



2019 Development Charges Update Study

Town of Arnprior

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1. Introduction

1.1 Background

The Town of Arnprior imposes development charges (D.C.) to recover the increase in needs for service arising from growth. The basis for the calculation of the Town's existing Municipal-wide development charges is documented in the "Town of Arnprior Development Charge Background Study", dated December 29, 2017, which provided the supporting documentation for By-law 6805-18. The development charges came into effect March 13, 2018.

The Town's development charges have been indexed (in accordance with section 6 of the by-law) annually on July 1st and are currently 5% higher than the 2017 rates implemented under By-law 6805-18 (presented below). The 2018 development charges (unindexed) are shown in Table 1.

The purpose of this report is to update the D.C. by-law to include an additional exemption relating to not-for-profit long-term care homes.



Table 1
Town of Arnprior
2018 Municipal-wide Development Charges (Unindexed)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services:					
Services Related to a Highway	2,661	1,559	1,382	2,308	1.75
Fire Protection Services	177	104	92	153	0.11
Recreation Services	282	165	147	245	0.03
Library Services	303	178	157	263	0.03
Administration	833	488	433	722	0.55
Total Municipal Wide Services	4,256	2,494	2,211	3,691	2.47
Urban Services					
Wastewater Services	4,793	2,808	2,490	4,156	2.14
Water Services	4,541	2,661	2,359	3,938	2.03
Total Urban Services	9,334	5,469	4,849	8,094	4.17
Staye Court Area Specific Charges					
Wastewater Services	451	264	234	391	0.56
Water Services	513	301	267	445	0.61
Total Area Specific Services	964	565	501	836	1.17
GRAND TOTAL MUNICIPAL WIDE AREA	4,256	2,494	2,211	3,691	2.47
GRAND TOTAL URBAN AREA	13,590	7,963	7,060	11,785	6.64
GRAND TOTAL WITH STAYE COURT	14,554	8,528	7,561	12,621	7.81



1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment and collection of development charges as provided in By-law 6805-18, in accordance with the Development Charges Act, 1997, as amended (D.C.A.).

1.2.1 Payment in any Particular Case

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

- a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the Planning Act;
- b) the approval of a minor variance under Section 45 of the Planning Act;
- c) a conveyance of land to which a by-law passed under section 50(7) of the Planning Act applies;
- d) the approval of a plan of subdivision under Section 51 of the Planning Act;
- e) a consent under Section 53 of the Planning Act;
- f) the approval of a description under section 50 of the Condominium Act;
- g) the issuing of a building permit under the Building Code Act in relation to a building.

1.2.2 Determination of the Amount of the Charge

The calculation for residential development is generated on a per capita basis and based upon different forms of housing types (single and semi-detached, apartments with two or more bedrooms, one bedroom apartments and bachelors, and other multiples). The total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). This approach acknowledges that service capacity will be “freed up” by the population decline in existing units. The cost per capita is then



multiplied by the average occupancy of the new units to calculate the charges by type of residential dwelling unit.

The non-residential D.C. has been calculated based on a per square foot of gross floor area basis.

1.2.3 Application for Land Redevelopment

Despite any other provisions of the by-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months prior to the date of payment of Development Charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the Development Charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

1. In the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed use building or structure, an amount calculated by multiplying the applicable Development Charge under Section 4.1 of the by-law by the number, according to type of dwelling units that have been or will be demolished or converted to another principal use; and
2. In the case of a non-residential building or structure, or in the case of a mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable Development Charges under Section 4.2 of the by-law, by the gross floor area that has been or will be demolished or converted to another principal use;

Provided that such amounts shall not exceed, in total, the amount of the Development Charges otherwise payable with respect to the redevelopment.

1.2.4 Exemptions (full or partial)

The following lands are exempt from development charges:

- Statutory exemptions:
 - a) industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, only



the portion of the addition in excess of 50% is subject to development charges (s.4(3)) of the D.C.A.;

- b) buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s.3);
- c) residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s.2 of O.Reg. 82/98).
- Non-statutory exemptions
 - a) buildings used as hospitals as governed by the Public Hospital Act;
 - b) where a residential or non-residential building or structure is destroyed or damaged by causes beyond the owner's control (e.g. fire, tornado, etc.) such building or structure shall be exempted from a development charge provided that the building or structure is reconstructed or restored and that such reconstruction or restoration is started within sixty (60) months of the date on which the building or structure was destroyed or damaged. Where a non-residential building or structure is reconstructed and the gross floor area will exceed the gross floor area of the building or structure prior to its destruction, the provisions of Section 3.8 (of the by-law) shall apply to the enlarged area only.

1.2.5 Indexing

The development charges imposed shall be adjusted annually in accordance with the Statistics Canada Quarterly, Construction Price Statistics for the most recent year over year period, on July 1, 2018 and on the anniversary date (March 13th) of this by-law thereafter, without amendment to this by-law.

1.2.6 By-law Duration

The By-Law will expire at 12:01 AM on March 12, 2023 unless it is repealed by Council at an earlier date.

1.2.7 Timing of D.C. Payments

Development charges imposed under the by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.



Despite the above, Council from time to time, and at any time, may enter into agreements providing for all or any part of a D.C. to be paid before or after it would otherwise be payable, in accordance with section 27 of the D.C.A.

1.3 Basis for the D.C. By-law Update

This D.C. update study provides for an amendment to the Town's current development charges by-law (By-law 6805-18). The purpose of this amendment is to include an exemption for non-profit long-term care homes. To facilitate this, a definition of long-term care homes and non-profit institutions are also required to be added to the by-law.

Details on the changes to the by-law are presented in Chapter 3 of this report. The draft amending by-law is presented in Appendix A to this report.

1.4 Summary of the Process

The public meeting required under section 12 of the Development Charges Act, 1997, has been scheduled for June 10, 2019 located in the Town of Arnprior's Council chambers. Its purpose is to present the update 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. by-law.

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
- Council consideration of the amending by-law on July 8, 2019.

Table 2 outlines the proposed schedule to be followed with respect to the development charge by-law adoption process.



Table 2
Schedule of Key Development Charge Process Dates for the Town of Arnprior

1. Discussions with Town Staff	March – April 2019
2. D.C. Background study update report and proposed amending D.C. by-law available to public (two weeks prior to the public meeting and 60 days prior to by-law passage)	May 1, 2019
3. Notice of the Pubic Meeting	No later than May 20, 2019
4. Public Meeting of Council	June 10, 2019
5. Council considers adoption of background study and passage of the by-law	July 8, 2019
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Town make available pamphlet (where by-law is not appealed)	By 60 days after in force date

1.5 Policy Recommendations

It is recommended that the Town's current D.C. policies as identified in section 1.2 of this report, excluding 1.2.4 Exemptions (full or partial), be continued.



2. Anticipated Development

The 2017 D.C. study provided for the anticipated residential and non-residential growth within the Town of Arnprior. The growth forecast associated with services included in the background study is provided in Table 3 below.

Table 3
Town of Arnprior
2017 D.C. Background Study – Growth Forecast Summary

Measure	10 Year 2017-2026	20 Year 2017-2036	20 Year 2017-2036 (With Industrial Buildout)
(Net) Population Increase	1,796	2,921	2,921
Residential Unit Increase	934	1,601	1,601
Non-Residential Gross Floor Area Increase (ft ²)	410,500	954,100	1,402,600

Source: Watson & Associates Economists Ltd. Forecast 2017

For the purposes of this D.C. update, the 2017 D.C. Background Study growth forecast remains unchanged as the incremental growth is anticipated to remain the same.



3. Updates to the Town's D.C. By-law

The Town passed By-law 6805-18 on, March 13, 2018, being a by-law for the purposes of establishing and collecting a development charge in accordance with the provisions of the D.C.A. The D.C. Background Study and By-law identified anticipated capital needs for recovery through D.C.s for Municipal-wide Services. This chapter of the report summarizes the changes to the D.C. by-law.

3.1 D.C. By-law Refinements

In discussions with Town staff, it was determined that non-profit long-term care homes are to be added as part of the discretionary exemptions. This revision requires changes to the D.C. by-law relating to the definitions and exemptions section.

3.1.1 *Definitions to be added*

Within section 1.1 of the D.C. by-law, the following definition is to be added:

- “Long-Term Care Home” means a place that is licensed as a long-term care home under the Long-Term Care Homes Act, 2007, S.O. 2007, c.8.
- “Non-Profit Institution” means
 - a) A “registered charity” as defined in subsection 248(1) of the Income Tax Act, R.S.C. 1985, c.1 (5th Supp.), as amended;
 - b) A corporation that is a non-profit organization for the purposes of paragraph 57(l)(b) of the Corporations Tax Act, R.S.O. 1990, c. C.40; or
 - c) A “religious organization” as defined in subsection 1(1) of the Religious Organizations’ Lands Act, R.S.O. 1990, c. R.23.

3.1.2 *Exemptions to be added*

Within section 3.13 (Other Exemptions) of the D.C. by-law, the following discretionary exemption is to be added:

3. Buildings used as Long-Term Care Homes that are non-profit and licensed under the Long-Term Care Homes Act, 2007, S.O. 2007, c.8.



4. Recommendations

It is recommended that Council:

“Approve the Development Charges Update Study dated May 1, 2019, as amended (if applicable)”;

“Approve the by-law revisions set out in Chapter 3 of the Development Charges Update Study dated May 1, 2019”;

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

“Approve the Amending Development Charges By-law as set out in Appendix A”.



Appendix A

Draft Amending Development Charges By-law



The Corporation of the Town of Arnprior

By-law Number _____-19

Being a By-Law of The Corporation of the Town of Arnprior To Amend By-Law 6805-18, Respecting Development Charges

Whereas the Town of Arnprior enacted By-law 6805-18 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 has undertaken a study pursuant to the Act which has provided an updated definition and exemption to By-law 6805-18;

And Whereas Council has before it a report entitled “Town of Arnprior 2019 Development Charges Update Study” prepared by Watson & Associates Economists Ltd., dated May 1, 2019 (the “update study”);

And Whereas the update study and proposed amending by-law were made available to the public on May 1, 2019 and Council gave notice to the public pursuant to section 12 of the Act.

And Whereas Council, on June 10, 2019 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 THE COUNCIL OF THE CORPORATION OF THE TOWN OF ARNPRIOR HEREBY ENACTS AS FOLLOWS:

1. By-law 6805-18 is hereby amended as follows:
 - a) Addition of Long-Term Care Homes to the definitions in section 1.1, as follows:

““Long-Term Care Home” means a place that is licensed as a long-term care home under the Long-Term Care Homes Act, 2007, S.O. 2007, c.8.”
 - b) Addition of Non-Profit Institution to the definitions in section 1.1, as follows:

““Non-Profit Institution” means



- a) A “registered charity” as defined in subsection 248(1) of the Income Tax Act, R.S.C. 1985, c.1 (5th Supp.), as amended;
- b) A corporation that is a non-profit organization for the purposes of paragraph 57(l)(b) of the Corporations Tax Act, R.S.O. 1990, c. C.40; or
- c) A “religious organization” as defined in subsection 1(1) of the Religious Organizations’ Lands Act, R.S.O. 1990, c. R.23.”

c) Addition of Non-Profit Long-Term Care Homes to the exemptions in section 3.13, as follows:

“3. Buildings used as Long-Term Care Homes that are non-profit and licensed under the Long-Term Care Homes Act, 2007, S.O. 2007, c.8.”

- 2. This by-law shall come into force on the day it is enacted.
- 3. Except as amended by this by-law, all provisions of By-law 6805-18, as amended, are and shall remain in full force and effect.

By-law read a first and second time this 8th day of July, 2019.

By-law read a third time and finally passed this 8th day of July, 2019.

Corporation of the Town of Arnprior

Mayor: _____

Walter Stack

Clerk: _____

Maureen Spratt