

THE CORPORATION OF THE TOWN OF GEORGINA
REPORT NO. DAS-2016-0033 ** REVISED JUNE 17, 2016 **

**FOR THE CONSIDERATION OF
COUNCIL
OF JUNE 22, 2016**

SUBJECT: DEVELOPMENT CHARGES BACKGROUND STUDY AND BY-LAW

1. RECOMMENDATIONS:

- 1. That Council receive Report No. DAS-2016-0033 prepared by the Administrative Services Department dated June 22, 2016 respecting the Development Charges Background Study and By-law.**
- 2. That Council endorse the growth-related capital program set out by service areas in Chapter 5 and further detailed in Appendix B of the Development Charges Background Study dated April 22, 2016 as amended, subject to further annual review and approval during the capital budget deliberations.**
- 3. That Council express its intent that growth-related costs identified in the Development Charges Background Study as post-period benefit shall be paid for subsequently by development charges or other similar charges.**
- 4. That Council state that it has given notice in accordance with Section 12 of the *Development Charges Act, 1997*, of its intention to pass a by-law under Section 2 of the Act.**
- 5. That Council approve the Development Charges Background Study dated April 22, 2016 and those updated rate tables attached to this report as Attachment 1.**
- 6. That Council state that it held a Public Meeting to consider the enactment of the Development Charges By-law in accordance with Section 12 of the *Development Charges Act, 1997*.**
- 7. That Council state that it heard all persons who applied to be heard and received written submissions whether in objection to, or in support of, the Development Charges proposed at the Public Meeting.**

8. That Council has determined that no further public meetings are required under Section 12(3) of the *Development Charges Act, 1997*.
9. That Council authorize a transitional provision as contained within the proposed by-law that maintains those development charge rates currently in effect until July 31, 2016, and the new development charge rates coming into effect on August 1, 2016.
10. That Council adopt the Development Charges By-law as presented in the By-laws Section of today's agenda.

2. **PURPOSE:**

The purpose of this report is to propose Council's adoption of the Development Charges By-law as presented on today's agenda.

3. **BACKGROUND:**

Development charges are one-time fees collected from developers and builders to help pay for the cost of capital infrastructure required to provide municipal services to new development, such as roads, transit, water and sewer, parks, community facilities and fire and police facilities. Development charges are generally collected upon building permit issuance. The legislative authority for municipalities to levy development charges is contained in the *Development Charges Act, 1997*.

Development in the Town of Georgina is subject to development charges imposed by the Town of Georgina, as well as the Region of York and the school boards.

The development charge rates currently in effect for the Town are detailed by Service Category in Tables 1 and 2 below. The development charges were calculated based on a Town-wide rate for those capital costs that are common across the whole of the Town's geography (Table 1). Recognizing that the growth related capital costs for the two main urban areas of Keswick and Sutton are unique to those areas, those unique costs are separated as Area Specific Development Charges applicable to new development in those community plans only (Table 2).

Note: The amounts included in Tables 1 and 2 below do not include development charges for the Region of York and the school boards.

Table 1 - Town-Wide Rates Effective January 1, 2016

Service	Residential Dwellings				Non-Residential Charge per Square Foot of GFA
	Single & Semi-Detached	Rows & Other Multiples	Apartments		
			2 Bedrooms or Larger	Bachelor or 1 Bedroom	
	\$	\$	\$	\$	\$
Library Board	153	153	107	74	0.00
Fire Services	528	528	370	255	0.26
Parks and Recreation	6,136	6,136	4,295	2,965	0.00
Public Works	19	19	14	10	0.01
General Government	194	194	136	93	0.10
Total General Service Charges	7,030	7,030	4,922	3,397	0.37
Roads and Related	83	83	58	40	0.03
Total (including Roads and Related)	7,113	7,113	4,980	3,437	0.40

Table 2 - Area-Specific Rates Effective January 1, 2016

Service	Residential Dwellings				Non-Residential Charge per Square Foot of GFA
	Single & Semi-Detached	Rows & Other Multiples	Apartments		
			2 Bedrooms or Larger	Bachelor or 1 Bedroom	
	\$	\$	\$	\$	\$
KESWICK—Roads, Water, Sewer	63	63	43	30	0.04
SUTTON—Roads, Water	23	23	16	11	0.01
SUTTON HIGH ST SEWER	1,226	1,226	858	592	0.00

The *Development Charges Act* mandates that municipalities review their Development Charges Background Study every 5 years. The Development Charges By-law currently in effect was adopted by the Town of Georgina on July 18, 2011.

At their meeting of October 7, 2015, Council retained Hemson Consulting Ltd. for the provision of consulting services to prepare a development charges background study and by-law that complies with the *Development Charges Act, 1997* and accompanying regulations. Since that time, staff have worked closely with the firm of Hemson Consulting to prepare background information and conduct analysis in order to prepare the draft Development Charges Background Study through the formulation of growth forecasts related to population, housing and employment development, and the associated forecast of the capital infrastructure costs needed to service the proposed growth while maintaining the Town's historical service levels to its residents and businesses.

On March 23, 2016, Council undertook a review of the growth-related capital forecast contained within the draft Development Charges Background Study as presented by staff and Hemson Consulting. Further, Council directed staff to instruct Hemson Consulting to prepare a Development Charges Background Study on the basis of the growth forecasts and growth related capital programs presented to Council.

4. ANALYSIS:

It is anticipated that population growth in the Town of Georgina over the 2016-2025 planning period will demand a capital program of more than \$60 million to provide for a wide variety of infrastructure and facility expansions that will service both existing and new residents. The proposed development charges supported by the Development Charges Background Study will raise approximately \$27 million.

The forthcoming long term financial plan for the Town of Georgina will propose funding and financing options with respect to those growth related costs that would be incurred during the 2016-2025 planning period, although not recoverable through development charges during that same period.

Calculation of Development Charge Rates

The proposed development charge rates have been calculated based on a Town-wide rate for those capital costs that are common across the whole of the Town's geography. Recognizing that the growth related capital costs for the two main urban areas of Keswick and Sutton are unique to those areas, those unique costs have been separated as Area Specific Development Charges applicable to new development in those community plans only. Further, Area Specific Development Charges are determined for that development which is reliant upon and will benefit from the proposed High Street sewer in Sutton.

Residential development charges are expressed as a charge per capita and levied as a charge per unit and by unit type. Non-residential development charge rates are expressed as a charge per square metre of gross floor area (GFA).

As supported by the Background Study, staff are recommending significant increases in the development charge rates.

The Development Charges Background Study was released to the public and distributed to the Mayor and Members of Council on April 22, 2016.

Recent Updates to the Proposed Development Charge Rates

In April 2016, Council received the Development Charges Background Study for information and review. Since that time, Hemson Consulting, in consultation with staff, have further refined the calculated values contained in the proposed by-law.

Hemson Consulting staff and Town staff met with representatives of the Georgina Developers Association on both April 26 and June 2, 2016. Correspondence from Hemson Consulting dated May 26, 2016 and June 10, 2016 was provided to the Georgina Developers Association in response to their comments and input, and is attached to this report as Attachments #2 and #3 respectively.

As an outcome of further review of the growth related capital costs and the rate calculations, as well as the above-noted meetings, two rate adjustments were incorporated into the proposed Development Charges By-law as described in the above-noted correspondence from Hemson Consulting (Attachment #3).

Transitional Provisions

Development charges are payable to the Town upon building permit issuance. In consideration that the proposed Development Charges By-law is to be adopted during “construction season” and that some building permit applications have been received by the Town although not yet issued, staff are proposing that the new development charge rates come into effect on August 1, 2016 as follows:

- | | |
|-----------------------------------|--|
| • June 22, 2016 to July 31, 2016 | Those rates currently in effect at June 22, 2016 |
| • August 1, 2016 to June 21, 2021 | New rates calculated as presented in this report |

Proposed Development Charge Rates - Residential

The recommended Town-wide development charge rates for residential dwellings proposed to come into effect on August 1, 2016 are listed in Table 3 below.

Table 3				
Proposed New Town-wide Development Charges for Residential Dwellings				
Service	Residential Dwellings			
	Single & Semi-Detached	Rows & Other Multiples	Apartments	
			≥650 sq.ft.	<650 sq.ft.
Library Board	\$925	\$745	\$650	\$448
Fire Services	\$910	\$733	\$639	\$441
Parks & Recreation	\$8,834	\$7,116	\$6,203	\$4,283
Operations	\$627	\$505	\$440	\$304
General Government	\$108	\$87	\$76	\$52
Roads & Related	\$46	\$37	\$33	\$22
Stormwater Mgmt	\$19	\$16	\$14	\$9
TOTAL TOWN-WIDE	\$11,469	\$9,239	\$8,055	\$5,559
<i>Based on a PPU of</i>	<i>2.99</i>	<i>2.41</i>	<i>2.10</i>	<i>1.45</i>

The proposed Development Charges Background Study has calculated rates for apartments based on the size of the apartment, rather than the number of bedrooms. This change in methodology is intended to eliminate the subjective rate determination with respect to the number of bedrooms in an apartment, as well as achieve consistency with York Region's Development Charges By-law in that regard.

As discussed previously in this report, the growth related capital costs for the serviced plan boundaries within Keswick and Sutton are unique to those areas and development in those areas will be subject to both the Town-wide development charges and Area Specific development charges, as listed in Table 4.

Table 4 Area Specific Development Charges Rates for Residential				
Service	Residential Dwellings			
	Single & Semi-Detached	Rows & Other Multiples	Apartments	
			≥650 sq.ft.	<650 sq.ft.
KESWICK				
AS - Roads, Water, Sewer	\$225	\$181	\$158	\$109
Add Total Town-wide	\$11,469	\$9,239	\$8,055	\$5,559
TOTAL DC – KESWICK	\$11,694	\$9,420	\$8,213	\$5,668
SUTTON				
AS – Roads, Water	\$315	\$254	\$221	\$153
Add Total Town-wide	\$11,469	\$9,239	\$8,055	\$5,559
TOTAL DC – SUTTON	\$11,784	\$9,493	\$8,276	\$5,712
AS – High Street Sewer	\$1,157	\$932	\$813	\$561
TOTAL DC – SUTTON HIGH STREET SEWER	\$12,941	\$10,425	\$9,089	\$6,273

A comparison of the proposed calculated rates consolidated to reflect both Town-wide charges and area-specific charges versus the current rates reflects the following development charge increases for a single detached dwelling:

Single detached dwelling in Keswick Service Area

- increase from \$7,176 to \$11,694 (63%)

Single detached dwelling in Sutton Service Area

- increase from \$7,136 to \$11,784 (65%)

Single detached dwelling in Sutton Service Area and benefitting from High Street Sewer

- increase from \$8,362 to \$12,941 (55%).

Proposed Development Charge Rates – Non-Residential

The recommended 2016 Town-wide development charge rates for non-residential development are listed in Table 5 below.

Table 5 Proposed 2016 Town-wide Development Charges for Non-Residential	
Service	Commercial, Industrial, Institutional Non-Residential Charge per Square Metre of GFA
Library Board	\$0.00
Fire Services	\$4.33
Parks & Recreation	\$0.00
Operations	\$2.99
General Government	\$0.52
Roads & Related	\$0.23
Stormwater Mgmt.	\$0.09
TOTAL TOWN-WIDE	\$8.16

Table 6 below lists the Non-Residential Area Specific Charges applicable to Keswick and Sutton, and provides the total development charge rates that would apply to non-residential development in each of those communities.

Table 6 Area Specific Development Charges Rates for Non-Residential	
Service	Commercial, Industrial, Institutional Non-Residential Charge per Square Metre of GFA
KESWICK	
Roads, Water & Sewer	\$1.10
Add Total Town-wide	\$8.16
TOTAL DC – KESWICK	\$9.26
SUTTON	
Roads, Water	\$1.54
Add Total Town-wide	\$8.16
TOTAL DC – SUTTON	\$9.70

5. FINANCIAL AND BUDGETARY IMPACT:

The adoption of the proposed Development Charges By-law will enable the Town of Georgina to collect development charges from developers and builders to mitigate the cost of the growth related capital program and the related burden to the Town's property tax base.

6. PUBLIC CONSULTATION AND NOTICE:

The following timeline for development of the Development Charges Background Study and By-law 2016 was established and advertised on the Town page in the local Georgina Advocate newspaper each week from March 23, 2016 until adoption of the By-law:

- Council Meeting – Council Information Report
Wednesday, March 23, 2016 at 7:00 p.m.
- Release of the Background Study
Friday, April 22, 2016
- Public Open House
Tuesday, April 26, 2016 at 7:00 p.m.
- Council Meeting – Statutory Public Meeting
Wednesday, May 25, 2016 at 7:30 p.m.
- Council Meeting – Proposed Passage of the Development Charges By-law
Wednesday, June 22, 2016 at 7:00 p.m.

The above-noted dates were also advertised on the Town's web page www.georgina.ca with any accompanying reports and information. The schedule of above-noted dates was also e-mailed to interested parties.

On January 27, 2016, Town staff held a meeting, inviting those lots of record owners who had previously appealed the Town's 2011 Development Charges By-law and those persons who had expressed an interest at the related 2011 Statutory Public Meeting with respect to the By-law that is currently in effect. At that meeting, staff from Hemson Consulting presented a slide show that provided an overview of the ongoing preparation of the Background Study and answered any questions received from the public.

On April 26, 2016, the Town held a Public Open House to provide information to the public and to seek public input and comment with respect to the Development Charges Background Study. This meeting was attended by the Mayor, the Senior Management Team and Hemson

Consulting staff. Only one member of the public attended this meeting and provided comment as follows:

Helmut Kik: Development charges should be reviewed in the context of exploring all opportunities to get jobs in Georgina and an economic development strategy for the Town.

The Town is required to hold the above-noted Statutory Public Meeting and to provide notice as mandated in the *Development Charges Act*. At the Public Meeting of May 25, 2016, Michael Smith of Michael Smith Planning Consultants spoke as an agent for the Georgina Developers Association, noting that they were continuing to review and consult with Town staff with respect to the Background Study.

Staff have met with members of the development community, including the Georgina Developers Association, for the purpose of refining the study and proposed development charge rates, and to strive for co-ordinated and cohesive growth forecasts between the Town of Georgina and the development community.

In accordance with the *Development Charges Act, 1997*, the Town of Georgina held a public meeting on May 25, 2016 to consider the proposed enactment of a development charges by-law, in accordance with Section 12 of the *Act*. Copies of the Draft Background Study and the proposed Development Charges by-law were made available on April 22, 2016 to the public in accordance with Section 12 of the *Act*. The Town posted the required notice on the Town's web page and in the local newspaper The Georgina Advocate. Notice of the Public Meeting was also sent to the list of interested parties maintained by the Treasurer.

At the Public Meeting of May 25, 2016, Council heard all persons who applied to be heard and received written submissions whether in objection to, or in support of, the development charges proposed.

One member of the public, David Szeptycki, submitted an e-mail to the Treasurer to which she has responded (Attachment #4).

7. CONCLUSION:

This report seeks Council's approval of the proposed Development Charges By-law as prepared by Hemson Consulting Ltd. in consultation with Town staff.

Recommended by:



Rebecca Mathewson, CPA, CGA
Director of Administrative Services and Treasurer

Approved by:

Winanne Grant, B.A., AMCT, CEMC
Chief Administrative Officer

References:

1. Development Charges Background Study dated April 22, 2016 prepared by Hemson Consulting Ltd. – distributed to Council and viewable/downloadable from the Town's web site www.georgina.ca
2. Development Charges By-law – Today's Council Agenda under the By-laws Section, Revised June 17, 2016

Attachments:

1. Adjusted Rate Tables to the Development Charges Background Study, Revised June 17, 2016
2. Correspondence from Hemson Consulting dated May 26, 2016
3. Correspondence from Hemson Consulting dated June 10, 2016
4. Correspondence from David Szeptycki dated May 26 and 31, 2016
5. Correspondence from Altus Group, agent for the Georgina Developers Association, dated June 14, 2016
6. Correspondence from Hemson Consulting dated June 17, 2016.

JUNE 2016 REVISIONS

**TOWN OF GEORGINA
COMPARISON OF CALCULATED CHARGES IN BACKGROUND STUDY WITH JUNE, 2016 REVISED RATES
RESIDENTIAL DEVELOPMENT CHARGES BY SERVICE AREA**

Service	Background Study Residential Charge / SDU	June Revised Residential Charge / SDU	Difference in Charge
Library Services	\$925	\$925	\$0
Fire And Emergency Services	\$992	\$910	(\$82)
Parks And Recreation	\$9,189	\$8,834	(\$355)
Operations	\$551	\$627	\$76
General Government	\$108	\$108	\$0
Total General Services	\$11,765	\$11,404	(\$361)
Town-Wide Roads And Related	\$46	\$46	\$0
Town-Wide Stormwater Management	\$19	\$19	\$0
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$11,830	\$11,469	(\$361)

Keswick			
Service	Background Study Residential Charge / SDU	June Revised Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$11,830	\$11,469	(\$361)
Keswick Service Area	\$225	\$225	\$0
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN KESWICK	\$12,055	\$11,694	(\$361)

Sutton			
Service	Background Study Residential Charge / SDU	June Revised Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$11,830	\$11,469	(\$361)
Sutton Service Area	\$315	\$315	\$0
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN SUTTON	\$12,145	\$11,784	(\$361)

Sutton High Street Sewer			
Service	Background Study Residential Charge / SDU	June Revised Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$11,830	\$11,469	(\$361)
Sutton High Street Sewer	\$3,139	\$1,157	(\$1,982)
TOTAL DEVELOPMENT CHARGE IN THE SUTTON HIGH STREET SEWER AREA	\$14,969	\$12,626	(\$2,343)

TABLE 10

**TOWN OF GEORGINA
TOWN-WIDE DEVELOPMENT CHARGES
RESIDENTIAL DEVELOPMENT CHARGES**

Service	Unadjusted Charge Per Capita	Adjusted Charge After Cashflow Per Capita	Charge By Unit Type ⁽¹⁾			
			Single & Semi- Detached	Rows & Other Multiples	Apartments	
					≥650 sq.ft.	<650 sq.ft.
Library Services	\$278.62	\$309.30	\$925	\$745	\$650	\$448
Fire And Emergency Services	\$290.18	\$304.30	\$910	\$733	\$639	\$441
Parks And Recreation	\$2,590.86	\$2,954.00	\$8,834	\$7,116	\$6,203	\$4,283
Operations	\$185.13	\$209.50	\$627	\$505	\$440	\$304
General Government	\$36.12	\$36.10	\$108	\$87	\$76	\$52
Total General Services	\$3,380.92	\$3,813.20	\$11,404	\$9,186	\$8,008	\$5,528
Town-Wide Roads And Related	\$15.50	\$15.50	\$46	\$37	\$33	\$22
Town-Wide Stormwater Management	\$6.45	\$6.45	\$19	\$16	\$14	\$9
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$3,402.86	\$3,835.15	\$11,469	\$9,239	\$8,055	\$5,559
(1) Based on Persons Per Unit Of:			2.99	2.41	2.10	1.45

TABLE 11

TOWN OF GEORGINA
TOWN-WIDE DEVELOPMENT CHARGES
NON-RESIDENTIAL DEVELOPMENT CHARGES

Service	Non-Residential	
	Unadjusted Charge (\$/sq.m)	Adjusted Charge (\$/sq.m)
Library Services	\$0.00	\$0.00
Fire And Emergency Services	\$4.17	\$4.33
Parks And Recreation	\$0.00	\$0.00
Operations	\$2.66	\$2.99
General Government	\$0.52	\$0.52
Total General Services	\$7.35	\$7.84
Town-Wide Roads And Related	\$0.23	\$0.23
Town-Wide Stormwater Management	\$0.09	\$0.09
TOTAL TOWN-WIDE CHARGE PER SQ.M	\$7.67	\$8.16

TABLE 12

**TOWN OF GEORGINA
CALCULATED DEVELOPMENT CHARGES BY UNIT TYPE & SERVICE AREA**

Service	Calculated Charge Per Capita	Residential Charge by Unit Type				Non-Residential Charge (\$/sq.m)
		Single & Semi-Detached	Rows & Other Multiples	Apartments		
				≥650 sq.ft.	<650 sq.ft.	
Keswick Service Area	\$75.10	\$225	\$181	\$158	\$109	\$1.10
Sutton Service Area	\$105.28	\$315	\$254	\$221	\$153	\$1.54
Sutton High Street Sewer	\$387.00	\$1,157	\$932	\$813	\$561	N/A
(1) Based on Persons Per Unit Of:		2.99	2.41	2.10	1.45	

TABLE 13

**TOWN OF GEORGINA
COMPARISON OF CURRENT AND CALCULATED
RESIDENTIAL DEVELOPMENT CHARGES BY SERVICE AREA**

Service	Current Residential Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge
Library Services	\$133	\$925	\$792
Fire And Emergency Services	\$459	\$910	\$451
Parks And Recreation	\$6,264	\$8,834	\$2,570
Operations	\$17	\$627	\$610
General Government	\$169	\$108	(\$61)
Total General Services	\$7,041	\$11,404	\$4,363
Town-Wide Roads And Related	\$72	\$46	(\$26)
Town-Wide Stormwater Management	\$0	\$19	\$19
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$7,113	\$11,469	\$4,356

Keswick			
Service	Current Residential Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$7,113	\$11,469	\$4,356
Keswick Service Area	\$63	\$225	\$162
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN KESWICK	\$7,176	\$11,694	\$4,518

Sutton			
Service	Current Residential Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$7,113	\$11,469	\$4,356
Sutton Service Area	\$23	\$315	\$292
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN SUTTON	\$7,136	\$11,784	\$4,648

Sutton High Street Sewer			
Service	Current Residential Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge
Town-Wide Charge	\$7,113	\$11,469	\$4,356
Sutton High Street Sewer	\$1,249	\$1,157	(\$92)
TOTAL DEVELOPMENT CHARGE IN THE SUTTON HIGH STREET SEWER AREA	\$8,362	\$12,626	\$4,264

TABLE 14

**TOWN OF GEORGINA
COMPARISON OF CURRENT AND CALCULATED
NON-RESIDENTIAL DEVELOPMENT CHARGES BY SERVICE AREA**

Service	Current Non-Residential Charge / SQ.M	Calculated Non-Residential Charge / SQ.M	Difference in Charge
Library Services	\$0.00	\$0.00	\$0.00
Fire And Emergency Services	\$2.83	\$4.33	\$1.50
Parks And Recreation	\$0.00	\$0.00	\$0.00
Operations	\$0.11	\$2.99	\$2.88
General Government	\$1.02	\$0.52	(\$0.50)
Total General Services	\$3.97	\$7.84	\$3.87
Town-Wide Roads And Related	\$0.34	\$0.23	(\$0.11)
Town-Wide Stormwater Management	\$0.00	\$0.09	\$0.09
TOTAL TOWN-WIDE CHARGE PER SQ.M.	\$4.31	\$8.16	\$3.86

Keswick			
Service	Current Non-Residential Charge / SQ.M	Calculated Non-Residential Charge / SQ.M	Difference in Charge
Town-Wide Charge	\$4.31	\$8.16	\$3.86
Keswick Service Area	\$0.43	\$1.10	\$0.67
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN KESWICK	\$4.74	\$9.26	\$4.53

Sutton			
Service	Current Non-Residential Charge / SQ.M	Calculated Non-Residential Charge / SQ.M	Difference in Charge
Town-Wide Charge	\$4.31	\$8.16	\$3.86
Sutton Service Area	\$0.11	\$1.54	\$1.44
TOTAL DEVELOPMENT CHARGE FOR DEVELOPMENT IN SUTTON	\$4.41	\$9.71	\$5.29

Note: No area-specific non-residential charge calculated or currently levied for the Sutton High Street Sewer area

HEMSON

Consulting Ltd.

30 St. Patrick Street, Suite 1000, Toronto, Ontario, Canada M5T 3A3
Facsimile (416) 595-7144 Telephone (416) 593-5090
e-mail: hemson@hemson.com

MEMORANDUM

To: Rebecca Mathewson
From: Stefan Krzeczunowicz, Carolyn Brown
Date: May 26, 2016
Re: Response to Altus Memorandum Regarding Georgina's Development Charges Background Study

This is a response to a memo from Daryl Keleher and Nolan Drumm of Altus Group to Michael Smith of Michael Smith Planning Consultants dated May 12, 2016. The memo raises issues relating to the Town of Georgina's recently released Development Charges Background Study (DC Study). A presentation on the DC Study findings to representatives of the development industry in Georgina, including Mr. Keleher, was made on April 26, 2016. Further discussion with the industry is planned for June 2, 2016.

Responses to the issues raised follow the same order set out in the Altus memo.

A. POPULATION, HOUSEHOLD AND EMPLOYMENT FORECASTS

Altus rightly notes that residential and non-residential development in Georgina in recent years has progressed at a slower rate than anticipated under the Town's previous 2011 DC Study. On the residential side, only 56% of the housing anticipated in 2011 has been built between 2011 and 2015.

Altus claims this slower-than-anticipated growth should result in a higher growth forecast in the 2016 DC Study. It is only with much higher growth that the Town could achieve the 2031 population and employment targets that have been established for Georgina under the 2010 York Region Official Plan (ROP).

Given the recent performance and current expectations for growth going forward, it is almost certain that the 2031 ROP targets will not be achieved. The forecasts in the 2016 DC Study are based on this premise.

We note the following in respect of the 2016 DC Study forecasts:

- The 2010 ROP forecasts are out of date. They were approved in 2010 in part to implement population and employment forecasts established for the Region by Schedule 3 of the *Growth Plan for the Greater Golden Horseshoe, 2006*. The Schedule 3 forecasts were based on 2005 forecasts that were in turn based upon Statistics Canada Census data collected in 2001 (though the allocation of the Schedule 3 forecasts to lower-tier municipalities drew on 2006 Census data). Data from the 2011 Census, among other sources used for forecasting, are now available.
- The *Development Charges Act (DC Act)* does not require that the Town use the ROP forecasts for the purposes of calculating development charges. The *Act* requires that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated”. To meet this requirement, the estimate of anticipated development should consider the most up to date information about development prospects at the time the DC Study is prepared. The estimate should only account for development that may reasonably be expected to proceed within the limits of market demand and the availability municipal servicing.¹
- We are of the view that it is not reasonable to expect the Town to achieve the 2031 population and employment targets set out in the 2010 ROP, for the following reasons:
 - The targeted 2016 population for the Town in the ROP is 52,800 which, given the slower than anticipated housing growth that has occurred in recent years, is almost certainly higher than the current population of the Town (which we estimate is about 47,000). The rate of population growth proposed for Georgina to 2031 by Altus is therefore not anticipated under the ROP.
 - The 2031 population and employment targets in the ROP are predicated on the expansion of Regional water and sewer services in key settlement areas (including, but not limited to, the Keswick and Sutton/Jackson’s Point wastewater treatment plants). The anticipated

¹ In the case of a community where the anticipated demand was larger than planned, the DC forecast would have to only consider growth accommodated on designated urban lands.

timing of some of these capital works—for example, the expansion of the Sutton/Jackson's Point wastewater treatment plant from its current capacity of 7,500 persons to 13,500 persons—has been delayed since the 2010 ROP was approved. Under the *DC Act* the Town can only include in its development charges forecast development for which DCs can be imposed. Accordingly, the implications of the delayed expansion of critical Regional infrastructure on the amount, timing and location of development in the Town must be considered in the DC Study.

- The Region is aware of the pattern of growth that has taken place in recent years and its long-term implications for development in Georgina. In April 2015, Regional Council approved in principle three new growth scenarios for planning purposes. None of the three scenarios contemplate the Town achieving its 2031 population and employment targets under the 2010 ROP.² In November 2015, after public consultation and evaluation of the scenarios, a preferred growth scenario was brought forward by staff for consideration by Council. Under this scenario Georgina would not reach its ROP population target until about 2039.
- The Town's situation is not without precedent. While DC studies are typically updated at regular 5 year intervals they do not always coincide with official plan or *Growth Plan* updates or the release of data such as the Census. In our experience, many municipalities make adjustments to their growth forecasts and growth targets to account for the most up-to-date information. We are also aware that several municipalities in the Greater Toronto Area have in recent years passed DC by-laws based on forecasts that differ from their official plan forecasts. For example:
 - the 2031 population target in the *City of Toronto Official Plan* is 3,080,000 (equivalent to the *Growth Plan* target). Toronto's 2013 DC Study used a 2031 population target for the City of 3,165,000.
 - the 2031 population target for the City of Brampton in the Region of Peel's Official Plan is 727,000. Brampton's most recent DC Study used a 2031 population target of 804,200.
- Finally, and importantly, we note that adjusting the DC Study forecasts to ensure that the ROP targets are achieved would not necessarily alter the calculated development charges. For the reasons noted above, we could only support increasing the rate of growth after the 2016-2025 planning period,

² For more detail see York Region Long Range Planning's 2041 York Region Draft Growth Scenarios and Land Budget.

when Regional servicing would be in place to facilitate faster growth. In this way, charges calculated on the basis of the 2016-2025 planning period would be unaffected by the change. For the hard services, given the denominator for the development charge calculation would remain almost the same and the charges have not been cashflowed, the calculated rates would also effectively be the same.

1. Impact of Adjusted Denominator of Proposed DC Rates

Altus's description of the impact of increasing the growth forecasts as "two pronged" is somewhat misleading. It is correct that, all else being equal, more growth will place both upward and downward pressure on the calculated development charges through a higher denominator and higher maximum allowable funding envelopes. However, the analyses in Figures 3 and 4 of Altus's memo do not account for other factors that might also be different under an alternative growth outlook. For example, Altus has made no change to the "DC-eligible costs" included in the calculations. Under a scenario with higher growth these might be expected to be different for some or all services; the result would be different development charges than those shown.

We note also that calculations of maximum allowable funding envelopes only apply to the general services of Library, Fire, Parks and Recreation, Operations, and General Government. For hard services such as Roads and Related, Stormwater Management, Water, and Sewer, more growth will only affect the denominator of the charge. To recognize the post-2031 benefits associated with infrastructure for these services the 2016 DC Study has extended the planning period for these services to 2036 (from 2031 in the 2011 DC Study).

2. DC Study's Consistency With Georgina Master Plans

Altus claims that the DC Study forecasts are inconsistent with the forecasts upon which "most, if not all" infrastructure is planned for in the Town. This is not the case. For most services no formal long-term infrastructure plans are in place. For example, the Town does not have master plans for the following DC-eligible services: Fire;³ Operations; General Government; Roads and Related (Transportation); Stormwater Management; Water; and Sewer. The growth-related capital programs for these services have therefore been developed with Town staff and with reference to the DC Study forecasts.

³ The Town recently initiated a Fire Master Plan. However, the forecasts and infrastructure needs identified as part of this plan were not be available in time to inform the DC Study process.

The *DC Act* does not prescribe that master plans be determinative of future needs or for the preparation of development-related capital plans.⁴ The *Act* states that it is for Council to indicate, by way of an approved official plan, capital forecast or similar expression of the intention of Council, that it intends to ensure that an increase in the need for service attributable to the anticipated development will be met. In Georgina's case, the capital forecast in the DC Study was presented to Council on March 23, 2016. After the presentation Council directed staff to instruct Hemson "to prepare a Development Charges Background Study on the basis of the growth forecasts and growth related capital programs presented to Council."⁵ Accordingly, we consider that the *DC Act* requirement relating to Council's expression of intent has been met.

Notwithstanding the above, the development-related capital plans included in the DC Study are not inconsistent with the Town's recent master plans as suggested by Altus. The development-related capital plan that serves as the basis for Parks and Recreation development charge (which alone represents 76% of the total development charge calculated for residential development in Keswick) is a case in point. In 2014, the Town completed a Recreation Facility Needs Study that addressed both Recreation and Library facility needs based on the ROP 2031 population target of 70,300. The Parks and Recreation development-related capital plan includes projects that meet some of the needs identified in the Facility Needs Study—most notably a Multi-Use Recreation Complex (MURC). The development-related capital plan does not, however, include all projects required to meet the identified needs. For example, the plan does not provide for:

- a new arena in Sutton despite a recommendation in the Facility Needs Study that the Town construct a new arena in that community within the DC planning horizon:

"One additional ice pad will be required between 2021 and 2026 (for a total of 4)"

"...consideration should be given to replacing the Sutton Arena with a twin pad in the 2021-2026 timeframe; this may take the form of a new development or twinning of the existing arena".⁶

- space for youth activities at the Pefferlaw Lions Hall "either through an internal reconfiguration or modest expansion" over and above the recommended dedicated youth space at the MURC.⁷

⁴ The Town's 2014 Recreation Facility Needs Study reinforces this view: "Ultimately, the leadership provided by Town Council will decide how much and in what ways the municipality will invest in its community." (p.24).

⁵ Report No. DAS-201-6-0015.

⁶ 2014 Recreation Facility Needs Study, pp.v, 28. Note that the MURC does not include an arena.

⁷ 2014 Recreation Facility Needs Study, p.35.

- expansion to the Keswick Club 55 building “including the possibility of a second floor addition”, over and above the recommended Club 55 lounge proposed for the MURC.⁸

In short, while the Town’s master plans identify future needs, only some of these needs are met in the capital plans; others are not. Council has and will continue to express its intent to meet future needs through approval of the DC Study and capital budgets. Ultimately, Council’s authority in these matters is provided by the *DC Act*.

B. OTHER QUESTIONS

This section addresses service-specific issues raised by Altus.

Fire & Emergency Services

- 1) The method for determining the residential/non-residential “splits” for general services is described on p.74 of the DC Study, viz:

“The first step in determining the unadjusted development charge rate is to allocate the development-related net capital cost between the residential and non-residential sectors. For all general services with the exception of Library Services and Parks and Recreation, the development-related costs have been apportioned as 63 per cent residential and 37 per cent non-residential. This apportionment is based on the anticipated shares of population growth in new units [7,225] and employment growth in new space [4,169] over the ten-year forecast period.

The development-related costs associated with Library and Parks and Recreation, have been allocated 100 per cent to the residential sector, as the need for these services is driven by residential development.”

- 2) In the capital asset inventory and development-related capital program for Fire & Emergency Services the cost of several facilities and other capital projects have been increased to reflect actual 2015 replacement costs. The changes have been made with reference to a number of indicators: municipal benchmarks for similar vehicles and facilities, asset valuation information provided by the Town, cost inflation since the 2011 Study was prepared, and input from Town staff based on their experience with recent tenders for similar assets. We note that:

⁸ 2014 Recreation Facility Needs Study, p.36.

- The unit cost of \$350/ft² used for the Keswick fire station is comparable to unit costs used for stations of similar size and construction in York Region.⁹ The lower (\$300/ft²) unit costs used for the Sutton and Pepperlaw stations reflect the lower quality of construction (stucco rather than brick exterior) of these facilities.
 - The replacement costs of tankers (\$525,200), rescue vehicles (\$502,000), and ice/water boat/trailers (\$345,000) reflect both current market prices for these types of vehicles and costs used by the Town for capital budgeting purposes. The costs have been reviewed by Town staff.
- 3) The \$390/ft² unit cost used for new fire stations in the capital program reflects a construction cost guideline provided to the Town by an external architect that has completed similar projects. It is intended that the new stations be constructed to a higher quality of construction than the Town's existing facilities (this is not uncommon practice—new fire stations in Vaughan for example are planned to be constructed at \$500/ft²). In the case of the new station planned for South Keswick the cost represented by this higher standard has been removed from the DC calculation as a “benefit to existing” share.
 - 4) The \$806,000 cost for the new pumper includes a cost of \$591,900 for the vehicle proper plus a provision for related equipment.

Parks & Recreation

- 5) The MURC is a 75,000 ft² facility that represents new space for the delivery of recreation services. It is required to maintain Parks and Recreation levels of service in the context of a rapidly growing community. Existing residents will use the facility, just as residents in new development will use existing facilities in the Town. However, in terms of the overall service levels existing residents in Georgina do not gain any benefit. The calculated development charge rates do not result in new development paying for the MURC at a rate higher than what they would be required to pay to receive Parks and Recreation services based on historical average level of service.

⁹ The following unit costs per ft² are used for fire stations in other York Region development charges background studies: Markham (\$360); Vaughan (\$300-\$350); Newmarket (\$345-\$360); and Whitchurch-Stouffville (\$360-\$364).

Altus claims that the MURC would “effectively replace” and “upgrade” existing facilities in Town such as gymnasiums and community halls. This is not the case: Town Council does not intend the MURC to result in the closure of any existing facilities in the Town.

- 6) The costs the MURC are set out on page 79 of the Facility Needs Study. The total cost of \$30,675,925 shown in the study has been included in the DC calculations. We note this cost is in \$2014 and has not been indexed. The cost has been allocated 10% to the Library service and 90% to the Parks and Recreation service based on a review of library-specific and recreation-specific components and a prorating of common space.

The cost per square foot of the MURC is not materially different from the cost of other facilities when the specific construction elements in the facility (e.g. a pool) are taken into account.

Based on discussions with staff, we would confirm that:

- the soft costs calculated for the MURC include other fees (survey, geotech, environmental), FFE, A/V, security, communications, utility fees, signage, etc. *plus* a 3% contingency (see footnote 3 on p.79 of the Facility Needs Study).
 - all of the elements shown in the Recreation Facility Needs Study are included in the final plan for the facility.
 - the capital costs for the MURC exclude land acquisition, financing costs, legal costs, costs of environmental remediation, and project management costs (see pp.78-79 of the Facility Needs Study).
- 7) The total land associated with the ROC facility is 31.4 ha, of which 27.7 ha is considered to be associated with the buildings, parking, landscaping and access routes to the chalet, canteen, and snowmaking shed. The remaining land is considered to be “land for parks” as defined by *Ontario Regulation 82/98*s.2.1 (2). This allocation of the ROC land in the DC Study is currently under review by Town staff and appropriate adjustments to the Parks and Recreation development charge calculations will be made should changes to this assumption be required.

- 8) The Link is a former school in Sutton that has been renovated and repurposed into a community centre as well as various local organizations, non-profit group, and social services. The renovations total \$3.0 million, of which the Town has committed to funding \$2.0 million. The remaining \$990,000 will be funded from Federal and Provincial grants, including the Ontario Trillium Foundation.
- 9) The unit cost of \$250,000 applied to the multi-use trails represents a cost per kilometre.

Library Services

- 10) As with the Parks and Recreation service, the library space at the MURC represents new space for the delivery of Library services. It is required to maintain Library levels of service in the context of a rapidly growing community. The fact that Library levels of service have fallen in recent years is a consequence of the practicality of planning and constructing large capital facilities which require one-time investments rather than incremental year-over-year capital spending. It is not a sign of Council's lack of intent to maintain service levels. The "saw-toothed" pattern of the historical service level for Library Services in Georgina described by Altus is a common feature of municipal capital development planning.

We note that the *DC Act* requires only that development charges not be used to increase levels of service beyond the levels of service that have been provided on average over the 10 years immediately prior to the DC Study. In the Town's DC Study this requirement is met.

- 11) As with Fire & Emergency Services, the capital asset inventory and development-related capital program for Library Services includes increased unit costs for several facilities to reflect actual 2015 replacement costs. The changes have been made with reference to municipal benchmarks for similar facilities, construction cost estimates provided in the Facility Needs Study, cost inflation since the 2011 Study was prepared, and input from Town staff based on their experience with recent tenders for similar assets.

The current Library facilities are stand-alone brick buildings and our position is that the unit cost of \$330/ft² used in the DC Study represents an appropriate replacement cost.¹⁰

General Government

- 12) The calculation of the General Government development charge uses an average cost approach to allocating development-related costs of studies between residential and non-residential development. Notwithstanding that the actual distribution of benefit of individual studies may differ, this average cost approach is supported by the *DC Act*.

We note that the cost of Library master plans and other “development-related” studies (for example a portion of the cost of the 2014 Facility Needs Study) have not been included in the Library capital asset inventory for the purposes of calculating 10-year historical service levels.

¹⁰ The following unit costs per ft² are used for library facilities in other York Region development charges background studies: Markham (\$315-\$407); East Gwillimbury (\$325); Newmarket (\$350); Aurora (\$520, which may include land costs); and Whitchurch-Stouffville (\$514, though note that this facility includes an aquatic centre and may incorporate land costs).

HEMSON

Consulting Ltd.

30 St. Patrick Street, Suite 1000, Toronto, Ontario, Canada M5T 3A3
Facsimile (416) 595-7144 Telephone (416) 593-5090
e-mail: hemson@hemson.com

MEMORANDUM

To: Rebecca Mathewson
From: Stefan Krzeczunowicz, Carolyn Brown
Date: June 10, 2016
Re: Adjustments to Georgina's Development Charge Rates

This memo summarizes the downward adjustments made to the development charge rates that were calculated in the *Town of Georgina Development Charges Background Study, April 22 2016* (the Background Study) and presented at a public meeting of Council held under section 12 of the *Development Charges Act, 1997*, on May 25, 2016.

The adjustments arise from discussions held with representatives of the development industry in Georgina on April 26 and June 2, 2016.

A. ADJUSTMENT TO PARKS AND RECREATION CHARGES

Based on a review with Town Recreation staff and the Town's landscape architect, an adjustment to the allocation of land associated with the ROC facility has been made. The total land associated with the ROC facility developed in 2011 is 31.4 ha. Where the Background Study allocated 27.7 ha of this land to the buildings, parking, landscaping and access routes to the chalet, canteen, and snowmaking shed, it is now considered appropriate that this allocation be reduced to 1.83 ha. The remaining 28.6 ha is considered to be "land for parks" as defined by *Ontario Regulation 82/98 s.2.1 (2)*.

The effect of this adjustment is to lower the Parks and Recreation charge by \$210 per single and semi-detached unit, from \$9,189 per unit shown in the Background Study to \$8,979 per unit (or 2%).

We note that this adjustment removes any committed excess capacity that may have existed in the Parks and Recreation service as set out in the Background Study.

B. ADJUSTMENT TO SUTTON HIGH STREET SEWER CHARGE

We recommend that an adjustment be made to the charge for the High Street Sewer Area in Sutton to recognize that this infrastructure will be oversized to accommodate development beyond the 2036 time horizon.

The effect of this adjustment is to lower the Sutton High Street Sewer charge by \$1,982 per single and semi-detached unit, from \$3,139 per unit to \$1,157 per unit (or 63%).

C. EFFECT OF ALL ADJUSTMENTS

The effect of these adjustments on the total calculated development charges is as follows:

Unit Type	Calculated Charge \$/SDU Background Study	Adjusted Charge \$/SDU June 10, 2016	Change \$	Change %
Town-wide Single & Semi-Detached	\$11,830	\$11,620	(\$210)	(2%)
Sutton High Street Sewer Area Single & Semi Detached*	\$3,139	\$12,777	(\$2,192)	(63%)

*Note: Charge shows area-specific component only; Town-wide charge also applies to development occurring within the Sutton High Street Sewer Service Area.

D. DG GROUP COMMENTS

Regarding comments forwarded to us from Warren Melbourne of the DG Group we would offer the following response.

1. On The Need to Revise Capital Plans

As we have noted in our discussions with local developers, we are of the view that the growth forecast recommended for the Town by their consultant¹ would require a revision to the growth-related capital program included in the Background Study for some or all services, including but not limited to:

- Consideration of the inclusion of a new arena in Sutton, space for youth activities at the Pepperlaw Lions Hall, and expansion to the Keswick Club 55 building “including the possibility of a second floor addition”, over and above the recommended Club 55 lounge proposed for the MURC.
- Consideration of the addition of new public works fleet and facilities—the current needs have been determined in part by maintaining existing levels of service (on a per capita and jobs basis).
- Consideration of increasing the amount allocated to Library collection materials, which is determined by what is required to maintain 10-year historical average service levels to 2026.

2. Land for the MURC

The land costs for the MURC are not included in the Background Study, as it is intended that the Town will site the facility on parkland lands dedicated to the Town under the *Planning Act*.

3. Transition Provisions

We are of the view that the proposed transition provisions—to delay implementation of any new development charge rates to August 1, 2016—is both reasonable and permissible under the *Development Charges Act*. There is some financial risk to the Town resulting from the lost revenue that would arise from receiving a high volume of permit applications in July. However, a “rush” of permit applications may well take place regardless of when the new rates come into effect.

¹ Over the last five years there has been an average of 191 housing completions per year in Georgina. Altus, the developer group’s consultant, is proposing that an average of 509 completions per year over the next 10 years be assumed for the purposes of calculating development charges.

Rebecca Mathewson

From: David Szeptycki <dszeptycki@hotmail.com>
Sent: Tuesday, May 31, 2016 12:21 PM
To: Rebecca Mathewson
Cc: Maria Evans
Subject: RE: DC Bylaw Update

Hi Rebecca, thanks for the clarification regarding Bill 73. It's too bad this approach has been eliminated as an option.

In general, my comments related to development charges (DCs) are focused on wanting to try to leverage DC funding to create more livable communities in Georgina that achieve better balance between the car and other modes of movement around Keswick, Sutton and Pefferlaw. Given our long stretches of lakeshore, creating road and recreational trail infrastructure linkages for pedestrians and cyclists will encourage more outdoor activity and hopefully, continue to evolve our resident's connection to the Lake.

As an engaged member of the community that has lived in Keswick for over 35 years, I'm eager to see more investments that provide new and existing residents with a means of connecting to our important water resources (Lake Simcoe, Maskinonge River, Black River, etc.) that provide: i) essential drinking water, ii) recreational opportunities, and iii) economic development opportunities for local businesses.

Whether it's through DCs or through staff and Council's annual capital budget evaluation, I hope pedestrian and cycling can become bigger priorities for the Town. 30 years ago I used to ride my bike from Ravenshoe Road to Old Homestead Road to get to St. Thomas Aquinas PS. The amount of traffic we see on arterial connections in Georgina today prohibits parents and children from feeling comfortable riding from the north side of the Maskinonge River to get to the south side of the river, where Keswick High School, R.L. Graham P.S. and Fairwood P.S. are located.

York Region has a bold vision to create a lake-to-lake trail. Seeing the early investments that Aurora and Newmarket have made that align with this vision makes me eager to see the same thing in our town.

Kind regards,
David Szeptycki

From: rmathewson@georgina.ca
> To: dszeptycki@hotmail.com
> CC: mmevans@georgina.ca
> Subject: RE: DC Bylaw Update
> Date: Thu, 26 May 2016 17:18:56 +0000

>
> Hi David,
>
> Thank you for providing your comments and your "tweet" regarding the DC Bylaw Update. Yes, in future years the Town might consider opportunities for online consultation for the DC review, subject to our technological resources/capabilities and any related budget impacts.

>

> The Town of Georgina has recently completed the Trails and Active Transportation Master Plan and Town staff are working closing with developers to provide healthy lifestyle communities including opportunities for linkages between subdivisions and public amenities. With respect to voluntary charges to developers, please note that Bill 73 The Smart Growth for Our Communities Act, 2015 came into effect on January 1, 2016 and includes a provision that specifically prohibits a municipal from imposing a charge, directly or indirectly, related to a development or a requirement to construct a service related to development, except as permitted by the DC Act or another Act. This provision was intended to the close the door on "voluntary" payments that may be sought by municipalities outside the legislative framework.

>

> Please let me know if you have any other comments that you would like to submit, or any questions/additional information that you would like. Thanks.

>

> Rebecca Mathewson, CPA, CGA

> Director of Administrative Services and Treasurer

> Administrative Services | Town of Georgina

> T: 905-476-4301, ext. 2201

> 905-722-6510

> 705-437-2210

> E: rmathewson@georgina.ca

> www.georgina.ca

>

> -----Original Message-----

> From: David Szeptycki [mailto:dszeptycki@hotmail.com]

> Sent: Wednesday, May 25, 2016 7:33 PM

> To: Rebecca Mathewson <rmathewson@georgina.ca>

> Subject: DC Bylaw Update

>

> Hi Rebecca, I was hoping to attend the public meeting tonight but got tied up with other priorities. Thank you to you and your staff for making the information available online.

>

> A few comments to share about the process and considered charges:

> - in future years, might the town consider an option to invite online consultation for the DC charges review. Busy lives and schedules can make it difficult to attend public meetings. While public meetings are a traditional approach to soliciting public input, it would be great to have an online option. If there was and I missed it, I apologize.

> - I request Council consider charges for other development priorities such as recreational pedestrian and cycling trails. I know the DC Act governs what are eligible costs, however progressive communities with strong trends of growth like Georgina might consider a voluntary charge to expedite buildout of assets that will only enhance the tangible and non-tangible value of new development by connecting subdivisions with public amenities such as shopping centres, recreation facilities and most importantly, schools. Precedent for this type of approach has already been set in York Region and other GTA municipalities.

>

> I would be happy to share more thoughts should you be interested.

>

> Kind regards,

> David Szeptycki

>

June 14, 2016

Memorandum to: Rebecca Mathewson
Town of Georgina

From: Daryl Keleher, Director
Altus Group Economic Consulting

Subject: **Georgina DC Review – Questions & Comments**
Our File: **P-5302**

This memo reviews the several issues we have with the calculation of the Town's proposed DC rates, as shown in the Town's 2016 Development Charges Background Study ("2016 DC Study").

1. Inconsistency of Population and Employment Forecasts with Regional Official Plan

The population forecast in the 2016 DC Study is not consistent with the Regional Official Plan, the latter of which plans for a Town population of 70,300 persons by 2031, and employment of 21,200 jobs. The 2016 DC Study uses a population forecast that is 16% lower than the Regional Official Plan (using a Census population of 56,491 persons, which is equivalent to a population of 58,750 persons after accounting for undercount). The Town's 2011 DC Study used a population forecast that was consistent with the Regional OP.

One of the key factors driving up the proposed DC rates from the current DC rates is this lower "denominator" in the DC equation.

The population forecast used in the 2016 DC Study is also not consistent with the Town's own recently adopted new Official Plan, which was adopted on April 27, 2016, and submitted to the Region for approval. According to section 2.2.8.1 of the Town's new Official Plan, the "total population forecast for the Town" is 70,300 persons.



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According to section 11.6.1.1 of the Town's adopted Official Plan, "the Town shall review and update its Development Charges By-law in conformity with the policies of this Plan." (emphasis added)

Further, the Town's infrastructure planning has been oriented around achieving the forecasts from the Regional Official Plan, including the May 2014 Recreation Facility Needs Study and the May 2014 Trails & Active Transportation Master Plan, both of which are based on a population of 70,300.

The 2016 DC Study should be using a forecast that is consistent with the Region's and Town's (adopted) land use plans.

Stated Reasons for Using Lower Population Forecasts

According to our discussions with Town staff and their consultants, the lower population forecast was used for two reasons:

- Growth over the 2011-2015 period was slower than forecast, and it was assumed that those trends will continue for the foreseeable future – as per the May 26, 2016 Hemson Letter to Altus Group: "Given the recent performance and current expectations for growth going forward, it is almost certain that the 2031 ROP targets will not be achieved."; and
- According to the Hemson Letter, the 2031 population and employment targets in the Regional Official Plan are based on expansion of water and sewer services to the Town's settlement areas, and that the anticipated timing of some of these works, particularly the Sutton WPCP has been delayed.

We will address these two reasons below.

Inability of Town to Meet Regional Official Plan Forecasts

We would question the 'certainty' that the trends in development in the Town would impose on the expectations of future growth. Other municipalities in the Greater Golden Horseshoe, when growth has not met interim forecasts, have not deviated from the forecasts contained in their respective upper-tier Official Plan and/or the Growth Plan in their DC background study. Further, given the historic lows in new ground-related housing supply in the GTA, it is likely that demand for this housing type that is the predominant development type available in Georgina will grow in the next several years, and will make up for the shortfalls seen over the 2011-2015 period.



The Hemson letter also says that the “2010 ROP Forecasts are out of date” – this is incorrect. The Regional Official Plan forecasts cannot be out of date when they are still in effect. These forecasts are to be the basis for the Town to plan for infrastructure until new forecasts are adopted and approved.

Further, the Town relied upon these Regional forecasts for adopting their new Official Plan, which was adopted on April 27, 2016. Meanwhile, the 2016 DC Study was released on April 22, 2016, but yet does not use the same population forecasts that the Town incorporated into their new Official Plan. It is unreasonable to use different planning forecasts in two different documents released/adopted five days apart.

The DC Act says, in section 5(1)1, that in order to calculate a development charge:

The anticipated amount, type and location of development, for which development charges can be imposed, must be estimated

In my opinion, the “anticipated amount” of development originates from the in-force upper-tier (or lower-tier) Official Plan in effect at the time of adoption of a DC by-law.

Delay in Sutton WPCP

The Town and their consultants also reasoned that growth in the Town will be lower than forecast in the Regional Official Plan because of a delay in the eventual construction of the Sutton WPCP. We question whether this delay is a true impediment to growth in Sutton. According to a York Region staff report dated November 12, 2015:

- The existing plant had a design capacity to service 7,500 persons. The plant expansion would service 13,500 persons;
- The plant is currently operating at 60% of its design capacity (or 60% of the 7,500 person capacity);
- The Regional staff report states that Town of Georgina staff “advised that growth in Sutton is starting to accelerate and requested that consideration be given to re-introduce the project to the ten year plan”;
- Regional staff reviewed the Town’s request and recommended that once flows exceed 70% of plant capacity, the project be added back into the ten year budget.
- The plant expansion was originally scheduled to be completed by 2022.



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So under the original timeframe for the plant, the expansion was not going to come on-line until 2022, meaning that growth in Sutton could continue as originally planned for in the Regional OP and Town's plans unabated, whether the plant was going to be delayed or not.

Further, that the Region has recommended the project be reintroduced once the plant reaches 70% of designed capacity means that they are unlikely to allow servicing capacity issues to reach a point where it would affect or slow down growth.

Therefore, the Region's delay of the Sutton WPCP appears to provide little impediment to growth occurring in Georgina as originally forecasted by the Region and as prescribed in the in-force Regional OP.

Impact of an Reduced Denominator on Proposed DC Rates

According to our calculations, if the forecasts in the Town's DC Study were brought back into conformity with the Regional OP, and distributed roughly evenly across the 2016-2031 period, and no projects were added into the DC capital program, it would result in a reduction of \$1,860 for units in Keswick to \$2,271 for units in the Sutton High Street Sewer area. If there were projects added in to the capital program to meet the needs associated with higher projected growth, the impacts may be mitigated somewhat

2. Failure to Recognize Excess Capacity for Soft Service DC Calculations

The Development Charges Act provides direction on the treatment of excess capacity, and how it is to be used to reduce the estimated average level of service over the preceding 10-year period:

- 4. The estimate under paragraph 2 must not include an increase that would result in the level of service exceeding the average level of service provided in the municipality over the 10-year period immediately preceding the preparation of the background study*
- 5. The increase in the need for service attributable to the anticipated development must be reduced by that part of that increase that can be met using the municipality's excess capacity...*

The Town's 2016 DC Study does not make any such reduction for excess capacity, despite there being excess capacity in many of the soft service categories. This gap between the 2015 service level and the 10-year average represents excess capacity that can be used to address the needs associated with persons in new developments. Hemson Consulting did make an adjustment for excess capacity



in their 2011 DC Study for the Town. This issue affects the Parks and Recreation¹, Fire and Emergency, and Operations DC calculations in the 2016 DC Study.

In our meeting with the Town on June 2, 2016, it was stated that the accounting of excess capacity is addressed through the utilization of net population in converting the 10-year average level of service into a maximum allowable funding envelope. We disagree, as these are two different concepts - the usage of net population seeks to address freed-up capacity that will become available in the near future (i.e., the next ten years), while the excess capacity calculation seeks to account for existing available capacity that exists today that can meet the needs for service from new development. Both parts of the calculation are required to fully and properly account for the services that will available and needed to service growth at the end of the 10-year DC horizon.

The explanation provided by the Town's consultants also is not consistent with the approach that Hemson took in the Town's 2011 DC Study, which both used net population in the maximum allowable funding envelope calculation and accounted for excess capacity. According to the Hemson 2011 DC Study for the Town of Georgina, the calculation of maximum allowable and excess capacity are separate considerations:

The final page of Table 1 shows the calculation of "maximum allowable" net of uncommitted excess capacity. The maximum allowable is defined as the ten-year historic service level (expressed as either \$/capita, \$/household or \$/population and employment) multiplied by the forecast increase in population, households, or population and employment over the planning period. The resulting figure is the value of capital infrastructure that must be constructed for that particular service so that the ten-year historic service level is maintained.

There is also a requirement in the DCA to reduce applicable development charges by the amount of any "uncommitted excess capacity" that is available for a service. Such capacity is available to partially meet the future servicing requirements. Adjustments are made in the analysis to meet this requirement of the DCA.

¹ Though the majority of the issue for Parks & Recreation has been resolved by the adjustment to the amount of parkland included in the LOS inventory since the release of the 2016 DC Study.



3. Multi-Use Recreation Centre Questions

a. No Benefit to Existing Allocation

In the 2016 DC Study, the Multi-Use Recreation Centre (and associated Library) has no benefit to existing allocation. According to the May 2014 Recreation Facility Needs Study there are many elements of the MURC that would service the existing population, and/or potentially replace existing structures or facilities:

- The Needs Study uses a service standard of one (1) municipal indoor pool per 30,000-35,000 persons. However, with 47,000 residents as of the time of the study and only one pool in the Town, the study says that: “Georgina is currently in a deficit situation”. This means that the role that the MURC would play in addressing this deficit situation should be represented as a benefit to existing deduction in the calculation of the DC;
- According to the Needs Study, “The Town’s municipal gymnasiums are small facilities that are unable to accommodate many activities ... a larger (e.g., double) gymnasium should be included in the proposed South Keswick MURC...” – for many existing users, the MURC would effectively replace and upgrade the older facilities in the Town for these activities that cannot be accommodated in the Town’s existing facilities;
- According to the Needs Study, “The Town of Georgina does not currently have an indoor walking track within any of its recreation facilities” – the indoor walking track provided at the MURC would provide a new service to existing residents of the Town, a benefit that should be represented as a benefit to existing in the DC calculation;
- Finally, according to the Needs Study, “In certain instances, the Town may also consider the divestiture of selected [community] halls...”, meaning that community space provided in the MURC would effectively replace the community halls that the Town would close in the coming years.

b. Land Costs for MURC Not Included in DC Capital Costs

Based on the project and costing details for the MURC in the Recreation Facility Needs Study, there are no land costs included in the project cost – the costing from the Needs Study is what was used in the 2016 DC Study. If land is to be acquired for the MURC, then there should be a land acquisition cost included in the capital costs recovered for through the DC.



Georgina DC

June 14, 2016

Page 7

4. Transition

The Georgina Developers Association request that the Town consider a transition policy in the 2016 DC by-law that permits pre-payment of development charges at the current rates, for any development application submitted prior to the passage of the forthcoming DC by-law.

HEMSON

Consulting Ltd.

30 St. Patrick Street, Suite 1000, Toronto, Ontario, Canada M5T 3A3
Facsimile (416) 595-7144 Telephone (416) 593-5090
e-mail: hemson@hemson.com

MEMORANDUM

To: Rebecca Mathewson

From: Stefan Krzeczunowicz, Carolyn Brown

Date: June 17, 2016

Re: Response to Altus Memorandum Regarding Georgina's Development Charges Background Study

This is a response to a memo from Daryl Keleher of Altus Group to Michael Smith of Michael Smith Planning Consultants dated June 14, 2016. The memo raises additional issues relating to the Town of Georgina's recently released Development Charges Background Study (DC Study). Responses to the issues raised follow the same order set out in the Altus memo.

A. POPULATION, HOUSEHOLD AND EMPLOYMENT FORECASTS

Further to our memo dated May 26, 2016, we see no reason to adjust the development forecasts used to calculate the development charge rates set out in the DC Study.

- The DC Study forecasts conform to the policies in the Town's Official Plan. We recognize that the timing and rate of population and employment growth is somewhat different from what is set out in Tables 1 and 2 of the Plan. This is because the forecasts are themselves based on forecasts in the York Region Official Plan that was approved in 2010. We note that the Town's Official Plan contemplates that adjustments to these forecasts may be required:

"The numerical figures identified in the tables are intended to be considered targets and shall be used with the recognition that there are many factors that influence the pace of growth and, therefore, the timing and rate of growth may vary over time (Policy 3.1.6) [emphasis added]"

- Altus provides little or no evidence to suggest that development in Georgina, which has occurred at a far slower rate than what was anticipated under the 2011 DC Study, will accelerate rapidly from 2016 to 2025. As we noted in our memo of June 10, over the last five years there has been an average of 191 housing completions per year in Georgina. Altus is proposing that an average of 509 completions per year over the next 10 years be assumed for the purposes of calculating development charges. In light of recent and proposed development in the Town the Altus outlook is, in our view, unreasonable.
- Further to the above, the delay in the construction of the Sutton WWTP expansion in the Regional capital development plan should be seen as evidence of a growth rate for Sutton that is slower than anticipated in the 2011 DC Study.

We disagree with Altus's view that the growth forecasts represent one of the key factors in driving up the calculated DC rates from the current rates. For the soft services, using a higher growth forecast would place both upward and downward pressure on the calculated development charges through a higher denominator and higher maximum allowable funding envelopes. As well, as we have noted in our previous memos, we would expect that more growth would result in Council expressing its intent to provide more growth-related capital projects than what is included in the proposed DC rate calculations. In all circumstances we would expect the calculated DC rates to remain the same or be higher than those being proposed.

For the hard services, given the denominator for the development charge calculation would remain almost the same under the proposed Altus forecast and the charges have not been cashflowed, the calculated rates would effectively remain the same.¹

B. EXCESS CAPACITY

The *Development Charges Act, 1997* requires that:

S.5(1)5. The increase in the need for service attributable to the anticipated development must be reduced by the part of that increase that can be met using the municipality's excess capacity, other than excess capacity that the council of the municipality has indicated an intention would be paid for by new development.

We have again reviewed with staff the service level calculations for all soft services in light of Altus's claim that uncommitted excess capacity exists in the Fire and

¹ Though we have made a downward adjustment to the Sutton High Street Sewer charge to acknowledge the "post-period" benefits (oversizing) arising from infrastructure.

Emergency Services, Operations, and Parks and Recreation services. As a result of this review, the following adjustments to the calculated DC rates are proposed:

Fire and Emergency Services

Uncommitted excess capacity in the amount of \$299,600 has been identified and has been deducted from the maximum allowable funding envelope. This reduces the funding envelope from \$3.61 million shown in the DC Study to \$3.31 million, resulting in a decrease in the calculated DC by \$82 per single detached unit and \$0.39 per square metre of new non-residential building space.

Of note, the review highlighted an additional change that is required in the Fire capital program: the total cost of furniture and equipment for the new South Keswick Station has been adjusted from \$2.2 million to \$332,000. This change does not affect the calculated DCs and will be reflected in a final Staff Consolidation of the DC Study.

Parks and Recreation

Following adjustments to the Parks and Recreation inventory to account for a reallocation of the ROC land, \$342,100 in uncommitted excess capacity has been identified. This excess capacity has been removed from the maximum allowable funding envelope, reducing it from \$19.47 million shown in the DC Study to \$18.72 million. This has the effect of reducing the Parks and Recreation component of the residential development charge by \$355 per single detached unit from what was shown in the DC Study.

Operations

Upon further review of the Operations inventory with staff, we note a portion of the calculated excess capacity arises from vehicles that were incorrectly shown as net additions to the municipal fleet rather than replacement vehicles.² We have made appropriate adjustments to the inventory to reflect this fact (see Appendix 1). The effect of these adjustments is to both reduce the amount of calculated excess capacity and increase the maximum allowable funding envelope, from \$1.83 million shown in the DC Study to \$2.11 million.

Excess capacity, in the amount of \$443,300, remains in the Operations service. However, this excess capacity is considered to be “committed” under the *DC Act* and is recovered as a negative reserve fund balance of \$792,085 in the Operations development-related capital program.

The net effect of these adjustments results in an increase to the calculated Operations DC rates by \$76 per single detached unit and \$0.36 per square metre of non-residential development.

² We can confirm that no development charge funding was used to pay for these vehicles.

The net result of all of the above changes, together with the adjustments set out in our memo of June 10, results in the Town-wide DC rates being downwardly adjusted by \$361 per single detached unit (3%), from \$11,830 shown in the DC Study to \$11,469 per unit. The non-residential charge has been reduced from \$8.19 per square metre to \$8.16 per square metre (or \$0.03 per square metre).

The rate tables included in the proposed By-law will be revised to account for these changes and are included as Appendix 2. All changes will be reflected in a final Staff Consolidation version of the DC Study.

C. MULTI-USE RECREATION CENTRE (MURC)

The issues relating to the MURC were raised by Altus in its previous correspondence and have been addressed in our memos of May 26 and June 10.

Benefit to Existing Allocation

As noted in our memo of May 26, we do not view the MURC as providing any benefit to existing residents of the Town. The MURC is a 75,000 ft² facility that represents new space for the delivery of recreation services. It is required to maintain Parks and Recreation levels of service in the context of a rapidly growing community. Existing residents will use the facility, just as residents in new development will use existing facilities in the Town. However, in terms of the overall service levels existing residents in Georgina do not gain any benefit. The calculated development charge rates do not result in new development paying for the MURC at a rate higher than what they would be required to pay to receive Parks and Recreation services based on historical average level of service.

Town Council does not intend the MURC to result in the closure of any existing facilities in the Town.

Land for MURC

As noted in our memos of May 26 and June 10, the land costs for the MURC are not included in the DC Study, as it is intended that the Town will site the facility on parkland lands dedicated to the Town under the *Planning Act*.

D. TRANSITION

As noted in our memo of June 10, we are of the view that the proposed transition provisions—to delay implementation of any new development charge rates to August 1, 2016—are both reasonable and permissible under the *Development Charges Act*.

APPENDIX 1
REVISED OPERATIONS INVENTORY - JUNE 2016

APPENDIX B.4
TABLE 1 - PAGE 1

TOWN OF GEORGINA
INVENTORY OF CAPITAL ASSETS
OPERATIONS

BUILDINGS Facility Name	# of Square Feet										UNIT COST (\$/sq.ft.)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Egypt Equipment Depot	6,273	6,273	6,273	6,273	6,273	6,273	6,793	6,793	6,793	6,793	\$140
Belhaven Equipment Depot	6,440	6,440	6,440	6,440	6,440	6,440	7,220	6,440	6,440	6,440	\$140
Waterworks Equipment Depot	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	\$200
Belhaven Storage Building	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	\$80
Egypt Storage Building 1	420	420	420	420	420	420	420	420	420	420	\$80
Egypt Storage Building 2	900	900	900	900	900	900	900	900	900	900	\$80
Belhaven Sand Dome 1	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	\$35
Belhaven Sand Dome 2	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	\$35
Egypt Sand Dome	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	\$35
Waterworks Facility	-	-	-	-	-	8,605	8,605	8,605	8,605	8,605	\$140
Total (sq.ft.)	41,513	41,513	41,513	41,513	41,513	50,118	51,418	50,638	50,638	50,638	
Total (\$000)	\$3,159.7	\$3,159.7	\$3,159.7	\$3,159.7	\$3,159.7	\$4,364.4	\$4,546.4	\$4,437.2	\$4,437.2	\$4,437.2	

LAND Branch Name	# of Hectares										UNIT COST (\$/ha)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Egypt Yard	3.72	3.72	3.72	3.72	3.72	3.72	3.72	3.72	3.72	3.72	\$275,000
Belhaven Yard	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	\$275,000
Total (ha)	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	
Total (\$000)	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	

FURNITURE AND EQUIPMENT Description	Total Value of Furniture & Equipment (\$)										UNIT COST (\$/sq.ft.)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Egypt Equipment Depot	\$125,460	\$125,460	\$125,460	\$125,460	\$125,460	\$125,460	\$135,860	\$135,860	\$135,860	\$135,860	\$20
Belhaven Equipment Depot	\$128,800	\$128,800	\$128,800	\$128,800	\$128,800	\$128,800	\$144,400	\$128,800	\$128,800	\$128,800	\$20
Waterworks Equipment Depot	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$22,600	\$20
Total (\$000)	\$276.9	\$276.9	\$276.9	\$276.9	\$276.9	\$276.9	\$302.9	\$287.3	\$287.3	\$287.3	

APPENDIX 1
REVISED OPERATIONS INVENTORY - JUNE 2016
APPENDIX B.4
TABLE 1 - PAGE 2

TOWN OF GEORGINA
INVENTORY OF CAPITAL ASSETS
OPERATIONS

FLEET & RELATED EQUIPMENT Description	# of Vehicles or Equipment										UNIT COST (\$/vehicle)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Electrical Maintenance											
2010 Ford Transit Connect 5 seater	-	-	-	-	1	1	1	1	1	1	\$36,360
2008 Chevrolet G-Van ETV	-	-	-	1	1	1	1	1	1	1	\$50,500
2012 GMC Savana White 1SA	-	-	-	-	-	1	1	1	1	1	\$50,500
2013 Chevrolet Express Cargo RWD2500 White Truck	-	-	-	-	-	-	-	1	1	1	\$50,500
2011 Haulmark FVN Cargo Enclosed White Trailer	-	-	-	-	-	1	1	1	1	1	\$10,100
Genie Bucket Manlift	-	-	1	1	1	1	1	1	1	1	\$25,250
2011 Self propelled Scissor lift 19' Electric Model SJIII 3219	-	-	-	-	-	1	1	1	1	1	\$10,100
Electrogenes Somers Portable Generator	1	1	1	1	1	1	1	1	1	1	\$50,500
Electrogenes Somers Portable Generator	1	1	1	1	1	1	1	1	1	1	\$50,500
Engineering											
2006 Dodge Dakota	1	1	1	1	1	1	1	1	1	1	\$30,300
2010 Jeep Patriot	-	-	-	-	1	1	1	1	1	1	\$30,300
Mechanincs Yard											
Hoist 2 Pole 12K Rotary lift EH2	-	-	-	-	-	-	1	1	1	1	\$10,100
Hoffmann Geodyna Balancer	-	-	-	-	-	-	-	1	1	1	\$4,545
Canbuilt Hydraulic Shop Press 50 ton	-	-	-	-	-	-	-	1	1	1	\$3,535
Coates Tire Machine Rim Clamp X Series	-	-	-	-	-	-	-	1	1	1	\$6,262
Solus Ultra Diagnostic Scanner & accessories	-	-	-	-	-	-	-	1	1	1	\$4,040
Pressure Washers	-	-	-	-	-	-	-	1	1	1	\$2,020
White Used oil Tank 500 gallons	-	-	-	-	-	-	-	1	1	1	\$5,050
6" dia Hose Reel Kit, Exhaust Fan, Adapter	-	-	-	-	-	-	-	1	1	1	\$5,050
Oil tank Gravity feed 870 litres Cubet (Tanks)	-	-	-	-	-	-	-	1	1	1	\$6,060
Lincoln Power MIG 256 - 220 volts	-	-	-	-	-	-	-	1	1	1	\$3,030

APPENDIX 1
REVISED OPERATIONS INVENTORY - JUNE 2016

APPENDIX B.4
TABLE 1 - PAGE 3

TOWN OF GEORGINA
INVENTORY OF CAPITAL ASSETS
OPERATIONS

FLEET & RELATED EQUIPMENT, CONT'D Description	# of Vehicles or Equipment										UNIT COST (\$/vehicle)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Waterworks											
2012 Dodge Truck Ram Pickup Bright White	-	-	-	-	-	1	1	1	1	1	\$50,500
2010 Ford Transit Connect 5 seater	-	-	-	-	1	1	1	1	1	1	\$25,250
2010 Ford Transit Connect 5 seater	-	-	-	-	1	1	1	1	1	1	\$25,250
2006 Dodge Truck Ram Pickup	1	1	1	1	1	1	1	1	1	1	\$50,500
2008 Chevrolet G Van	-	-	1	1	1	1	1	1	1	1	\$50,500
2008 Chevrolet G Van	-	-	1	1	1	1	1	1	1	1	\$50,500
2005 Ford 4x2 F550	1	1	1	1	1	1	1	1	1	1	\$80,800
2005 JCTR Float Trailers	1	1	1	1	1	1	1	1	1	1	\$8,080
2005 JCTR Float Trailers	1	1	1	1	1	1	1	1	1	1	\$10,100
2011 American Hauler Trailer -AFX8514TA4 (Traffic Control)	-	-	-	-	1	1	1	1	1	1	\$10,100
Peel Engines Generator Model- J9595-Serial M16163	1	1	1	1	1	1	1	1	1	1	\$12,120
Cummins Generator Model - G0508 6187	1	1	1	1	1	1	1	1	1	1	\$12,120
Arrow Board LED Trailer Model - SE15LEDT	1	1	1	1	1	1	1	1	1	1	\$10,100
Arrow Board LED Trailer Model - SE15LEDT	1	1	1	1	1	1	1	1	1	1	\$10,100
Steam Jenny -Model A	-	-	1	1	1	1	1	1	1	1	\$15,150
Aqualoader Bulk Fill Station	-	-	-	-	-	-	1	1	1	1	\$35,350
Roads											
2009 Chevrolet Colorado	-	-	-	-	1	1	1	1	1	1	\$35,350
2013 GMC Sierra 1500 Summit White	1	1	1	1	1	1	1	1	1	1	\$50,500
2013 GMC Sierra 1500 Summit White	1	1	1	1	1	1	1	1	1	1	\$50,500
2006 Int'l 5T Dump	1	1	1	1	1	1	1	1	1	1	\$272,700
2011 Int'l FRTLNR-5T Dump	1	1	1	1	1	1	1	1	1	1	\$232,300
2008 Int'l 5T Work Star Dump	1	1	1	1	1	1	1	1	1	1	\$232,300
2009 Int'l FRTLNR-6T Dump	1	1	1	1	1	1	1	1	1	1	\$232,300
2009 Int'l FRTLNR-6T Dump	1	1	1	1	1	1	1	1	1	1	\$232,300
2012 Int'l, Freightliner with Dump	1	1	1	1	1	1	1	1	1	1	\$232,300
2006 Int'l 5T Dump	1	1	1	1	1	1	1	1	1	1	\$272,700
2004 Int'l 5T Dump	1	1	1	1	1	1	1	1	1	1	\$191,900
2012 John Deere Front end Loader	1	1	1	1	1	1	1	1	1	1	\$126,250
2008 New Holland Wheel Loader	-	1	1	1	1	1	1	1	1	1	\$111,100
2004 Int'l 6T Dump	1	1	1	1	1	1	1	1	1	1	\$212,100
2004 Int'l 6T Dump	1	1	1	1	1	1	1	1	1	1	\$212,100
Tractor & Rear Mower	1	1	1	1	1	1	1	1	1	1	\$101,000

APPENDIX 1
REVISED OPERATIONS INVENTORY - JUNE 2016

APPENDIX B.4
TABLE 1 - PAGE 4

TOWN OF GEORGINA
INVENTORY OF CAPITAL ASSETS
OPERATIONS

FLEET & RELATED EQUIPMENT, CONT'D Description	# of Vehicles or Equipment										UNIT COST (\$/vehicle)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Tractor	1	1	1	1	1	1	1	1	1	1	\$141,400
Tractor	1	1	1	1	1	1	1	1	1	1	\$141,400
2010 Ford F150 Pick-up	-	-	-	-	1	1	1	1	1	1	\$35,350
2010 Ford F150 Pick-up	-	-	-	-	1	1	1	1	1	1	\$35,350
2005 Triaxle Trailer	1	1	1	1	1	1	1	1	1	1	\$20,200
Steam Jennys (2)- Pressure washer (1)	1	1	1	1	1	1	1	1	1	1	\$15,150
Gradall (used)	1	1	1	1	1	1	1	1	1	1	\$151,500
Backhoe/Loader	1	1	1	1	1	1	1	1	1	1	\$141,400
Pole Trailer	1	1	1	1	1	1	1	1	1	1	\$30,300
2005 J & J Trailer	1	1	1	1	1	1	1	1	1	1	\$8,080
2003 Dodge Pickup	1	1	1	1	1	1	1	1	1	1	\$50,500
2005 JCTR Trailer DBW	1	1	1	1	1	1	1	1	1	1	\$10,100
2011 American Hauler Utility Trailer	-	-	-	-	1	1	1	1	1	1	\$10,100
2012 J.C. Yellow Single Axle Pole Trailer	-	-	-	-	-	-	1	1	1	1	\$10,100
Webber Lane Utility Trailer - walkbehind	-	-	-	1	1	1	1	1	1	1	\$10,100
Hot Boxes 1	1	1	1	1	1	1	1	1	1	1	\$30,300
Transmitter	1	1	1	1	1	1	1	1	1	1	\$20,200
John Deere Heavy Duty Rear Swing Flail Diamond Mower	1	1	1	1	1	1	1	1	1	1	\$15,150
John Deere Heavy Duty Rear Swing Flail Diamond Mower	1	1	1	1	1	1	1	1	1	1	\$15,150
2012 Thompson Model "A" Steamer with 100' sewer snake	1	1	1	1	1	1	1	1	1	1	\$15,150
2013 Hydraulic 8' Loader Mounted Angle Broom	1	1	1	1	1	1	1	1	1	1	\$20,200
Safe Pace Radar signs 100 yellow with brackets (Qty -7) and	-	-	-	-	-	-	-	1	1	1	\$38,380
2013 Bush Hog Model 100-08 Three point hitch rear blade	-	-	-	-	-	-	-	1	1	1	\$5,050
2003 Aquacide Machine	1	1	1	1	1	1	1	1	1	1	\$15,150
2015 FREIGHTLINER SD	1	1	1	1	1	1	1	1	1	1	\$244,420
2015 FREIGHTLINER SD	1	1	1	1	1	1	1	1	1	1	\$244,420
2015 FREIGHTLINER SD	1	1	1	1	1	1	1	1	1	1	\$227,250
Total (#)	45	46	50	52	61	65	68	80	80	80	
Total (\$000)	\$4,533.9	\$4,645.0	\$4,786.4	\$4,847.0	\$5,090.4	\$5,211.6	\$5,267.2	\$5,400.7	\$5,400.7	\$5,400.7	

APPENDIX 1
REVISED OPERATIONS INVENTORY - JUNE 2016

APPENDIX B.4
TABLE 1 - PAGE 5

TOWN OF GEORGINA
CALCULATION OF SERVICE LEVELS
OPERATIONS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Historic Population	42,346	42,578	42,811	43,045	43,280	43,517	44,061	44,519	44,982	45,450
Historic Employment	7,419	7,469	7,519	7,570	7,621	7,673	7,905	8,155	8,425	8,718
Historic Population + Employment	49,765	50,047	50,330	50,615	50,901	51,190	51,966	52,674	53,407	54,168

INVENTORY SUMMARY (\$000)

Buildings	\$3,159.7	\$3,159.7	\$3,159.7	\$3,159.7	\$3,159.7	\$4,364.4	\$4,546.4	\$4,437.2	\$4,437.2	\$4,437.2
Land	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3	\$1,580.3
Furniture And Equipment	\$276.9	\$276.9	\$276.9	\$276.9	\$276.9	\$276.9	\$302.9	\$287.3	\$287.3	\$287.3
Fleet & Related Equipment	\$4,533.9	\$4,645.0	\$4,786.4	\$4,847.0	\$5,090.4	\$5,211.6	\$5,267.2	\$5,400.7	\$5,400.7	\$5,400.7
Total (\$000)	\$9,550.8	\$9,661.9	\$9,803.3	\$9,863.9	\$10,107.3	\$11,433.2	\$11,696.7	\$11,705.4	\$11,705.4	\$11,705.4

SERVICE LEVEL (\$/pop+empl)

Average
Service
Level

Buildings	\$63.49	\$63.13	\$62.78	\$62.43	\$62.07	\$85.26	\$87.49	\$84.24	\$83.08	\$81.91	\$73.59
Land	\$31.76	\$31.58	\$31.40	\$31.22	\$31.05	\$30.87	\$30.41	\$30.00	\$29.59	\$29.17	\$30.71
Furniture And Equipment	\$5.56	\$5.53	\$5.50	\$5.47	\$5.44	\$5.41	\$5.83	\$5.45	\$5.38	\$5.30	\$5.49
Fleet & Related Equipment	\$91.11	\$92.81	\$95.10	\$95.76	\$100.01	\$101.81	\$101.36	\$102.53	\$101.12	\$99.70	\$98.13
Total (\$/pop+empl)	\$191.92	\$193.06	\$194.78	\$194.88	\$198.57	\$223.35	\$225.08	\$222.22	\$219.17	\$216.09	\$207.91

TOWN OF GEORGINA
CALCULATION OF MAXIMUM ALLOWABLE
OPERATIONS

10-Year Funding Envelope Calculation	
10 Year Average Service Level 2006 - 2015	\$207.91
Net Population & Employment in New Space Growth 2015 - 2024	10,146
Maximum Allowable Funding Envelope	\$2,109,357
Less: Uncommitted Excess Capacity	\$0
Discounted Maximum Allowable Funding Envelope	\$2,109,357

**TOWN OF GEORGINA
TOWN-WIDE DEVELOPMENT CHARGES
RESIDENTIAL DEVELOPMENT CHARGES**

Service	Unadjusted Charge Per Capita	Adjusted Charge After Cashflow Per Capita	Charge By Unit Type ⁽¹⁾			
			Single & Semi- Detached	Rows & Other Multiples	Apartments	
					≥650 sq.ft.	<650 sq.ft.
Library Services	\$278.62	\$309.30	\$925	\$745	\$650	\$448
Fire And Emergency Services	\$290.18	\$304.30	\$910	\$733	\$639	\$441
Parks And Recreation	\$2,590.86	\$2,954.00	\$8,834	\$7,116	\$6,203	\$4,283
Operations	\$185.13	\$209.50	\$627	\$505	\$440	\$304
General Government	\$36.12	\$36.10	\$108	\$87	\$76	\$52
Total General Services	\$3,380.92	\$3,813.20	\$11,404	\$9,186	\$8,008	\$5,528
Town-Wide Roads And Related	\$15.50	\$15.50	\$46	\$37	\$33	\$22
Town-Wide Stormwater Management	\$6.45	\$6.45	\$19	\$16	\$14	\$9
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$3,402.86	\$3,835.15	\$11,469	\$9,239	\$8,055	\$5,559
(1) Based on Persons Per Unit Of:			2.99	2.41	2.10	1.45

**TOWN OF GEORGINA
TOWN-WIDE DEVELOPMENT CHARGES
NON-RESIDENTIAL DEVELOPMENT CHARGES**

Service	Non-Residential	
	Unadjusted Charge (\$/sq.m)	Adjusted Charge (\$/sq.m)
Library Services	\$0.00	\$0.00
Fire And Emergency Services	\$4.17	\$4.33
Parks And Recreation	\$0.00	\$0.00
Operations	\$2.66	\$2.99
General Government	\$0.52	\$0.52
Total General Services	\$7.35	\$7.84
Town-Wide Roads And Related	\$0.23	\$0.23
Town-Wide Stormwater Management	\$0.09	\$0.09
TOTAL TOWN-WIDE CHARGE PER SQ.M	\$7.67	\$8.16

TOWN OF GEORGINA
COMPARISON OF CALCULATED CHARGES IN BACKGROUND STUDY WITH JUNE, 2016 REVISED RATES
RESIDENTIAL DEVELOPMENT CHARGES BY SERVICE AREA

Service	Background Study Residential Charge / SDU	June Revised Residential Charge / SDU	Difference in Charge
Library Services	\$925	\$925	\$0
Fire And Emergency Services	\$992	\$910	(\$82)
Parks And Recreation	\$9,189	\$8,834	(\$355)
Operations	\$551	\$627	\$76
General Government	\$108	\$108	\$0
Total General Services	\$11,765	\$11,404	(\$361)
Town-Wide Roads And Related	\$46	\$46	\$0
Town-Wide Stormwater Management	\$19	\$19	\$0
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$11,830	\$11,469	(\$361)

APPENDIX 2
REVISED DEVELOPMENT CHARGE RATES - JUNE 2016

TOWN OF GEORGINA
COMPARISON OF CALCULATED CHARGES IN STUDY WITH JUNE, 2016 REVISED RATES
NON-RESIDENTIAL DEVELOPMENT CHARGES BY SERVICE AREA

Service	Background Study Non-Residential Charge / SQ.M	June Revised Non-Residential Charge / SQ.M	Difference in Charge
Library Services	\$0.00	\$0.00	\$0.00
Fire And Emergency Services	\$4.72	\$4.33	(\$0.39)
Parks And Recreation	\$0.00	\$0.00	\$0.00
Operations	\$2.63	\$2.99	\$0.36
General Government	\$0.52	\$0.52	\$0.00
Total General Services	\$7.87	\$7.84	(\$0.03)
Town-Wide Roads And Related	\$0.23	\$0.23	\$0.00
Town-Wide Stormwater Management	\$0.09	\$0.09	\$0.00
TOTAL TOWN-WIDE CHARGE PER SQ.M.	\$8.19	\$8.16	(\$0.03)