year Total	13
10-year Total	188
5-year Average	2.6
10-year Average	18.8

The count of non-residential permits includes 145 permits related to wind turbines constructed in 2014.

Table 2.8 Average Non-Residential Building (ft^2) 2012-2021

Year	Commercial (ft^2)	Industrial (ft^2)	Institutional (ft^2)	Total (ft^2)
5 year total Gross Floor Area	26,756	3,680	100	30,536
10 year total Gross Floor Area	731,075	3,680	5,493	740,248
5 year average Gross Floor Area	5,351	736	20	6,107
10 year average Gross Floor Area	73,108	368	549	74,025

Generally, there has been very little non-residential growth in ACW with the exception of the construction of K2 wind farm in 2014.

2.4 Development Patterns in the Study Area

A number of factors could influence growth trends in ACW. Of relevance to this study are the following:

- Development in Saltford is currently constrained due to a lack of water supply capacity. An Environmental Assessment to increase the capacity is currently

underway. It is suspected that when additional water capacity is available, the proposed developments in Saltford will proceed.

- The number of households is expected to outstrip population growth in ACW due to the overall aging of the population (resulting from lower death and birth rates). The aging of the population is expected to increase demands for services and housing designed to accommodate the needs of seniors.
- It is expected that development in ACW will primarily occur in Saltford and along the lakeshore. This is because of the approved and proposed developments in those areas.
- In general, the Township does not contain the scale of manufacturing and service sector activities to draw a significant number of commuters to ACW. However, there may be an increase in the number of remote workers located in the Township following the COVID-19 pandemic.
- It is expected the majority of residential growth will occur as single detached units as a result of the lack of wastewater servicing within the Township.

2.5 Residential and Non-Residential Allocation

The allocation between residential and non-residential development for the purposes of calculating development charges is determined from the tax assessment data. The tax assessment data is used to determine the percentage of the tax base that is residential and non-residential. The non-residential percentage includes commercial and industrial development and excludes agricultural, managed forests, and pipeline assessment data. The percentages of residential and non-residential development for the Township are summarized in Table 2.9.

Table 2.9: Residential and Non-Residential Allocations

Residential Allocation (%)	Non-Residential Allocation (%)
92	8

3.0 RESIDENTIAL GROWTH PROJECTIONS

3.1 Forecast Methodology

For the purposes of this study, a population forecast for ACW was developed. These forecasts are based on input from staff, forecasted developments, and building permit data.

The forecast incorporated the following methodological components:

- The 2021 population and household counts, as determined by the 2021 Census, were used as the starting points for the projections.
- Overall, it is estimated that development will occur at a rate of 44 units/year in ACW over the next 25 years. Given the proposed developments in Saltford, it is forecasted that growth will occur at a rate of 10 additional units a year from 2023

to 2030, and slow to 5 units in subsequent years once the proposed developments have been built.

- Residential growth in Port Albert is forecasted to occur at a rate of 3 units/year.
- The population density of ACW is forecasted to decline from 2.49 persons per unit to 2.46 over the study period.
- The expected number of households and population density was then used to forecast the population increase.
- It is expected that the majority of development will occur as single detached units.

Several major assumptions were also made to substantiate the use of the aforementioned methodology as the basis for a population forecast. They are as follows:

- Population growth will generally be accommodated through the development of existing lots and registered lots through Plans of Subdivisions and Site Plans.
- Water supply capacity for Saltford will increase in the near future.

3.2 Residential and Population Forecasts

A residential and population growth forecast was developed for ACW based upon the previously discussed methodology. Table 3.1 shows the population forecasts for Saltford, Port Albert and the remainder of the Township. Table 3.2 contains the forecasted number of additional dwelling units over the same period.

Table 3.1: Residential Population Forecast 2022-2047

	Saltford	Port Albert	Remainder of the Township	ACW (Total)
2021	374	381	5,128	5,883
2022	374	387	5,232	5,993
2027	494	417	5,631	6,542
2032	578	449	6,019	7,046
2037	643	484	6,434	7,561
2042	679	521	6,871	8,071
2047	741	561	7,310	8,612
5-year change	**120**	**30**	**399**	**549**
10-year change	**204**	**62**	**787**	**1,053**
20-year change	**305**	**134**	**1,639**	**2,078**
25-year change	**367**	**174**	**2,078**	**2,619**

Table 3.2: Residential Dwelling Forecast 2021-2047

	Saltford	Port Albert	Remainder of the Township	ACW (Total)
2021	140	284	1,933	2,357
2022	140	287	1,974	2,401
2027	185	302	2,134	2,621
2032	225	317	2,299	2,841
2037	250	332	2,479	3,061
2042	275	347	2,659	3,281
2047	300	362	2,839	3,501
5-year change	**45**	**15**	**160**	**220**
10-year change	**85**	**30**	**325**	**440**
20-year change	**135**	**60**	**385**	**880**
25-year change	**160**	**75**	**865**	**1,100**

3.3 Forecast Assessment

The following represents the key findings of the population and residential development forecasts for the Township of ACW:

- The number of residential units in ACW is expected to continue to increase over the next 25 years. The majority of the development is expected to occur along the lakeshore and Saltford and in the form of single detached units.
- It is forecasted that there will be an additional 2,078 persons in the Township in 20 years.
- It is expected that the future developments via the Plan of Subdivision process will support the continued growth within the Township.

3.4 Conclusions

The forecasts presented in Section 3.2 appear to be reasonable and appropriate forecasts for the Township of ACW, given historic growth rates and the factors previously discussed. In this regard, the forecast defined in Tables 3.1 and 3.2 should be adopted as the basis for calculating the residential development charges for the Township.

4.0 NON-RESIDENTIAL GROWTH FORECAST

4.1 Forecast

The forecast for non-residential development is based on the average amount of new non-residential growth in ACW over the last five years. The average annual amount of non-residential growth in the Township is 6,107 ft^2 per year. It is predicted that non-residential growth will continue at current rates. Given this, the forecasted amount of non-residential growth over the next 5, 10 and 20 years is shown in Table 4.1.

Table 4.1 Forecasted Non-Residential Growth (ft^2)

Year	ACW Non-Residential Growth (ft^2)
2022-2027	30,536
2022-2032	61,072
2022-2042	122,144

APPENDIX B
ANALYSIS OF GROWTH-RELATED PROJECTS

Project Description: Through the Development Charges Act, the cost of development-related studies can be recouped through development charges. The projects, costs, and benefits to existing and future for each study are summarized in Table B-1.

Analysis of Long-Term Capital and Operating Costs: There are no long-term or operating costs associated with these development-related studies.

Project Benefiting Area(s): Township-Wide

Costs:

Total Costs	$ 451,000
Deduct any grants or subsidies	$ 57,500
Subtotal	$ 393,500

Allocation of Costs

Benefit to Existing Development	$ 142,625
Benefit to Future Development	$ 250,875
Amount recoverable through Development Charges	$ 250,875

Development Charge Calculations

Residential Allocation (per capita)

$250,875 x 92.4% (based on residential assessment)	$ 231,809
Divided by future growth (549 persons)	549 persons
Residential development charges (per capita)	**$ 422**

Non-Residential Allocation (per square foot)

$250,875 x 7.6% (based on residential assessment)	$ 19,067
Divided by future growth (ft^2)	61,072 ft^2
Non-residential development charges (per ft^2)	**$ 0.31**

Table B-1
Township of ACW Development Charges Background Study – Growth Related Studies

Project	Net Cost (minus grants/ subsidies)	Attributable to Existing	Attributable to Future
Development Charge Study	30,000	$ 0 (0%)	30,000 (100%)
Development Charge Study	30,000	$ 0 (0%)	30,000 (100%)
Parks and Recreation Master Plan	2,500	1,875 (75%)	625 (25%)
Zoning Bylaw Update	15,000	11,250 (75%)	3,750 (25%)
Zoning Bylaw Update	15,000	11,250 (75%)	3,750 (25%)
Official Plan Update	25,000	18,750 (75%)	6,250 (25%)
Official Plan Update	25,000	12,500 (75%)	37,500 (25%)
Comprehensive Review	50,000	18,750 (75%)	6,250 (25%)
Road Needs Study	18,000	13,500 (75%)	4,500 (25%)
Road Needs Study	18,000	13,500 (75%)	4,500 (25%)
Growth and Servicing Master Plan	165,000	41,250 (75%)	123,750 (25%)
Total	**$393,500**	**$142,625**	**$250,875**

Project Description: The Township maintains parkland and associated facilities throughout the municipality. The Township anticipates undertaking a number of capital projects related to parkland development and facilities. These projects include washrooms, community facilities, trails, and playground equipment (see Table B-2). These projects will benefit existing and future development.

Given that outdoor recreation users are predominately residents, the growth-related costs have been allocated 100% to residential.

Analysis of Long-Term Capital and Operating Costs: Operating costs associated with future parkland development will be paid out of the general tax base. The increase in the tax base from new development should offset any increase in operating costs.

Project Benefiting Area(s): Township-wide

Costs:

Total Costs	$ 836,000
Deduct any grants or subsidies	$ 0
Subtotal	$ 836,000

Allocation of Costs

Benefit to Existing Development (60%)	$ 501,600
Benefit to Future Development (40%)	$ 334,400
Amount recoverable through Development Charges	$ 334,400

Development Charge Calculations

Residential Allocation (per capita)

$ 334,400 x 100% (based on residential assessment)	$ 334,400
Divided by future capacity (928 persons)	549 persons
Residential development charges (per capita)	**$ 609**

Non-Residential Allocation (per square foot)

Given that outdoor recreation users are predominately residents, the growth-related costs have been allocated 100% to residential.

Table B-2
Township of ACW Development Charges Background Study – Parks and Recreation

Project	Net Cost (minus grants/ subsidies)	Attributable to Existing	Attributable to Future
Washroom Facilities (2)	$500,000	$300,000 (60%)	$200,000 (40%)
Playground Equipment	$50,000	$30,000 (60%)	$20,000 (40%)
Gazebo Saltford	$93,000	$55,800 (60%)	$37,200 (40%)
Gazebo Port Albert	$100,000	$60,000 (60%)	$40,000 (40%)
Trail Development	$93,000	$55,800 (60%)	$37,200 (40%)
Total	**$836,000**	**$501,600**	**$334,400**

Project Description: The Township has previously identified the need to replace and expand the Zion Line Bridge and Birch Beach Road Bridge. These bridges are currently one lane structures and the replacements will accommodate two-way traffic. The Township has received grant funding amounting to $557,325 for the Birch Beach Road Bridge replacement. The costs associated with each project are summarized in Table B-3.

Analysis of Long-Term Capital and Operating Costs: This project will replace a existing assets that are near the end of their useful lives. The costs of the project attributed to existing development will be paid for through monies collected through operating costs. The additional development serviced by this project will offset the long-term capital and operating costs.

Project Benefiting Area(s): Township-wide

Costs:

Total Costs	$ 2,650,062
Deduct any grants or subsidies	$ 557,325
Subtotal	$ 2,092,737

Allocation of Costs

Benefit to Existing Development (75%)	$ 1,569,553
Benefit to Future Development (25%)	$ 523,184
Amount recoverable through development charges	$ 523,184

Development Charge Calculations

Residential Allocation (per capita)

$ 523,184 x 92.4% (based on residential assessment)	$ 483,422
Divided by 20-year growth (1,053 persons)	1,053 persons
Residential development charges (per capita)	**$ 459**

Non-Residential Allocation (per square foot)

$523,184 x 7.6% (based on non-residential assessment)	$ 39,762
Divided by 20-year non-residential growth (ft^2)	122,144
Non-residential development charges (per ft^2)	**$ 0.33**

Table B-3
Township of ACW Development Charges Background Study – Bridges

Project	Net Cost (minus grants/ subsidies)	Attributable to Existing	Attributable to Future
Birch Beach Road Bridge Replacement	$312,737	$234,553 (75%)	$78,184 (25%)
Zion Road Bridge Replacement	$1,780,000	$1,335,000 (75%)	$445,000 (25%)
Total	**$2,092,737**	**$1,569,553**	**$523,184**

Project Description: The Township is planning on purchasing three additional vehicles as part of the public works fleet to service growth. These vehicles include a one tonne truck, backhoe and sidewalk plow. These vehicles will benefit both future and existing growth.

Analysis of Long-Term Capital and Operating Costs: This project will add new assets. The costs of the project attributed to existing development will be paid for through monies collected through reserves. The additional development serviced by this project will offset the long-term capital and operating costs.

Project Benefiting Area(s): Township-Wide

Costs:

Total Costs	$ 460,000
Deduct any grants or subsidies	$ 0
Subtotal	$ 460,000

Allocation of Costs

Benefit to Existing Development	$ 230,000
Benefit to Future Development	$ 230,000
Amount recoverable through Development Charges	$ 230,000

Development Charge Calculations

Residential Allocation (per capita)

$230,000 x 92.4% (based on residential assessment)	$ 212,520
Divided by future growth (1,053 persons)	1,053 persons
Residential development charges (per capita)	**$ 202**

Non-Residential Allocation (per square foot)

$230,000 x 7.6% (based on residential assessment)	$ 17,480
Divided by future growth (ft^2)	122,144
Non-residential development charges (per ft^2)	**$ 0.14**

Table B-3
Township of ACW Development Charges Background Study – Vehicles

Project	Net Cost (minus grants/ subsidies)	Attributable to Existing	Attributable to Future
One Tonne Truck	$130,000	$65,000 (50%)	$65,000 (50%)
Back Hoe	$210,000	$105,000 (50%)	$105,000 (50%)
Sidewalk Plow	$120,000	$60,000 (50%)	$60,000 (50%)
Total	**$460,000**	**$230,000**	**$230,000**

Project Description: The Township has identified a number of capital projects related to roads and sidewalks. These projects are outlined in Table B-4. These projects include new sidewalks and road reconstruction projects.

Analysis of Long-Term Capital and Operating Costs: This project will add new and improve existing assets. The costs of the project attributed to existing development will be paid for through monies collected through reserves. The additional development serviced by this project will offset the long-term capital and operating costs.

Project Benefiting Area(s): Township-Wide

Costs:

Total Costs	$ 5,326,000
Deduct any grants or subsidies	$ 0
Subtotal	$ 5,326,000

Allocation of Costs

Benefit to Existing Development	$ 3,294,500
Benefit to Future Development	$ 2,031,500
Amount recoverable through Development Charges	$ 2,031,500

Development Charge Calculations

Residential Allocation (per capita)

$2,031,500 x 92.4% (based on residential assessment)	$ 1,877,106
Divided by future growth (1,053 persons)	1,053 persons
Residential development charges (per capita)	**$ 1,783**

Non-Residential Allocation (per square foot)

$2,031,500 x 7.6% (based on residential assessment)	$ 154,394
Divided by future growth (ft^2)	122,144
Non-residential development charges (per ft^2)	**$ 1.26**

Table B-3
Township of ACW Development Charges Background Study – Roads and Sidewalks

Project	Net Cost (minus grants/ subsidies)	Attributable to Existing	Attributable to Future
Birch Beach Road Upgrades	$393,000	$294,750 (75%)	$98,250 (25%)
London Road Intersection Improvement	$110,000	$82,500 (75%)	$27,500 (25%)
Airport Road, Mill and Champlain Upgrades	$2,800,000	$1,400,000 (75%)	$1,400,000 (25%)
Westmount Line Upgrades	$490,000	$367,500 (50%)	$122,500 (50%)
Zion Road Upgrades	$633,000	$474,750 (75%)	$158,250 (25%)
Glen Hill Road Upgrade	$900,000	$675,000 (75%)	$225,000 (25%)
Total	**$3,502,779**	**$3,294,500**	**$2,031,500**

Project Description: The Township is undertaking a Class EA to investigate options for expanding the Century Heights water system in Saltford. The system is approaching capacity and additional water supply is required to service future development. The cost associated with the EA includes the study, drilling a new well and technical evaluations. The cost associated with the Class EA and technical work associated with a new well. It is expected that this study will benefit 246 additional units (the number of potential units in the future buildout area of Saltford) or 615 people.

Analysis of Long-Term Capital and Operating Costs: This project will expand add additional assets. The additional development serviced by this project will offset the long-term capital and operating costs through water rates and reserves.

Project Benefiting Area(s): Saltford

Costs:

Total Capital Costs	$ 360,000
Deduct any grants or subsidies	$ 0
Subtotal	$ 360,000

Development Charge Calculations

Residential Allocation (per capita)

Amount attributable to existing development (20%)	$ 72,000
Amount attributable to future development (80%)	$288,000
Amount recoverable through development charges	$288,000
Future benefiting population (persons)	615
Residential Development Charge (per capita)	**$468**

Non-Residential Allocation (per square foot)

This project is allocate to residential development only as it is not expected there will be any non-residential development in Saltford in the future.