



Development Charges Background Study Update

Town of Grimsby

January 20, 2022

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development Charges
D.C.A.	Development Charges Act



Update to
Development
Charges Background
Study



1. Background

Commensurate with the provisions of the Development Charges Act, 1997, as amended (D.C.A.), the Town undertook a Development Charges (D.C.) Background Study, released the study, held a public meeting, and passed D.C. by-law No. 21-14, in accordance with the D.C.A. Following the passage of by-law 21-14, a revisions was required to Schedule B, the schedule of charges identified in the by-law. As such, the Town undertook a public process, as per the D.C.A., and passed amending by-law 21-44.

Recently, Town staff have identified projects contained in the D.C. calculation that require a deduction related to a portion of costs that are the direct responsibility of the developing landowners. As such, the purpose of this update report is to provide for the revised calculations required to recognize a reduction for developer contributions, in line with the approved local service policy included in Appendix E to the December 21, 2020 D.C. background study. This refinement will provide the necessary background report to amend by-law 21-14 (as amended by by-law 21-44).

2. Discussion

This section of the report provides an explanation for the above-noted refinement.

2.1 Refinements to Capital Project Costs for Services Related to a Highway

The D.C. Background Study provides the Town's Local Service Policy which sets out the Town's general policy guidelines on funding capital costs that will be included in the D.C. and capital costs that are to be funded as a direct developer responsibility through as conditions of their development agreement. The local service policy includes costs associated with services related to a highway, stormwater management, water and wastewater, parkland development, natural heritage, and underground linear services.

Since the release of the D.C. Background Study and passage of D.C. By-law 21-14, as amended, Town staff have identified capital projects that, based on the planned development, requires a developer contribution deduction from the costs included in the D.C. calculations for Services Related to a Highway. The Local Service Policy (Appendix E) provides the following for Services Related to a Highway:



- 1) Local, Collector, and Arterial Town Roads or Other Provincial/Regional Roads (including land)
 - b. External to but abutting to the development shall become a serviced street to the Town's requirements. The cost of the full serviced street and infrastructure shall be 50% of the adjacent Developer's direct responsibility with the remaining 50% funded in the D.C."

The projects that have been identified as requiring a direct developer contribution include:

- Project 15: North Service Road (NSRd) – 5th Wheel (Winston Rd) to 500m east was identified to have a gross cost of \$3.6 million (2020\$). From this amount, 10% or \$360,000 (10%) was deducted as a benefit to existing development, resulting in a net amount of \$3.24 million included in the D.C. calculations.

Of the 90% growth-related costs, a further deduction is required based on the local service policy in the amount of \$1.62 million to recognize 50% of the growth-related cost as a direct developer contribution. The revised net costs for inclusion in the D.C. calculations is therefore \$1.62 million.

- Project 16: As the Town has budgeted that the capital costs identified in project 15 would require debenture financing, the D.C. calculations included interest costs associated with the debenture. With the reduction in the net growth-related costs to \$1.62 million from D.C.s, after the direct developer contribution, the revised debt servicing costs also require a reduction. As such the amount to be included in the D.C. calculations related to interest (discounted) on debt of \$1.62 million, is \$206,920. This is a reduction of \$206,920 (50%) of the \$413,840 originally included in the D.C. calculations.
- Project 17: Old Winston Road – North Service Road to 100m East was identified to have a gross cost of \$480,000 (2020\$). This amount was 100% growth-related and therefore, included in the D.C. calculations.

A deduction is required to this project based on the local service policy in the amount of \$240,000 to recognize 50% of the growth-related cost as a direct developer contribution. The revised net costs for inclusion in the D.C. calculations is therefore \$240,000.



The revised total growth-related costs to be included in the D.C. calculations for Services Related to a Highway has therefore been reduced by \$2,066,920.

2.2 Overall Changes in the D.C. Calculation for Services Related to a Highway

Based on the revisions noted above, the total calculated development charge for Services Related to a Highway have been reduced by the following amounts:

- 1) For single detached/semi-detached units: reduced by \$792 per unit, from \$4,155 to \$3,363;
- 2) For residential Multiple units: reduced by \$539 per unit, from \$2,826 to \$2,287;
- 3) For Apartment units with 2 or more Bedrooms: reduced by \$502 per unit, from \$2,635 to \$2,133;
- 4) For Bachelor and 1 Bedroom Apartment units: reduced by \$307 per unit, from \$1,611 to \$1,304;
- 5) For Special Care/Special Dwelling units: reduced by \$280 per unit, from \$1,468 to \$1,188;
- 6) For Non-residential – Industrial development: reduced by \$0.24/sq.ft., from \$1.25 to \$1.01; and
- 7) For Non-residential – Non-industrial development: reduced by \$0.50/sq.ft. from \$2.65 to \$2.15.

The tables below summarize the revised calculated charges vs. the charges included in Schedule B to By-law 21-14, and amending By-law 21-44, for each of the rates noted above.



Table 2-1
Comparison of Residential Development Charges
for Single Detached & Semi-Detached Units
As per By-law 21-14, amending By-law 21-44, and this Report
(2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services*:			
Services Related to a Highway	\$4,155	\$4,155	\$3,363
Public Works	\$185	\$185	\$185
Fire Protection Services	\$1,018	\$1,018	\$1,018
Parks and Recreation Services	\$6,809	\$6,809	\$6,809
Library Services	\$1,695	\$1,695	\$1,695
Growth Studies	\$1,632	\$1,632	\$1,632
Total Municipal Wide Services	\$15,493	\$15,493	\$14,702
Urban Specific Services:			
Stormwater Drainage and Control Services	\$1,293	\$1,293	\$1,293
Wastewater Services	\$400	\$400	\$400
Water Services	\$502	\$502	\$502
Total Urban Specific Services	\$2,195	\$2,195	\$2,195
Grand Total - Urban Area	\$17,688	\$17,688	\$16,897

Table 2-2
Comparison of Residential Development Charges
for Multiple Units
As per By-law 21-14, amending By-law 21-44, and this Report
(2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$2,635	\$2,826	\$2,287
Public Works	\$117	\$126	\$126
Fire Protection Services	\$692	\$692	\$692
Parks and Recreation Services	\$4,630	\$4,630	\$4,630
Library Services	\$1,153	\$1,153	\$1,153
Growth Studies	\$1,110	\$1,110	\$1,110
Total Municipal Wide Services	\$10,337	\$10,537	\$9,998
Urban Specific Services:			
Stormwater Drainage and Control Services	\$879	\$879	\$879
Wastewater Services	\$272	\$272	\$272
Water Services	\$341	\$341	\$341
Total Urban Specific Services	\$1,492	\$1,492	\$1,492
Grand Total - Urban Area	\$11,829	\$12,029	\$11,490



Table 2-3
Comparison of Residential Development Charges
for Apartment Units with 2 or more Bedrooms
As per By-law 21-14, amending By-law 21-44, and this Report
(2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$1,611	\$2,635	\$2,133
Public Works	\$72	\$117	\$117
Fire Protection Services	\$646	\$646	\$646
Parks and Recreation Services	\$4,318	\$4,318	\$4,318
Library Services	\$1,075	\$1,075	\$1,075
Growth Studies	\$1,035	\$1,035	\$1,035
Total Municipal Wide Services	\$8,757	\$9,826	\$9,324
Urban Specific Services:			
Stormwater Drainage and Control Services	\$820	\$820	\$820
Wastewater Services	\$254	\$254	\$254
Water Services	\$318	\$318	\$318
Total Urban Specific Services	\$1,392	\$1,392	\$1,392
Grand Total - Urban Area	\$10,149	\$11,218	\$10,716

Table 2-4
Comparison of Residential Development Charges
for Bachelor and one Bedroom Apartment Units
As per By-law 21-14, amending By-law 21-44, and this Report
(2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$2,826	\$1,611	\$1,304
Public Works	\$126	\$72	\$72
Fire Protection Services	\$395	\$395	\$395
Parks and Recreation Services	\$2,640	\$2,640	\$2,640
Library Services	\$657	\$657	\$657
Growth Studies	\$633	\$633	\$633
Total Municipal Wide Services	\$7,277	\$6,008	\$5,701
Urban Specific Services:			
Stormwater Drainage and Control Services	\$501	\$501	\$501
Wastewater Services	\$155	\$155	\$155
Water Services	\$195	\$195	\$195
Total Urban Specific Services	\$851	\$851	\$851
Grand Total - Urban Area	\$8,128	\$6,859	\$6,552



Table 2-5
 Comparison of Residential Development Charges
 for Special Care/Special Dwelling Units
 As per By-law 21-14, amending By-law 21-44, and this Report
 (2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$1,468	\$1,468	\$1,188
Public Works	\$65	\$65	\$65
Fire Protection Services	\$360	\$360	\$360
Parks and Recreation Services	\$2,406	\$2,406	\$2,406
Library Services	\$599	\$599	\$599
Growth Studies	\$577	\$577	\$577
Total Municipal Wide Services	\$5,475	\$5,475	\$5,195
Urban Specific Services:			
Stormwater Drainage and Control Services	\$457	\$457	\$457
Wastewater Services	\$141	\$141	\$141
Water Services	\$177	\$177	\$177
Total Urban Specific Services	\$775	\$775	\$775
Grand Total - Urban Area	\$6,250	\$6,250	\$5,970

Table 2-6
 Comparison of Residential Development Charges for
 Non-Residential – Industrial Development
 As per By-law 21-14, amending By-law 21-44, and this Report
 (2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$1.25	\$1.25	\$1.01
Public Works	\$0.06	\$0.06	\$0.06
Fire Protection Services	\$0.29	\$0.29	\$0.29
Parks and Recreation Services	\$0.31	\$0.31	\$0.31
Library Services	\$0.08	\$0.08	\$0.08
Growth Studies	\$0.47	\$0.47	\$0.47
Total Municipal Wide Services	\$2.46	\$2.46	\$2.22
Area Specific Services:			
Stormwater Drainage and Control Services	\$0.15	\$0.15	\$0.15
Wastewater Services	\$0.12	\$0.12	\$0.12
Water Services	\$0.15	\$0.15	\$0.15
Total Area Specific Services	\$0.42	\$0.42	\$0.42
Grand Total - Urban Area	\$2.88	\$2.88	\$2.64



Table 2-7
Comparison of Residential Development Charges for
Non-Residential – Non-Industrial Development
As per By-law 21-14, amending By-law 21-44, and this Report
(2020\$)

Service	As per By-law 21-14 (March 22, 2021)	As per By-law 21-44 (April 12, 2021)	As per Report (January 10, 2022)
Municipal Wide Services:			
Services Related to a Highway	\$2.65	\$2.65	\$2.15
Public Works	\$0.11	\$0.11	\$0.11
Fire Protection Services	\$0.65	\$0.65	\$0.65
Parks and Recreation Services	\$0.67	\$0.67	\$0.67
Library Services	\$0.17	\$0.17	\$0.17
Growth Studies	\$1.00	\$1.00	\$1.00
Total Municipal Wide Services	\$5.24	\$5.24	\$4.74
Area Specific Services:			
Stormwater Drainage and Control Services	\$0.33	\$0.33	\$0.33
Wastewater Services	\$0.25	\$0.25	\$0.25
Water Services	\$0.31	\$0.31	\$0.31
Total Area Specific Services	\$0.89	\$0.89	\$0.89
Grand Total - Urban Area	\$6.13	\$6.13	\$5.63

2.3 Revised Schedule of Development Charges

The following table provides a summary of the revised calculated charges that will replace Schedule B to By-law 21-14, as amended by By-law 21-44. Note that only the charges related to Services Related to a Highway are being refined through this update. Further, as By-law 21-14 was based on 2020 values, the update to the charges provided herein are also based on 2020 values. Therefore, annual indexing that has take place since the passage of By-law 21-14 would still apply to the updated rates.



Table 2-8
Revised Schedule of Development Charges
(2020\$)

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Town-Wide Services/Classes:							
Services Related to a Highway	3,363	2,287	2,133	1,304	1,188	1.01	2.15
Public Works	185	126	117	72	65	0.06	0.11
Fire Protection Services	1,018	692	646	395	360	0.29	0.65
Parks and Recreation Services	6,809	4,630	4,318	2,640	2,406	0.31	0.67
Library Services	1,695	1,153	1,075	657	599	0.08	0.17
Growth Studies	1,632	1,110	1,035	633	577	0.47	1.00
Total Town-Wide Services/Classes	14,702	9,998	9,324	5,701	5,195	2.22	4.74
Urban Services							
Stormwater Drainage and Control Services	1,293	879	820	501	457	0.15	0.33
Wastewater Services	400	272	254	155	141	0.12	0.25
Water Services	502	341	318	195	177	0.15	0.31
Total Urban Services	2,195	1,492	1,392	851	775	0.42	0.89
GRAND TOTAL RURAL AREA	14,702	9,998	9,324	5,701	5,195	2.22	4.74
GRAND TOTAL URBAN AREA	16,897	11,490	10,716	6,552	5,970	2.64	5.63

2.4 Requirement for Public Process

As the reduction to recognize local service contributions by developing landowners' results in a decrease to the calculated charges currently in place, it is necessary to undertake the public process required as per the D.C.A. This includes issuing a background report, which this report acts as, holding a public meeting, providing notice of the public meeting, passage of an amending by-law, and notice of passage. This report provides a draft amending by-law to revise Schedule B to by-law 21-14, as amended by 21-44.

2.5 Changes to the Background Report

Based upon the above, the following revisions are made to the pages within the background study (new pages are appended to this report):



Page Reference	Description of Revisions
ES (v)	Update to item 7 related to the updated municipal-wide calculated charges.
ES (v & vi)	Update to item 8 related to the updated summary of gross capital costs and recovery of costs over the life of the by-law.
ES (viii)	Updates to Table ES-1 to reflect the recalculated charges.
1-2 & 1-3	Revised Figure 1-1 to include the release of this report, public process, and the timing of by-law passage.
5-14 to 5-16	Revised to reflect refinements in Services Related to a Highway
6-2	Table 6-2 updated to reflect the amended calculated charges for Services Related to a Highway.
6-4	Table 6-4 updated to reflect the amended calculated charges for All Services and Classes.
6-56	Table 6-5 updated to reflect the amended calculated charges of the costs to be Incurred over the life of the by-Law.
7-10	Update recommendations to reflect the approval of the D.C. Background Study, as amended.
C-4	Table C-1 updated to reflect the changes to the Future Capital Expenditures.
G-24	Schedule B to Development Charges By-law to reflect the amended calculated charges to Services Related to a Highway.

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

Sections 1 & 2 provide for a summary of the revisions to the Town's Development Charges By-law 21-14, as amended by By-law 21-44. If Council is satisfied with the above correction, this report will be considered for approval by Council along with the amending By-law provided in Appendix A.



Appendices



Appendix A

Draft Amending By-law to Development Charges By-law 21-14, as Amended



THE CORPORATION OF THE TOWN OF GRIMSBY

BY-LAW NO. 22-XX

A BY-LAW TO AMEND BY-LAW 21-14, AS AMENDED BY BY-LAW 21-44, RESPECTING DEVELOPMENT CHARGES FOR THE TOWN OF GRIMSBY

Whereas the Town of Grimsby (the “Town”) enacted By-law 21-14 pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass By-laws for the imposition of development charges against land;

And Whereas the Town undertook an addendum to the development charges background study pursuant to the Act and enacted amending By-law 21-44;

And Whereas the Town has undertaken an update to the development charges background study pursuant to the Act which has provided updated Schedule B to By-law 21-14, as amended;

And Whereas the Council of the Town of Grimsby (“Council”) has before it a report entitled “Town of Grimsby Development Charges Background Study Update” prepared by Watson & Associates Economists Ltd., dated January 20, 2022 (the “update study”);

And Whereas the update study and proposed amending By-law were made available to the public on January 20, 2022 and Council gave notice to the public pursuant to Section 12 of the Act.

And Whereas Council, on March 7, 2022 held a meeting open to the public, pursuant to Section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE Council hereby enacts as follows:

1. By-law 21-14, as amended by By-law 21-44, is hereby amended as follows:
 - A. By replacing Schedule “B” to the By-law with a revised Schedule “B”, as attached.



By-law read a first and second time this 21st day of March, 2022.

By-law read a third time and finally passed this 21st day of March, 2022.

J.A. Jordan, Mayor

S. Kim, Town Clerk



Schedule "B"
To By-law 21-14
Schedule of Development Charges

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Town-Wide Services/Classes:							
Services Related to a Highway	3,363	2,287	2,133	1,304	1,188	1.01	2.15
Public Works	185	126	117	72	65	0.06	0.11
Fire Protection Services	1,018	692	646	395	360	0.29	0.65
Parks and Recreation Services	6,809	4,630	4,318	2,640	2,406	0.31	0.67
Library Services	1,695	1,153	1,075	657	599	0.08	0.17
Growth Studies	1,632	1,110	1,035	633	577	0.47	1.00
Total Town-Wide Services/Classes	14,702	9,998	9,324	5,701	5,195	2.22	4.74
Urban Services							
Stormwater Drainage and Control Services	1,293	879	820	501	457	0.15	0.33
Wastewater Services	400	272	254	155	141	0.12	0.25
Water Services	502	341	318	195	177	0.15	0.31
Total Urban Services	2,195	1,492	1,392	851	775	0.42	0.89
GRAND TOTAL RURAL AREA	14,702	9,998	9,324	5,701	5,195	2.22	4.74
GRAND TOTAL URBAN AREA	16,897	11,490	10,716	6,552	5,970	2.64	5.63



Appendix B

Amending Pages to Development Charges Background Study



of the new by-law anticipated for March 1, 2021. In addition to the new by-law, the existing by-law (16-73, as amended by 18-39) will be amended to embrace legislative changes and ensure the continued collection for parking services until September 18, 2022, as per Bill 197 (based on the transition rules of Bill 197).

7. The Town's D.C. currently in effect for single detached dwelling units is \$17,702 for full services. Non-residential charges were categorized as industrial and non-industrial. Respectively, their corresponding current charges are \$3.73 and \$8.37 per square foot of gross floor area.

The current rates include a charge for parking services. As per Bill 197 parking services are no longer eligible for inclusion in the development charges however, based on the transition rules, the Town can continue to collect the parking component of the current D.C. until September 18, 2022 or until a Community Benefits Charge By-law is passed.

This report has undertaken a recalculation of the charges based on future identified needs (presented in Schedule ES-1 for residential and non-residential) excluding parking services. Charges have been provided on a Town-wide basis for all services except water, wastewater and stormwater services. Water, wastewater and stormwater services have been provided on an urban-area basis. The corresponding single detached unit charge for full services (excluding parking services) is \$16,897. The industrial charge is \$2.64 and the non-industrial charge is \$5.63 per square foot of building area, excluding parking services. These rates are submitted to Council for its consideration.

In addition to the calculated charges provided above, the current parking services charges (presented in in Schedule ES-2) of \$43 per single detached unit and \$0.01 per sq.ft. for industrial and \$0.02 per sq.ft. for non-industrail development are recommended to continue for the transition period or until the Town passes a Community Benefits Charge By-law.

8. The D.C.A. requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-4. A summary of these costs is provided below:



Total gross expenditures planned over the next five years	\$ 42,086,417
Less:	
Benefit to existing development	\$ 7,942,763
Post planning period benefit	\$ 11,040,200
Ineligible re: Level of Service	\$ 169,900
Grants, subsidies and other contributions	\$ 2,016,000
Net Costs to be recovered from development charges	\$ 20,917,554

This suggests that for the non-D.C. cost over the five-year D.C. by-law (benefit to existing development, post planning period benefit, and the grants, subsidies and other contributions), \$10.13 million (or an annual amount of \$2.03 million) will need to be contributed from taxes and rates or other sources. With respect to the post period benefit amount of \$11.04 million, it will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the Town plans to spend \$42.09 million over the next five years, of which \$20.92 million (50%) is recoverable from D.C.s. Of this net amount, \$17.88 million is recoverable from residential development and \$3.04 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

9. Considerations by Council – The background study represents the service needs arising from residential and non-residential growth over the forecast periods.

The following services are calculated based on an urban buildout forecast:

- Stormwater Drainage and Control Services;
- Wastewater Services; and
- Water Services.

The following services are calculated based on a 22-year forecast:

- Services Related to a Highway; and
- Fire Protection Services.

The following services are calculated based on a 10-year forecast:

- Parks and Recreation Services; and
- Library Services.



**Table ES-1
Schedule of Calculated Development Charges**

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Town-Wide Services/Classes:							
Services Related to a Highway	3,363	2,287	2,133	1,304	1,188	1.01	2.15
Public Works	185	126	117	72	65	0.06	0.11
Fire Protection Services	1,018	692	646	395	360	0.29	0.65
Parks and Recreation Services	6,809	4,630	4,318	2,640	2,406	0.31	0.67
Library Services	1,695	1,153	1,075	657	599	0.08	0.17
Growth Studies	1,632	1,110	1,035	633	577	0.47	1.00
Total Town-Wide Services/Classes	14,702	9,998	9,324	5,701	5,195	2.22	4.74
Urban Services							
Stormwater Drainage and Control Services	1,293	879	820	501	457	0.15	0.33
Wastewater Services	400	272	254	155	141	0.12	0.25
Water Services	502	341	318	195	177	0.15	0.31
Total Urban Services	2,195	1,492	1,392	851	775	0.42	0.89
GRAND TOTAL RURAL AREA	14,702	9,998	9,324	5,701	5,195	2.22	4.74
GRAND TOTAL URBAN AREA	16,897	11,490	10,716	6,552	5,970	2.64	5.63

**Table ES-2
Schedule of Existing Parking Services Development Charges**

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Parking Services	43	29	25	17	-	0.01	0.02
Total Town-Wide Services/Classes	43	29	25	17	-	0.01	0.02

Note: Parking Service to continue until September 18, 2022



1.2 Summary of the Process

The public meeting required under section 12 of the *Development Charges Act, 1997*, as amended (D.C.A.), has been scheduled for February 1, 2021. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Town's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on December 21, 2020.

The process to be followed in finalizing the report and recommendations includes:

- consideration of responses received prior to, at, or immediately following the public meeting; and
- finalization of the report and Council consideration of the new by-law and amendment to the existing by-law subsequent to the public meeting.

Figure 1-1 outlines the proposed schedule to be followed with respect to the D.C. by-law adoption process.

Figure 1-1
Schedule of Key D.C. Process Dates for the Town of Grimsby

1. Data collection, staff review, engineering work, D.C. calculations and policy work	December 2019 to December 2020
2. Public release of final D.C. Background study, proposed new by-law and proposed amending by-law to the existing by-law	December 21, 2020
3. Public meeting advertisement placed in newspaper(s)	January 8, 2021
4. Public meeting of Council	February 1, 2021
5. Council considers adoption of background study and passage of by-law and amending by-law	March 22, 2021
6. Newspaper notice given of by-law passage	April 8, 2021
7. Last day for by-law appeal	40 days after passage



8. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date
9. Public release of Addendum #1 to Background Study	April 14, 2021
10. Public meeting advertisement placed in newspaper(s)	May 24, 2021
11. Public meeting of Council	June 21, 2021
12. Council considers adoption of background study and passage of by-law and amending by-law	June 21, 2021
13. Newspaper notice given of by-law passage	June 28, 2021
14. Last day for by-law amendment appeal	40 days after passage
15. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date
16. Public release of Update to Background Study	January 20, 2022
17. Public meeting advertisement placed in newspaper(s)	February 13, 2022
18. Public meeting of Council	March 7, 2022
19. Council considers adoption of update study and passage of amending	March 21, 2022
20. Newspaper notice given of by-law passage	By 20 days after passage
21. Last day for by-law amendment appeal	40 days after passage
22. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date

1.3 Changes to the D.C.A.: Bill 73 – Smart Growth for our Communities Act, 2015

With the amendment of the D.C.A. (as a result of Bill 73 and O. Reg. 428/15), there are a number of areas that must be addressed to ensure that the Town is in compliance with the D.C.A., as amended. The following provides an explanation of the changes to the Act that affect the Town's background study and how they have been dealt with to ensure compliance with the amended legislation.



5.3 Service Levels and 22-Year Forecast of Capital Costs for Grimsby's D.C. Calculation

This section evaluates the development-related capital costs requirements for those services with a 22-year forecast.

5.3.1 Services Related to a Highway

Grimsby owns and maintains 97.6 km of rural and urban collector roads. Over the historic 10-year period, the Town has provided an average level of investment of \$11,462 per capita. Based on this service standard, the Town would be eligible to collect \$69,869,304 from D.C.s over the buildout forecast period.

With respect to future growth-related needs, the identified capital projects related to roads and related infrastructure totals \$14,706,956, including financing cost (discounted) of \$727,956. Deduction of \$1,676,500 has been made to account for benefit to existing development and \$1,860,000 to recognize direct developer contributions as per the local service policy. A further deduction in the amount of \$2,389,245 has been made to recognize the existing reserve fund balance, which provides a net D.C.-eligible amount of \$8,848,130 to be recovered over the buildout forecast period.

The residential/non-residential capital cost allocation for all services related to a highway is 75% residential and 25% non-residential based on the incremental growth in population to employment for the Town-wide buildout forecast period.



Infrastructure Costs Included in the Development Charges Calculation

Town of Grimsby

Service: Services Related to a Highway

Prj .No	Increased Service Needs Attributable to Anticipated Development 2020-2041	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 75%	Non-Residential Share 25%
Road Urbanization & Improvements											
1	Marlow Ave - Park Rd to 280m W Urbanization	2025	800,000	-		800,000	200,000		600,000	450,000	150,000
2	Central Ave - Baker Rd to Park Rd Urbanization	2025	1,900,000	-		1,900,000	475,000		1,425,000	1,068,750	356,250
3	Park Rd - Central Ave to Marlow Ave Urbanization	2025	480,000	-		480,000	120,000		360,000	270,000	90,000
4	Interest on Debt - Growth Related (Marlow, Central Ave & Park Rd) - Discounted	2025-2034	219,602	-		219,602	-		219,602	164,702	54,901
5	Casablanca Blvd/QEW Ramp Improvements	2021-2023	3,400,000	-		3,400,000	340,000		3,060,000	2,295,000	765,000
6	Interest on Debt - Growth Related (Casablanca Blvd/QEW Ramp Improvements) - Discounted	2021-2030	301,433	-		301,433	-		301,433	226,075	75,358
7	Concord Place - 100m E of Windward Dr to N Service Rd	2021	50,000	-		50,000	-		50,000	37,500	12,500
8	Hunter Rd Upgrades (GO Transit Area) - Industrial Dr to S Service Rd	2035	840,000	-		840,000	84,000		756,000	567,000	189,000
9	Casablanca Blvd. Streetscape Improvements	2021-2023	650,000	-		650,000	97,500		552,500	414,375	138,125
Sidewalks											
10	Sidewalks - West End (2016 DC Completion): - Lakelawn - 50m S of Winston to N Service, E Side - N Service - Lakelawn to 115m E, N Side - N Service - 115m E Lakelawn to 85 E, N Side - N Service - 200m E of Lakelawn to 195m E, N Side - Concord Pl - 100m E of Windward to N Service, S Side	2020-2023	150,000	-		150,000	-		150,000	112,500	37,500
11	Sidewalks - Casablanca Blvd, Livingston Ave & South Service Rd (Region Road Reconstruction Project): - S Service - Industrial to Casablanca, Both Sides - Casablanca - S Service to Livingston Ave, W Side - Casablanca at CN Crossing, W Side - Casablanca - Livingston to Main St W, W Side - Livingston - Casablanca to 400m W, Both Sides	2021-2023	640,000	-		640,000	-		640,000	480,000	160,000
12	Sidewalks - Winston Rd - Kelson Ave N to 60m W, S Side	2025	9,000	-		9,000	-		9,000	6,750	2,250
13	Multi-Use Path - Winston Rd - Kelson Ave N to 500m E, N Side	2026	680,000	-		680,000	-		680,000	510,000	170,000



Infrastructure Costs Included in the Development Charges Calculation

Town of Grimsby

Service: Services Related to a Highway

Prj .No	Increased Service Needs Attributable to Anticipated Development 2020-2041	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 75%	Non-Residential Share 25%
14	Sidewalks - Hunter Rd, South Service Rd, Industrial Dr: - Hunter - Industrial to S Service, E Side - South Service - Hunter Rd to Industrial, S Side - Industrial Dr - Hunter to S Service, Both Sides - S Service - Casablanca to 360m E, N Side - S Service - E Ent 359 S Service to E Ent 362 S Service, S Side	2030	300,000	-		300,000	-		300,000	225,000	75,000
	Road Reconstruction & Upgrade										
15	North Service Road - 5th Wheel from Winston Road to 500m east	2023-2024	3,600,000	-		3,600,000	360,000	1,620,000	1,620,000	1,215,000	405,000
16	Interest on Debt - Growth Related (North Service Road - 5th Wheel from Winston Road to 500m east - Discounted)	2024-2034	206,920	-		206,920	-		206,920	155,190	51,730
17	Old Winston Road - North Service Road to 100m East	2023-2024	480,000	-		480,000	-	240,000	240,000	180,000	60,000
18	Reserve Adjustment		-	-		-	2,389,245		(2,389,245)	(1,791,934)	(597,311)
	Total		14,706,956	-	-	14,706,956	4,065,745	1,860,000	8,781,210	6,585,908	2,195,303



Table 6-2
Town of Grimsby
Development Charge Calculation
Town-wide Services and Classes
2020-2041

SERVICE/CLASS OF SERVICE	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	Single Detached Unit	Non-Residential per sq.ft.	Industrial	Non-Industrial	Industrial per sq.ft.	Non-Industrial per sq.ft.
4. <u>Services Related to a Highway</u>	\$	\$	\$	\$				
4.1 Roads and Related	6,585,908	2,195,303	3,363	1.84	318,574	1,876,728	1.01	2.15
5. <u>Public Works Facilities, Vehicles & Equipment</u>								
5.1 Services Related to a Highway - Facilities	45,000	15,000	23	0.01	2,177	12,823	0.01	0.01
5.2 Services Related to a Highway - Vehicles & Equipment	317,738	105,913	162	0.09	15,370	90,543	0.05	0.10
	362,738	120,913	185	0.10	17,546	103,366	0.06	0.11
6. <u>Fire Protection Services</u>								
6.1 Fire facilities, vehicles, equipment and gear	1,992,527	664,176	1,018	0.56	96,383	567,793	0.30	0.65
	1,992,527	664,176	1,018	0.56	96,383	567,793	0.29	0.65
TOTAL	\$8,941,172	\$2,980,391	\$4,566	\$2.50	\$432,503	\$2,547,887	\$1.36	\$2.91
D.C.-Eligible Capital Cost	\$8,941,172	\$2,980,391			\$432,503	\$2,547,887		
22-Year Gross Population/GFA Growth (sq.ft.)	6,096	1,193,400			317,500	875,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,466.73	\$2.50			\$1.36	\$2.91		
By Residential Unit Type	P.P.U.							
Single and Semi-Detached Dwelling	3.113	\$4,566						
Apartments - 2 Bedrooms +	1.974	\$2,895						
Apartments - Bachelor and 1 Bedroom	1.207	\$1,770						
Other Multiples	2.117	\$3,105						
Special Care/Special Dwelling Units	1.100	\$1,613						



Table 6-4
Town of Grimsby
Development Charge Calculation
Total All Services and Classes

	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	Single Detached Unit	Non-Residential per sq.ft.	Industrial	Non-Industrial	Industrial per sq.ft.	Non-Industrial per sq.ft.
	\$	\$	\$	\$	\$	\$	\$	\$
Urban-wide Services Build out	6,479,161	1,266,884	2,195	0.73	263,808	1,003,076	0.42	0.89
Municipal-wide Services 20 Year	8,941,172	2,980,391	4,566	2.50	432,503	2,547,887	1.36	2.91
Municipal-wide Services 10 Year	9,888,371	967,318	10,136	1.60	130,999	836,319	0.86	1.84
TOTAL	\$25,308,704	\$5,214,592	\$16,897	\$4.83	\$827,310	\$4,387,282	\$2.64	\$5.63



Table 6-5
Town of Grimsby
Gross Expenditure and Sources of Revenue Summary
for Costs to be Incurred over the Life of the By-law

Service/Class of Service	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source			Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing	Other Funding		Residential	Non-Residential
1. Stormwater Drainage and Control Services 1.1 Channels, drainage and ponds	4,825,000	0	382,500	396,000	0	3,601,385	445,115
2. Wastewater Services 2.1 Sewers	0	0	0	0	0	0	0
3. Water Services 3.1 Distribution systems	1,301,000	0	650,500	0	0	500,885	149,615
4. Services Related to a Highway 4.1 Roads and Related	7,960,573	0	700,000	1,620,000	0	4,230,430	1,410,143
5. Public Works Facilities, Vehicles & Equipment 5.1 Services Related to a Highway - Facilities 5.2 Services Related to a Highway - Vehicles & Equipment	0 423,650	0 0	0 0	0 0	0 0	0 317,738	0 105,913
6. Fire Protection Services 6.1 Fire facilities, vehicles, equipment and gear	0	0	0	0	0	0	0
7. Parks and Recreation Services 7.1 Parkland development, amenities, trails; facilities; vehicles & equipment	24,158,750	0	5,525,700	0	11,040,200	7,213,207	379,642
8. Library Services 8.1 Library facilities and Collection	467,444	0	0	0	0	444,072	23,372
9. Growth Studies 9.1 Water Services 9.2 Wastewater Services 9.3 Stormwater Services 9.4 Services Related to a Highway 9.5 Parks & Recreation Services 9.6 Fire Protection Services 9.7 Library Services 9.8 Emergency Preparedness	269,533 247,572 442,065 1,045,887 587,500 213,440 94,003 50,000	11,971 9,970 24,149 60,559 40,621 13,691 8,939 0	122,403 119,863 147,862 164,482 72,960 33,503 10,490 12,500	0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0	101,370 88,304 202,541 615,635 355,439 124,685 55,931 28,125	33,790 29,435 67,514 205,212 118,480 41,562 18,644 9,375
Total Expenditures & Revenues	\$42,086,417	\$169,900	\$7,942,763	\$2,016,000	\$11,040,200	\$17,879,744	\$3,037,810



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

SERVICE/CLASS OF SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Stormwater Drainage and Control Services				
1.1 Channels, drainage and ponds	4,685,222	244,781	330,499	575,280
2. Wastewater Services				
2.1 Sewers	1,532,542	128,006	1,702,515	1,830,521
3. Water Services				
3.1 Distribution systems	(75,319)	158,719	1,810,504	1,969,223
4. Services Related to a Highway				
4.1 Roads and Related	10,641,210	593,633	1,250,768	1,844,401
5. Public Works Facilities, Vehicles & Equipment				
5.1 Services Related to a Highway - Facilities	60,000	3,168	7,052	10,220
5.2 Services Related to a Highway - Vehicles & Equipment	423,650	20,251	49,796	70,047
6. Fire Protection Services				
6.1 Fire facilities, vehicles, equipment and gear	4,120,602	338,342	650,762	989,104
7. Parks and Recreation Services				
7.1 Parkland development, amenities, trails; facilities; vehicles & equipment	18,032,110	1,086,500	458,771	1,545,271
8. Library Services				
8.1 Library facilities and Collection	1,741,112	214,325	125,653	339,978
9. Growth Studies				
9.1 Water Services	168,900	-	-	-
9.2 Wastewater Services	145,020	-	-	-
9.3 Stormwater Services	372,680	-	-	-
9.4 Services Related to a Highway	1,006,290	-	-	-
9.5 Parks & Recreation Services	712,400	-	-	-
9.6 Fire Protection Services	258,350	-	-	-
9.7 Library Services	149,240	-	-	-
9.8 Emergency Preparedness	37,500	-	-	-
Total	44,011,509	2,787,725	6,386,320	9,174,045



Schedule "B"
To By-law 21-14, as amended
Schedule of Development Charges

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Town-Wide Services/Classes:							
Services Related to a Highway	3,363	2,287	2,133	1,304	1,188	1.01	2.15
Public Works	185	126	117	72	65	0.06	0.11
Fire Protection Services	1,018	692	646	395	360	0.29	0.65
Parks and Recreation Services	6,809	4,630	4,318	2,640	2,406	0.31	0.67
Library Services	1,695	1,153	1,075	657	599	0.08	0.17
Growth Studies	1,632	1,110	1,035	633	577	0.47	1.00
Total Town-Wide Services/Classes	14,702	9,998	9,324	5,701	5,195	2.22	4.74
Urban Services							
Stormwater Drainage and Control Services	1,293	879	820	501	457	0.15	0.33
Wastewater Services	400	272	254	155	141	0.12	0.25
Water Services	502	341	318	195	177	0.15	0.31
Total Urban Services	2,195	1,492	1,392	851	775	0.42	0.89
GRAND TOTAL RURAL AREA	14,702	9,998	9,324	5,701	5,195	2.22	4.74
GRAND TOTAL URBAN AREA	16,897	11,490	10,716	6,552	5,970	2.64	5.63