

CITY OF GUELPH

**DEVELOPMENT CHARGE
BACKGROUND STUDY**

November 1, 2013



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 **Planning for growth**

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. The report provided herein represents the Development Charge Background Study for the City of Guelph required by the *Development Charges Act* (DCA). This report has been prepared in accordance with the methodology required under the DCA. The contents include the following:
 - Chapter 1 – Overview of the legislative requirements of the Act;
 - Chapter 2 – Review of present DC policies of the City;
 - Chapter 3 – Summary of the residential and non-residential growth forecasts for the City;
 - Chapter 4 – Approach to calculating the development charge;
 - Chapter 5 – Review of historic service standards and identification of future capital requirements to service growth and related deductions and allocations;
 - Chapter 6 – Calculation of the development charges;
 - Chapter 7 – Development charge policy recommendations and rules; and
 - Chapter 8 – By-law implementation.

2. Development charges provide for the recovery of growth-related capital expenditures from new development. The *Development Charges Act* is the statutory basis to recover these charges. The methodology is detailed in Chapter 4; a simplified summary is provided below:
 - 1) Identify amount, type and location of growth;
 - 2) Identify servicing needs to accommodate growth;
 - 3) Identify capital costs to provide services to meet the needs;
 - 4) Deduct:
 - Grants, subsidies and other contributions;
 - Benefit to existing development;
 - Statutory 10% deduction (soft services);
 - Amounts in excess of 10-year historic service calculation;
 - DC reserve funds (where applicable);
 - 5) Net costs are then allocated between residential and non-residential benefit; and
 - 6) Net costs divided by growth to provide the DC charge.

3. The growth forecast (Chapter 3) on which the City-wide development charge is based, projects the following population, housing and non-residential floor area for the 10-year (2013-2022) and 19-year (2013-2031) periods.

Measure	10 Year 2013-2022	19 Year 2013-2031
(Net) Population Increase	24,756	43,150
Residential Unit Increase	11,536	20,847
Non-Residential Gross Floor Area Increase (ft ²)	10,598,100	23,112,600
Non-Residential Employment	14,287	29,204

Source: Watson & Associates Economists Ltd. Forecast 2013

4. On January 26, 2009, the City of Guelph passed By-law (2009)-18729 under the *Development Charges Act, 1997*. The by-law imposes development charges on residential and non-residential uses. By-law (2009)-18729 will expire on March 2, 2014. The City is undertaking a development charge public process and anticipates passing a new by-law in advance of the expiry date. The mandatory public meeting has been set for November 18, 2013 with adoption of the by-law subsequently.
5. The City's development charges currently in effect are \$24,208 for single detached dwelling units for full services. Non-residential commercial/institutional charges are \$132.12 per square metre for full services and the non-residential industrial/computer or research establishment charges are \$107.37 per square metre for full services. This report has undertaken a recalculation of the charge based on future identified needs (presented in Schedule ES-1 for residential and non-residential). Charges have been provided on a City-wide basis for all services. The corresponding single-detached unit charge is \$27,258. The blended non-residential charge is \$97.08 per square metre (\$9.02 per sq.ft.) of building area. It is noted that staff are recommending a blended non-residential rate be approved by Council for the new by-law. If Council wishes to continue with differentiating the non-residential charges by type (Industrial vs. commercial/institutional) these charges have been calculated and are provided for in Appendix G. These rates are submitted to Council for its consideration.
6. The *Development Charges Act* requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-5. A summary of these costs is provided below:

Total gross expenditures planned over the next five years	\$ 413,260,762
Less:	
Benefit to existing development	\$ 111,269,176
Post planning period benefit	\$ 52,541,278
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 6,573,620
Grants, subsidies and other contributions	\$ 25,726,045
Net Costs to be recovered from development charges	\$ 217,150,643

Of the total, \$52.54 million is growth-related but outside of the forecast period. As well, \$196.11 million (or an annual amount of \$39.22 million) will need to be contributed from taxes and rates, grants, subsidies or other sources.

Based on the previous table, the City plans to spend \$413.26 million over the next five years, of which \$217.15 million (53%) is recoverable from development charges. Of this net amount, \$141.02 million is recoverable from residential development and \$69.13 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

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

The following services are calculated based on a 19-year forecast:

- Stormwater Drainage and Control Services;
- Wastewater Services; and
- Water Services.
- Services Related to a Highway and Related;
- Police Services; and
- Fire Protection Services.

All other services are calculated based on a 10-year forecast. These include:

- Transit;
- Municipal Parking;
- Outdoor Recreation Services;
- Indoor Recreation Services;
- Library Services;
- Administration;
- Health Services;
- Municipal Court; and
- Ambulance Services.

However, Council will consider the findings and recommendations provided in the report and, in conjunction with public input, approve such policies and rates it deems appropriate. These directions will refine the draft DC by-law which is appended in Appendix F. These decisions may include:

- adopting the charges and policies recommended herein;
- considering additional exemptions to the by-law; and
- considering reductions in the charge by class of development (obtained by removing certain services on which the charge is based and/or by a general reduction in the charge).

**TABLE ES-1
SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per m ² of Gross Floor Area)	(per ft ² of Gross Floor Area)	
Municipal Wide Services:							
Services Related to a Highway & Related	3,253	1,958	1,365	2,450	14.75	1.37	
Transit	505	304	212	380	2.58	0.24	
Municipal Parking	686	413	288	517	3.44	0.32	
Fire Protection Services	284	171	119	214	1.29	0.12	
Police Services	399	240	167	300	1.83	0.17	
Outdoor Recreation Services	3,525	2,122	1,480	2,655	1.61	0.15	
Indoor Recreation Services	2,556	1,538	1,073	1,925	1.18	0.11	
Library Services	540	325	227	407	0.22	0.02	
Administration	318	191	133	239	1.61	0.15	
Provincial Offences Act	9	5	4	7	-	0.00	
Health Services	64	39	27	48	0.11	0.01	
Ambulance	29	17	12	22	0.11	0.01	
Total Municipal Wide Services	12,168	7,323	5,107	9,164	28.73	2.67	
Urban Services							
Stormwater Services	121	73	51	91	0.54	0.05	
Wastewater Services	6,344	3,818	2,663	4,778	28.74	2.67	
Water Services	8,625	5,191	3,620	6,495	39.07	3.63	
Total Urban Services	15,090	9,082	6,334	11,364	68.35	6.35	
GRAND TOTAL RURAL AREA	12,168	7,323	5,107	9,164	28.73	2.67	
GRAND TOTAL URBAN AREA	27,258	16,405	11,441	20,528	97.08	9.02	

(iv)

1. INTRODUCTION

1. INTRODUCTION

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the *Development Charges Act, 1997* (s.10) and, accordingly, recommends new development charges and policies for the City of Guelph.

The City retained Watson & Associates Economists Ltd. (Watson), to undertake the development charges (DC) study process throughout 2013. Watson worked with City staff and their engineering consultants (AECOM and CH2M Hill) preparing the DC analysis and policy recommendations.

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

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the City's development charge background study, as summarized in Chapter 4. It also addresses the requirement for "rules" (contained in Chapter 7) and the proposed by-law to be made available as part of the approval process (included as Appendix F).

In addition, the report is designed to set out sufficient background on the legislation (Chapter 4), Guelph's current DC policy (Chapter 2) and the policies underlying the proposed by-law, to make the exercise understandable to those who are involved.

Finally, it addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy.

The Chapters in the report are supported by Appendices containing the data required to explain and substantiate the calculation of the charge. A full discussion of the statutory requirements for the preparation of a background study and calculation of a development charge is provided herein.

1.2 Summary of the Process

The public meeting required under Section 12 of the *Development Charges Act, 1997*, has been scheduled for November 18, 2013. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the City's development charges.

In accordance with the legislation, the background study and proposed DC by-law will be available for public review on November 1, 2013.

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

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

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

FIGURE 1-1
SCHEDULE OF KEY DEVELOPMENT CHARGE PROCESS DATES
FOR THE CITY OF GUELPH

1. Initial Stakeholder Meeting	December 5, 2012
2. Data collection, staff review, engineering work, DC calculations and policy work	December 2012 – September 2013
3. Meetings with Peer Review Team	1. March 8, 2013 2. May 16, 2013 3. August 1, 2013
4. Meetings with Steering Committee	1. May 23, 2013 2. July 22, 2013
5. Stakeholder meetings	1. September 3, 2013 2. September 27, 2013 3. October 15, 2013
6. Meetings with City's Executive Team	1. August 14, 2013 2. October 16, 2013
7. Public meeting advertisement placed in newspaper(s)	October 24, 2013
8. Meeting with Chamber of Commerce/Downtown Guelph Business Association	October 28, 2013
9. Joint Peer Review and Stakeholder Meeting	October 31, 2013
10. Background study and proposed by-law available to public	November 1, 2013
11. Public meeting of Council	November 18, 2013
12. Council considers adoption of background study and passage of by-law	January 27, 2014
13. Newspaper notice given of by-law passage	By 20 days after passage
14. Last day for by-law appeal	40 days after passage
15. City makes pamphlet available (where by-law not appealed)	By 60 days after in force date

2. CURRENT CITY OF GUELPH POLICY

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2.1 Schedule of Charges

On January 26, 2009, the City of Guelph passed By-law (2009)-18729 under the *Development Charges Act, 1997*. The by-law imposes development charges for residential and non-residential uses.

The table below provides the rates currently in effect, as at March 2, 2013.

Service	Residential				Non-Residential	
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Garden Suite or Apartments with < 2 Bedrooms	Commercial/ Institutional \$/m2	Industrial/ Computer or Research Establishment \$/m2
Roads and Related	2,803	2,110	1,686	1,177	21.86	11.66
Transit	613	462	370	258	4.80	2.55
Municipal Court Facility Space	14	10	8	6	0.12	0.06
Fire Protection Services	253	191	152	107	1.45	1.44
Police Services	253	191	151	106	1.58	1.57
Recreation	1,696	1,278	1,021	712	1.25	0.66
Parks (excluding land acquisition)	2,137	1,610	1,287	897	1.56	0.83
Library Services	407	307	245	170	0.28	0.15
Administration (Studies)	195	148	118	82	1.09	1.10
Municipal Parking Spaces	566	426	341	238	4.42	2.36
Ambulance Services	17	12	9	7	0.13	0.07
Stormwater Services	181	135	109	76	1.41	0.75
Wastewater Services	6,850	5,160	4,123	2,876	41.90	38.25
Water Services	8,223	6,192	4,948	3,452	50.27	45.92
Total	24,208	18,232	14,568	10,164	132.12	107.37

2.2 Services Covered

The following are the services covered under By-law (2009)-18729:

- Water Services;
- Wastewater Services;
- Stormwater Drainage and Control Services;
- Roads and Related Services;
- Fire Protection Services;
- Library Services;
- Recreation;
- Parks (excluding land acquisition);
- Transit;
- Administration;
- Ambulance Services;
- Municipal Court;
- Municipal Parking; and
- Police Services.

2.3 Timing of DC Calculation and Payment

Development charges are calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies. Development charges for water, wastewater, stormwater, and roads and related services are imposed at the time of a residential plan of subdivision except for a residential plan of subdivision for multiple unit cluster townhouses, multiple unit stacked townhouses, and apartments, which are payable based on the proposed number and type of dwelling units in the final plan of subdivision. With respect to blocks in a plan of subdivision intended for future development, the amount collected is based on the maximum number and type of dwelling units permitted under the zoning in effect at the time the development charges are payable. At the time of building permit issuance, if the number and/or type of dwelling unit is different than that used for the calculation at the time of a plan of subdivision, adjustments are made and any additional payment would be imposed or overpayment would be refunded.

2.4 Indexing

By-law (2009)-18729 provides for the annual indexing of charges on March 2 of each year, without amendment to the by-law, in accordance with the prescribed index in the Act.

2.5 Redevelopment Allowance

As a result of the redevelopment of land, a building or structure existing on the same land within 48 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:

- (a) 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 subsections 3.6 or 3.10(b) by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of 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 subsection 3.7, 3.8, 3.9 or 3.10(a) 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.

2.6 Exemptions

The following non-statutory exemptions are provided under By-law (2009)-18729:

- Development of certain land, buildings, or structures for the University of Guelph or university-related purposes;
- A place of worship, cemetery or burial ground;
- Non-residential temporary uses permitted pursuant to section 39 of the *Planning Act*;
- Non-residential farm buildings constructed for bona fide farm uses;
- Development creating or adding an accessory use or accessory structure not exceeding 10 square metres of gross floor area;
- A public hospital;
- The issuance of a building permit in accordance with section 2(3) of the Act; or
- The exempt portion of an enlargement of the GFA of an existing industrial building in accordance with section 4 of the Act.

3. ANTICIPATED DEVELOPMENT IN THE CITY OF GUELPH

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3.1 Requirement of the Act

Chapter 4 provides the methodology for calculating a development charge as per the *Development Charges Act, 1997*. Figure 4-1 presents this methodology graphically. It is noted in the first box of the schematic that in order to determine the development charge that may be imposed, it is a requirement of Section 5 (1) of the *Development Charges Act* that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the City of Guelph will be required to provide services, over a 10-year (2013-2023) and 19-year (urban buildout) (2013-2031) time horizon.

For the purpose of the 2013 DC Background Study, buildout refers to the residential and non-residential development yield on all lands within the City’s Municipal Corporate Boundary, including the Guelph Innovation District (GID), but excluding lands designated Reserve Lands and Open Space/Parkland in the Clair-Maltby Secondary Plan Area as shown in Map 3-1, provided herein. The Reserve Lands and Open Space/Parklands described above have been excluded from the DC growth forecast, given the uncertainty surrounding the residential and non-residential development yield of these lands prior to the adoption of the Secondary Plan for the Clair-Maltby Area.

3.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast

This forecast has regard for the most recent planning and policy documents prepared for the City of Guelph, such as the City of Guelph Local Growth Management Strategy (LGMS), the City of Guelph Employment Land Strategy (ELS), the Downtown Secondary Plan (OPA 43), the Guelph Innovation District (GID) Secondary Plan (Preferred Scenario) (OPA 54) and the City of Guelph Official Plan (OP) as amended by OPA 39 and 48. The City of Guelph Planning Department was consulted on several occasions throughout the preparation of the DC forecast.

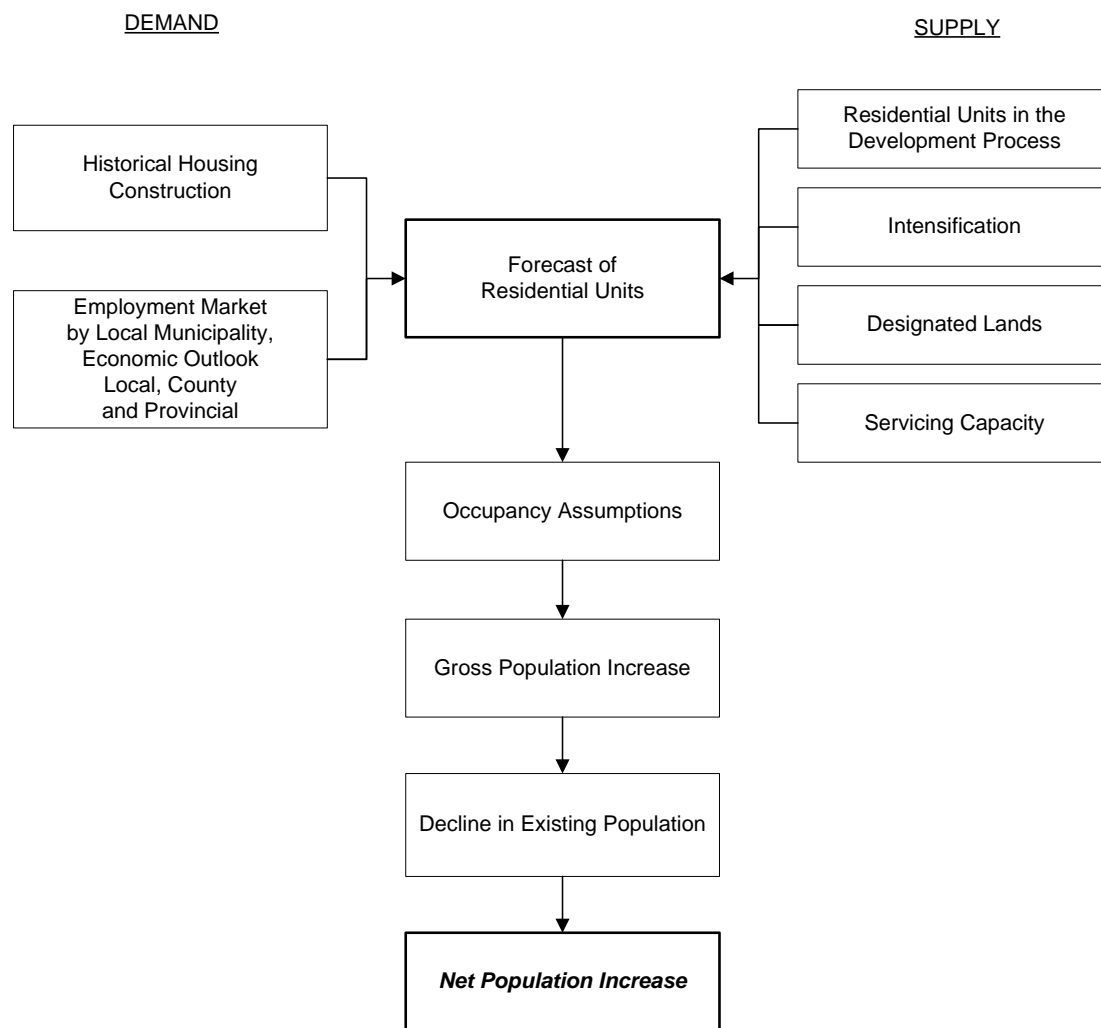
3.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A, and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the City and describes the basis for the

forecast. The results of the residential growth forecast analysis are summarized in Table 3-1 below, and *Schedule 1* in Appendix A.

As identified in Table 3-1 and *Schedule 1*, the City's population is anticipated to reach approximately 151,000 by late 2023 and 169,400 at buildout, resulting in an increase of 24,760 and 43,150 persons, respectively, over the 10-year and buildout forecast periods.¹

FIGURE 3-1
HOUSEHOLD FORMATION – BASED ON POPULATION AND HOUSEHOLD PROJECTION MODEL



¹ The population figures used in the calculation of the 2014 development charge exclude the net Census undercount, which is estimated at approximately 3.5%. The population forecast also excludes students, who would not be captured within the permanent population base.

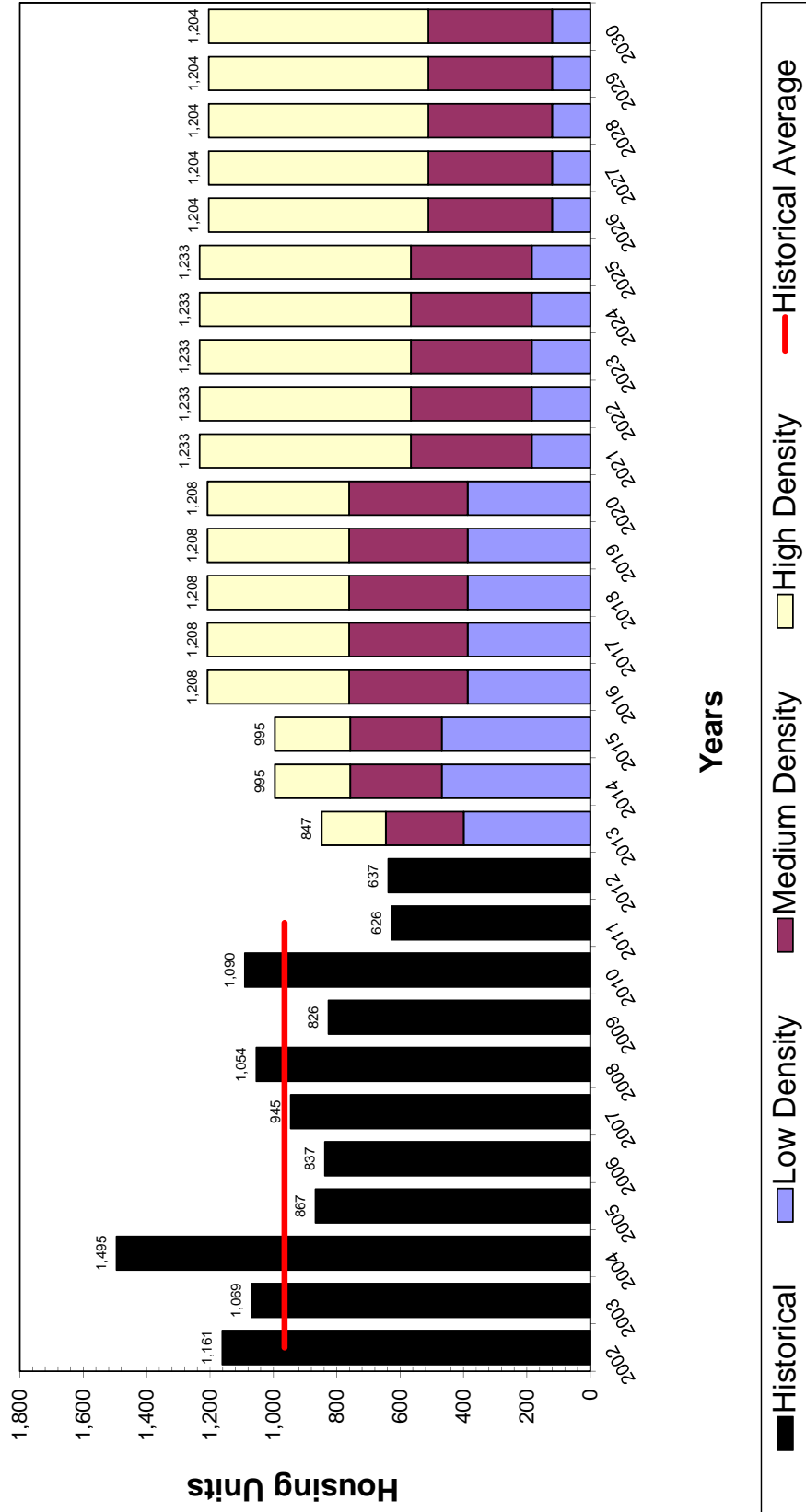
CITY OF GUELPH
RESIDENTIAL GROWTH FORECAST SUMMARY^{1,2}

Year	Population (Excluding Census Undercount)	Population (Including Census Undercount) ³	Housing Units					Person Per Unit (PPU) ⁶
			Singles & Semi- Detached	Multiple Dwellings ⁴	Apartments ⁵	Other	Total Households	
<i>Mid 2001</i>	106,170	109,890	24,685	5,550	9,965	325	40,525	2.62
<i>Mid 2006</i>	114,943	118,970	25,895	7,880	10,860	60	44,695	2.57
<i>Mid 2011</i>	121,688	125,950	28,530	8,615	10,915	60	48,120	2.53
<i>Late 2013</i>	126,250	130,670	29,439	9,195	11,272	60	49,966	2.53
<i>Late 2023</i>	151,006	156,290	32,969	12,723	15,750	60	61,502	2.46
<i>Buildout⁷</i>	169,400	175,330	34,031	15,629	21,093	60	70,813	2.39
Mid 2001 - Mid 2006	8,773	9,080	1,210	2,330	895	-265	4,170	
Mid 2006 - Mid 2011	6,745	6,980	2,635	735	55	0	3,425	
Mid 2011 - Late 2013	4,562	4,720	909	580	357	0	1,846	
Late 2013 - Late 2023	24,756	25,620	3,530	3,528	4,478	0	11,536	
Late 2013 - Buildout⁷	43,150	44,660	4,592	6,434	9,821	0	20,847	

Source: Watson & Associates Economists Ltd., August, 2013.

- Forecast excludes lands designated Reserve Lands, and Open Space/Park within Clair-Maltby Secondary Plan Area as shown in Map 3-1, provided herein.
- Population forecasts excludes students which would not be captured within the permanent population base.
- Census undercount estimated at approximately 3.5%. Note: Population including the Undercount has been rounded.
- Includes townhomes and apartments in duplex
- Includes Bachelors, 1 bedroom and 2 bedroom+ apartments.
- PPU is based on population excluding the net census undercount divided by total housing units
- Buildout refers to the residential and non-residential development yield on all lands within the City's Municipal Corporate Boundary, including the Guelph Innovation District (GID), but excluding lands

FIGURE 3-2
2013-2031 HOUSING FORECAST¹



Source: Historical housing activity (2002-2012) based on Statistics Canada building permits, Catalogue 64-001-X1B

1. Growth Forecast represents start year.

1. Unit Mix (Appendix A – Schedules 1, 5 and 6)

- The unit mix for the City, outlined in *Schedule 1*, was derived from historical development activity (as per *Schedule 6*, Appendix A), as well as through an analysis of the future supply opportunities available (*Schedule 5*). The unit mix for the City was also derived through discussions with planning staff regarding the anticipated development trends for the City.
- Based on the above indicators, the 10-year household growth forecast is comprised of a unit mix of 31% low density (single detached and semi-detached), 31% medium density (multiples except apartments) and 39% high density (bachelor, 1 bedroom and 2 bedroom apartments).

2. Geographic Location of Residential Development (Appendix A – Schedules 1 and 5)

- *Schedule 1* summarizes the anticipated amount and type of development for the City of Guelph, while *Schedule 5* summarizes the future housing supply by stage of development as of 2013 for the built up area and greenfield area.

3. Planning Period

- Short- and long-term time horizons (10 years and buildout) are required for the DC process. The *Development Charges Act, 1997* (DCA) limits the planning horizon for certain services, such as parks, recreation and libraries, to a 10-year planning horizon. Roads, fire, police, stormwater, water and wastewater services utilize the buildout forecast.

4. Population in New Units (Appendix A - Schedules 1 through 4, 7 and 8)

- The number of permanent housing units to be constructed in the City of Guelph during the short- and long-term (buildout) periods is presented on Figure 3-2 (an average of approximately 1,154 total housing units per annum over the 10-year time horizon).
- Population in new units is derived from *Schedules 2, 3 and 4*, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit by dwelling type for new units.
- *Schedule 7* summarizes the PPU for the new housing units by age and type of dwelling based on 2006 custom Census data. The total calculated PPU for low density has been adjusted to account for the downward PPU trend which has been recently experienced in both new and older units, largely due to the aging of the population. Adjusted 20-year average PPU's by density dwelling type are as follows:
 - Low density: 3.24

- Medium density: 2.44
- High density: 1.71

5. Existing Units and Population Change (Appendix A - Schedules 2, 3, and 4)

- Existing households for mid-2013 are based on the 2011 Census households, plus estimated residential units constructed between 2011 and early 2013 assuming a 6-month lag between construction and occupancy (see *Schedule 2*).
- The decline in average occupancy levels for existing housing units is calculated in *Schedules 3 and 4*, by aging the existing population over the forecast period. The forecast population decline in existing households over the 10-year and buildout forecast periods is approximately 2,930 and 4,190, respectively).

6. Employment (Appendix A, Schedules 9a, 9b, 10 and 11)

- The employment forecasts are largely based on the activity rate method, which is defined as the number of jobs in a municipality divided by the number of residents. The buildout employment forecast refers to the non-residential development yield on all lands within the City's Municipal Corporate Boundary, including the Guelph Innovation District (GID), but excluding lands designated Reserve Lands and Open Space/Parkland in the Clair-Maltby Secondary Plan Area as shown in Map 3-1, provided herein.
- Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home. Further details regarding forecast employment by sector are outlined in *Schedule 9a*.
- The 2013 employment estimate¹ (place of work) for the City of Guelph is outlined in *Schedule 9a*. The 2011 employment base is comprised of the following sectors:
 - 380 primary (1%);
 - 3,950 work at home employment (5%);
 - 26,600 industrial (38%);
 - 23,500 commercial/population-related (33%); and
 - 16,250 institutional (23%).
- The 2013 employment estimate by usual place of work, including work at home, is estimated at approximately 70,680.
- An additional 4,770 employees have been identified for the City of Guelph in 2013 that have no fixed place of work (NFPOW).² The 2013 employment base,

¹ 2013 employment derived by Watson & Associates Economists Ltd.

² Statistics Canada defines "no fixed place of work" (NFPOW) employees as, "persons who do not go from home to the same work place location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.

including no fixed place of work (NFPOW), totals approximately 75,450 employees.

- Total employment, including work at home and NFPOW, is anticipated to reach approximately 91,710 by late-2023 and 107,830 at buildout. This represents an employment increase of 16,260 for the 10-year period and 32,370 for the buildout period.
- Schedule 9b summarizes the employment forecast, excluding work at home employment and NFPOW employment, which is the basis for the DC employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The impacts on municipal services regarding NFPOW employees are less clear, given the transient nature of these employees. Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential gross floor area (GFA) calculation. Accordingly, work at home and NFPOW employees have been removed from the DC calculation.
- Total employment for the City of Guelph (excluding work at home and NFPOW employment) is anticipated to reach approximately 81,020 by late-2033 and 95,930 at buildout. This represents an employment increase of approximately 14,290 and 29,200 during the 10-year and buildout forecast periods, respectively.

7. Non-Residential Sq.ft. Estimates (Gross Floor Area (GFA), Appendix A, Schedule 9b)

- Square footage estimates were calculated in Schedule 10 based on the following employee density assumptions:
 - 1,100 sq.ft. per employee for industrial;
 - 500 sq.ft. per employee for commercial/population-related; and
 - 700 sq.ft. per employee for institutional employment.
- The City-wide incremental Gross Floor Area (GFA) increase is 10,598,100 over the 10-year forecast period and 23,112,600 over the buildout forecast period. In terms of percentage growth, the 10-year incremental GFA forecast by sector is broken down as follows:
 - industrial – 50%;
 - commercial/population-related – 32%; and
 - institutional – 17%.

4. THE APPROACH TO CALCULATION OF THE CHARGE

4. THE APPROACH TO CALCULATION OF THE CHARGE

4.1 Introduction

This chapter addresses the requirements of s.s.5(1) of the DCA, 1997 with respect to the establishment of the need for service which underpins the development charge calculation. These requirements are illustrated schematically in Figure 4-1.

4.2 Services Potentially Involved

Table 4-1 lists the full range of City service categories which are provided within the City.

A number of these services are defined in s.s.2(4) of the DCA, 1997 as being ineligible for inclusion in development charges. These are shown as “ineligible” on Table 4-1. Two ineligible costs defined in s.s.5(3) of the DCA are “computer equipment” and “rolling stock with an estimated useful life of (less than) seven years...” In addition, local roads are covered separately under subdivision agreements and related means (as are other local services). Services which are potentially eligible for inclusion in the City’s development charge are indicated with a “Yes.”

4.3 Increase in the Need for Service

The development charge calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for each service to be covered by the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service. While the need could conceivably be expressed generally in terms of units of capacity, s.s.5(1)3, which requires that City Council indicate that it intends to ensure that such an increase in need will be met, suggests that a project-specific expression of need would be most appropriate.

4.4 Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions.

Figure 4-1
The Process of Calculating a Development Charge under the DCA, 1997

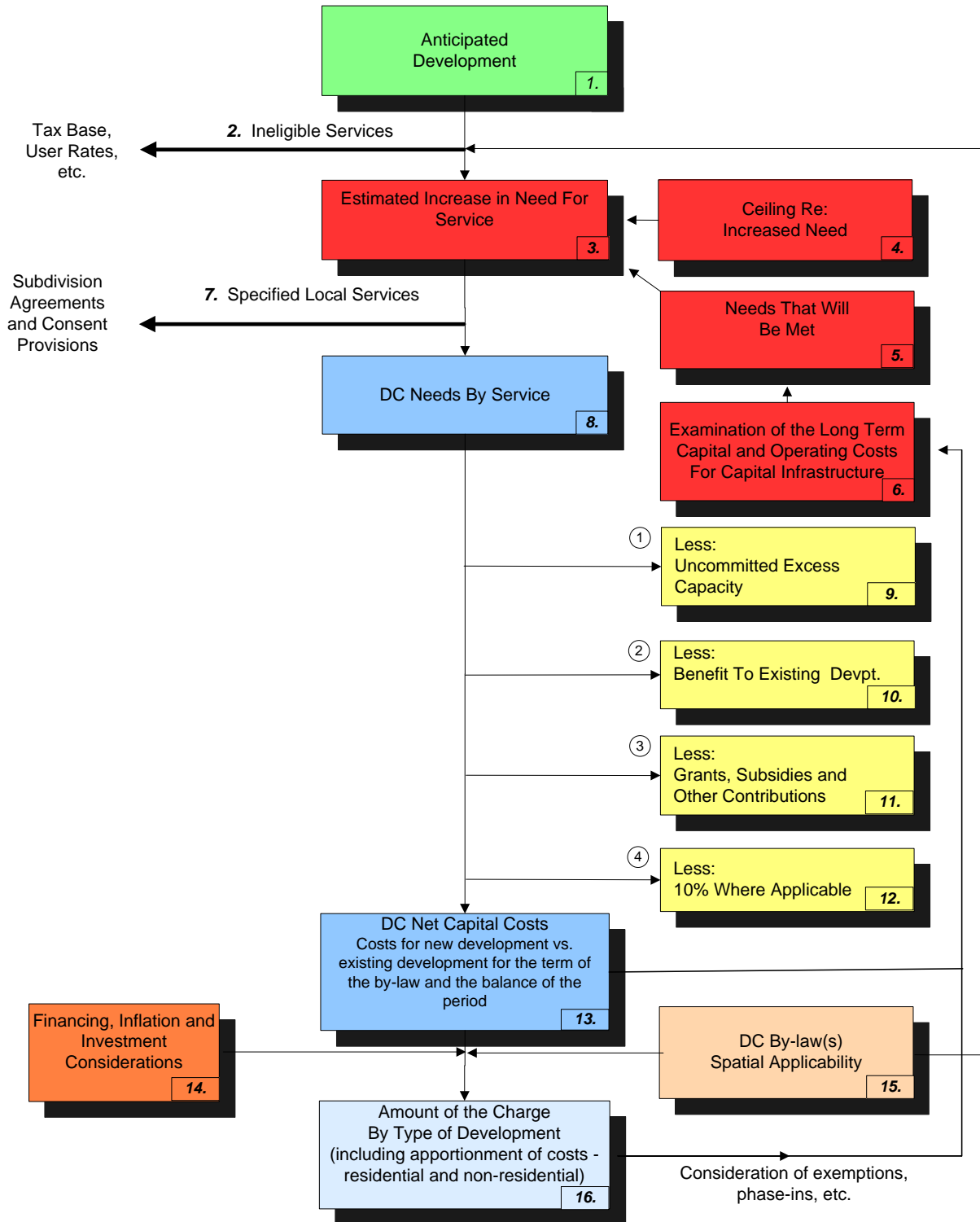


TABLE 4-1
CATEGORIES OF MUNICIPAL SERVICES
TO BE ADDRESSED AS PART OF THE CALCULATION

CATEGORIES OF MUNICIPAL SERVICES	ELIGIBILITY FOR INCLUSION IN THE DC CALCULATION	SERVICE COMPONENTS	MAXIMUM ¹ POTENTIAL DC RECOVERY %
1. Services Related to a Highway	Yes Yes No Yes Yes Yes	1.1 Arterial roads 1.2 Collector roads 1.3 Local roads 1.4 Traffic signals 1.5 Sidewalks and streetlights 1.6 Active Transportation Related	100 100 0 100 1-100 100
2. Other Transportation Services	Yes Yes Yes Yes Yes Yes n/a No	2.1 Transit facilities 2.2 Transit vehicles 2.3 Other transit infrastructure 2.4 Municipal parking spaces - indoor 2.5 Municipal parking spaces - outdoor 2.6 Works Yards 2.7 Rolling stock ² 2.8 Ferries 2.9 Airport facilities	90 90 90 90 90 100 100 90 90
3. Storm Water Drainage and Control Services	Yes Yes Yes	3.1 Main channels and drainage trunks 3.2 Channel connections 3.3 Retention/detention ponds	100 100 100
4. Fire Protection Services	Yes Yes Yes	4.1 Fire stations 4.2 Fire pumpers, aerials and rescue vehicles 4.3 Small equipment and gear	100 100 100
5. Outdoor Recreation Services (i.e. Parks and Open Space)	Ineligible Yes Yes Yes Yes Yes	5.1 Acquisition of land for parks, woodlots and ESAs 5.2 Development of area municipal parks 5.3 Development of district parks 5.4 Development of City-wide parks 5.5 Development of special purpose parks 5.6 Parks rolling stock ¹ and yards	0 90 90 90 90 90
6. Indoor Recreation Services	Yes Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land) 6.2 Recreation vehicles and equipment ²	90 90
7. Library Services	Yes Yes	7.1 Public library space (incl. furniture and equipment) 7.2 Library materials	90 90
8. Electrical Power Services	Ineligible Ineligible Ineligible	8.1 Electrical substations 8.2 Electrical distribution system 8.3 Electrical system rolling stock ²	0 0 0
9. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible Ineligible	9.1 Cultural space (e.g. art galleries, museums and theatres) 9.2 Tourism facilities and convention centres	0 0

¹ maximum potential DC recovery % indicates amounts up to the maximum percentage identified

² with 7+ year life time

CATEGORIES OF MUNICIPAL SERVICES	ELIGIBILITY FOR INCLUSION IN THE DC CALCULATION	SERVICE COMPONENTS	MAXIMUM ¹ POTENTIAL DC RECOVERY %
10. Waste Water Services	Yes Yes n/a Yes	10.1 Treatment plants 10.2 Sewage trunks 10.3 Local systems 10.4 Vehicles and equipment	100 100 0 100
11. Water Supply Services	Yes Yes n/a Yes	11.1 Treatment plants 11.2 Distribution systems 11.3 Local systems 11.4 Vehicles and equipment	100 100 0 100
12. Waste Management Services	Ineligible Ineligible Ineligible	12.1 Collection, transfer vehicles and equipment 12.2 Landfills and other disposal facilities 12.3 Other waste diversion facilities	0 0 0
13. Police Services	Yes Yes Yes	13.1 Police detachments 13.2 Police rolling stock ¹ 13.3 Small equipment and gear	100 100 100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
15. Day Care	No	15.1 Day care space	90
16. Health	Yes	16.1 Health department space	90
17. Social Services	No	17.1 Social service space	90
18. Ambulance	Yes Yes	18.1 Ambulance station space 18.2 Vehicles ²	90 90
19. Hospital Provision	Ineligible	19.1 Hospital capital contributions	0
20. Municipal Courts	Yes	20.1 Municipal Courts space	90
21. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	20.1 Office space (all services) 20.2 Office furniture 20.3 Computer equipment	0 0 0
22. Other Services	Yes Yes	21.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ³ and facilities, including the DC background study cost 21.2 Interest on money borrowed to pay for growth-related capital	0-100 0-100

¹ maximum potential DC recovery % indicates amounts up to the maximum percentage identified

² with 7+ year life time

³ same percentage as service component to which it pertains

4.5 Capital Forecast

Paragraph 7 of s.s.5(1) of the DCA requires that “the capital costs necessary to provide the increased services must be estimated.” The Act goes on to require two potential cost reductions and the Regulation sets out the way in which such costs are to be presented. These requirements are outlined below.

These estimates involve capital costing of the increased services discussed above. This entails costing actual projects or the provision of service units, depending on how each service has been addressed.

The capital costs include:

- a) costs to acquire land or an interest therein (including a leasehold interest);
- b) costs to improve land;
- c) costs to acquire, lease, construct or improve buildings and structures;
- d) costs to acquire, lease or improve facilities, including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer equipment), materials acquired for library circulation, reference or information purposes;
- e) interest on money borrowed to pay for the above-referenced costs;
- f) costs to undertake studies in connection with the above-referenced matters; and
- g) costs of the development charge background study.

In order for an increase in need for service to be included in the DC calculation, City Council must indicate “...that it intends to ensure that such an increase in need will be met” (s.s.5 (1)3). This can be done if the increase in service forms part of a Council-approved Official Plan, capital forecast or similar expression of the intention of Council (O.Reg. 82/98 s.3). The capital program contained herein reflects the City’s approved and proposed capital budgets and master servicing/needs studies.

4.6 Treatment of Credits

Section 8 para. 5 of O.Reg. 82/98 indicates that a development charge background study must set out “the estimated value of credits that are being carried forward relating to the service.” s.s.17 para. 4 of the same Regulation indicates that “...the value of the credit cannot be recovered from future development charges,” if the credit pertains to an ineligible service. This implies that a credit for eligible services can be recovered from future development charges. As a result, this provision should be made in the calculation, in order to avoid a funding shortfall with respect to future service needs. There are no outstanding credit obligations at this time.

4.7 Eligible Debt and Committed Excess Capacity

Section 66 of the DCA, 1997 states that, for the purposes of developing a development charge by-law, a debt incurred with respect to an eligible service may be included as a capital cost, subject to any limitations or reductions in the Act. Similarly, s.18 of O.Reg. 82/98 indicates that debt with respect to an ineligible service may be included as a capital cost, subject to several restrictions.

In order for such costs to be eligible, two conditions must apply. First, they must have funded excess capacity which is able to meet service needs attributable to the anticipated development. Second, the excess capacity must be “committed,” that is, either before or at the time it was created, Council must have expressed a clear intention that it would be paid for by development charges or other similar charges; for example, this may have been done as part of previous development charge processes. It is noted that projects which have been debentured to-date and to which the principal and interest costs need to be recovered are included within the capital detail sheets.

4.8 Existing Reserve Funds

Section 35 of the DCA states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 of subsection 5(1).”

There is no explicit requirement under the DCA calculation method set out in s.s.5(1) to net the outstanding reserve fund balance as part of making the DC calculation; however, s.35 does restrict the way in which the funds are used in future.

For services which are subject to a per capita based, service level “cap,” the reserve fund balance should be applied against the development-related costs for which the charge was imposed, once the project is constructed (i.e. the needs of recent growth). This cost component is distinct from the development-related costs for the next 10-year period, which underlie the DC calculation herein.

The alternative would involve the City spending all reserve fund monies prior to renewing each by-law, which would not be a sound basis for capital budgeting. Thus, the City will use these reserve funds for the City’s cost share of applicable development-related projects, which are required but have not yet been undertaken, as a way of directing the funds to the benefit of the development which contributed them (rather than to future development, which will generate the need for additional facilities directly proportionate to future growth).

The City's Development Charge Reserve Fund Balance by service at December 31, 2012 (adjusted) is shown below:

Service	Dec. 31/2012 Balance	Less Commitments	Adjusted Dec. 31, 2012 Balance
Services Related to a Highway & Related	\$1,507,472	(\$3,483,907)	(\$1,976,435)
Transit	(\$557,658)	(\$906,141)	(\$1,463,799)
Fire Protection Services	(\$1,062,605)	(\$949,257)	(\$2,011,862)
Police Services	(\$864,167)	\$99,462	(\$764,705)
Parks	\$2,682,053	(\$2,498,772)	\$183,281
Recreation	\$6,179,942	\$199,854	\$6,379,796
Municipal Parking	\$2,871,152	(\$1,059,549)	\$1,811,603
Library Services	\$979,333	(\$510,899)	\$468,435
Administration	\$1,391,625	(\$1,078,540)	\$313,084
Municipal Court	\$40,765	(\$163,986)	(\$123,222)
Health Services	\$0	\$0	\$0
Ambulance	(\$1,269,874)	\$6,570	(\$1,263,304)
Stormwater Services	(\$1,609,466)	(\$557,297)	(\$2,166,763)
Wastewater Services	\$9,057,034	(\$9,646,166)	(\$589,132)
Water Services	\$8,212,352	(\$1,736,500)	\$6,475,851
Total	\$27,557,957	(\$22,285,129)	\$5,272,829

Note: Amounts in brackets are Deficit balances.

4.9 Deductions

The DCA, 1997 potentially requires that five deductions be made to the increase in the need for service. These relate to:

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development;
- anticipated grants, subsidies and other contributions; and
- 10% reduction for certain services.

The requirements behind each of these reductions are addressed as follows:

4.9.1 *Reduction Required by Level of Service Ceiling*

This is designed to ensure that the increase in need included in 4.3 does "...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the Municipality over the 10-year period immediately preceding the preparation of the background study..." O.Reg. 82.98 (s.4) goes further to indicate that "...both the quantity and quality of a service shall be taken into account in determining the level of service and the average level of service."

¹ Reserve balance to be combined with Administration Studies.

In many cases, this can be done by establishing a quantity measure in terms of units as floor area, land area or road length per capita and a quality measure, in terms of the average cost of providing such units based on replacement costs, engineering standards or recognized performance measurement systems, depending on circumstances. When the quantity and quality factor are multiplied together, they produce a measure of the level of service, which meets the requirements of the Act, i.e. cost per unit.

The average service level calculation sheets for each service component in the DC calculation are set out in Appendix B.

4.9.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of s.s.5(1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City's "excess capacity," other than excess capacity which is "committed" (discussed above in 4.6).

"Excess capacity" is undefined, but in this case must be able to meet some or all of the increase in need for service, in order to potentially represent a deduction. The deduction of uncommitted excess capacity from the future increase in the need for service would normally occur as part of the conceptual planning and feasibility work associated with justifying and sizing new facilities, e.g. if a road widening to accommodate increased traffic is not required because sufficient excess capacity is already available, then widening would not be included as an increase in need, in the first instance.

4.9.3 Reduction for Benefit to Existing Development

This step involves a further reduction in the need, by the extent to which such an increase in service would benefit existing development. The level of services cap in 4.4 is related, but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as roads which do not have a fixed service area.

Where existing development has an adequate service level which will not be tangibly increased by an increase in service, no benefit would appear to be involved. For example, where expanding existing library facilities simply replicates what existing residents are receiving, they receive very limited (or no) benefit as a result. On the other hand, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a City-wide system basis. For example, facilities of the same type may provide different services (i.e. leisure pool vs. competitive pool), different programs (i.e. hockey

vs. figure skating) and different time availability for the same service (i.e. leisure skating available on Wednesday in one arena and Thursday in another). As a result, residents will travel to different facilities to access the services they want at the times they wish to use them, and facility location generally does not correlate directly with residence location. Even where it does, displacing users from an existing facility to a new facility frees up capacity for use by others and generally results in only a very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.

4.9.4 Reduction for Anticipated Grants, Subsidies and Other Contributions

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies and other contributions (including direct developer contributions required due to the local service policy) made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes (O.Reg. 82.98 s.6).

4.9.5 The 10% Reduction

Paragraph 8 of s.s.(1) of the DCA requires that, “the capital costs must be reduced by 10 percent.” This paragraph does not apply to water supply services, waste water services, storm water drainage and control services, services related to a highway, police and fire protection services. The primary services to which the 10% reduction does apply include services such as parks, recreation, libraries, childcare/social services, the *Provincial Offences Act*, ambulance, homes for the aged, health and transit.

The 10% is to be netted from the capital costs necessary to provide the increased services, once the other deductions have been made, as per the infrastructure costs sheets in Chapter 5.

5. DEVELOPMENT CHARGE ELIGIBLE COST ANALYSIS BY SERVICE

5. DEVELOPMENT CHARGE ELIGIBLE COST ANALYSIS BY SERVICE

5.1 Introduction

This chapter outlines the basis for calculating eligible costs for the development charges to be applied on a uniform basis. In each case, the required calculation process set out in s.5(1) paragraphs 2 to 8 in the DCA, 1997 and described in Chapter 4, was followed in determining DC eligible costs.

The nature of the capital projects and timing identified in the Chapter reflects Council's current intention. However, over time, City projects and Council priorities change and accordingly, Council's intentions may alter and different capital projects (and timing) may be required to meet the need for services required by new growth.

5.2 Service Levels and 10-Year Capital Costs for DC Calculation

This section evaluates the development-related capital requirements for all of the "softer" services over a 10-year planning period. Each service component is evaluated on two format sheets: the average historical 10-year level of service calculation (see Appendix B), which "caps" the DC amounts; and, the infrastructure cost calculation, which determines the potential DC recoverable cost.

5.2.1 *Transit*

The City has one transit facility which totals 77,411 sq. ft. in size. Over the past ten years, the average level of service was 0.61 sq. ft. of space per capita or an investment of \$91 per capita. Based on this service standard, the City would be eligible to collect approximately \$2.25 million from DC's for transit facilities (over the ten year period).

One project has been identified for inclusion in the DC related to the transit facility space, the Watson Rd expansion and reconfiguration project (including land required for the expansion). The gross cost of the projects is \$4.1 million, of which \$2 million benefits existing and \$2.1 million benefit growth. After the 10% mandatory deduction, the amount included in the DC calculation is \$1.89 million. The growth costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment, for the 10-year forecast period.

The City has 88 transit vehicles/equipment with a lifespan greater than six years. Over the past ten years, the average level of service was 0.6 vehicles/equipment per 1,000 population. This

along with other equipment/systems equates to an investment of \$280 per capita. Based on this service standard, the City would be eligible to collect approximately \$6,920,787 from DC's for transit facilities (over the ten year period).

A number of projects have been identified for inclusion in the DC related to the transit vehicles and equipment including, additional buses, a mobility van, community buses, and equipment required for these vehicles. The gross cost of the projects is \$7,563,000, of which \$3,422,250 is attributable to existing development, \$250,000 is attributable to growth in the post 2022 period and the balance is attributable to growth over the 2013-2022 forecast period, resulting in a total growth related amount of \$3,890,750. A reserve fund adjustment to recover the current deficit, in the amount of \$1,463,799 has also been included. Therefore, after the 10% mandatory deduction, the amount to be included in the DC calculations is \$4,965,474. The growth costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment, for the 10-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Transit Vehicles & Equipment

Pjt.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New			Total	Residential Share	Non-Residential Share
TC0023	2013-2022	2017	1,000,000	-		1,000,000	-		1,000,000	100,000	900,000	567,000	333,000
TC0024		2016	1,000,000	-		1,000,000	-		1,000,000	100,000	900,000	567,000	333,000
TM0001		2014-2022	800,000	-		800,000	200,000		600,000	60,000	540,000	340,200	199,800
TM0002		2013-2015	400,000	-		400,000	200,000		200,000	20,000	180,000	113,400	66,600
TC0028		2013-2014	756,000	-		756,000	567,000		189,000	18,900	170,100	107,163	62,937
1		2016	1,000,000	250,000		750,000	500,000		250,000	25,000	225,000	141,750	83,250
TC0004		2014	67,000	-		67,000	50,250		16,750	1,675	15,075	9,497	5,578
TC0029		2013-2014	220,000	-		220,000	165,000		55,000	5,500	49,500	31,185	18,315
TC0030		2014	50,000	-		50,000	37,500		12,500	1,250	11,250	7,088	4,163
TC0026		2013-2014	1,700,000	-		1,700,000	1,275,000		425,000	42,500	382,500	240,975	141,525
TC0027		2013	162,000	-		162,000	121,500		40,500	4,050	36,450	22,964	13,487
TM0003		2013	108,000	-		108,000	81,000		27,000	2,700	24,300	15,309	8,991
TC0039		2013	300,000	-		300,000	225,000		75,000	7,500	67,500	42,525	24,975
			1,463,799	-		1,463,799	-		1,463,799		1,463,799	922,194	541,606
Total			9,026,799	250,000	-	8,776,799	3,422,250	-	5,354,549	389,075	4,965,474	3,128,249	1,837,225

5.2.2 Municipal Parking

The City provides 1,870 parking spaces, associated equipment including meters, gates and pay & display units, and 8.2 acres of land. Over the past ten years, the average level of service was 0.02 parking spaces per capita or an investment of \$425 per capita. Based on this service standard, the City would be eligible to collect approximately \$10,532,440 from DC's for parking space (over the ten year period).

Projects identified for inclusion in the DC include the Wilson and Baker parkades as well as land for Phases 3 & 4 of the Baker Street facility. The gross cost of this project is \$38,991,146, of which \$20,532,591 benefits existing and the balance of \$12,343,555 benefits growth. A post period benefit totalling \$6.295 million has been identified. Further, a deduction to recognize the balance in the reserve fund has been made in the amount of \$1,811,603. The total to be included in the DC calculation is therefore \$10,531,952 before the mandatory 10% deduction. The growth costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment, for the 10-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Municipal Parking

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost			
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share	
	2013-2022													
PG0047	Parkade - Wilson (350 spaces)	2016	13,370,000	-		13,370,000	2,674,000		10,696,000	1,069,600	9,626,400	63%	37%	
PG0033	Parkade - Baker (500 spaces)	2018	22,500,000	6,295,000		16,205,000	15,525,000		680,000	68,000	612,000	385,560		
SS0019	Land- Baker St Redevelopment Ph 3	2013	2,421,146	-		2,421,146	1,670,591		750,555	75,056	675,500	425,565		
SS0020	Land- Baker St Redevelopment Ph 4	2014	700,000	-		700,000	483,000		217,000	21,700	195,300	123,039		
	Reserve Adjustment						1,811,603		(1,811,603)		(1,811,603)	(1,141,310)		
Total			38,991,146	6,295,000	-	32,696,146	22,164,194	-	10,531,952	1,234,356	9,297,597	5,857,486	3,440,111	

5.2.3 Outdoor Recreation Services

The City currently has 2,787 acres of parkland within its jurisdiction. This parkland consists of various sized regional parks, neighbourhood/community parks, parkettes, natural open space, an urban square and shared parkland. The City has sustained the current level of service over the historic 10-year period (2003-2012), with an average of 20.9 acres of parkland, 3.6 parkland amenities items, and 22m² of parkland amenity buildings per 1,000 population. The City also provides 0.46 linear metres of trails and 81 various vehicles and equipment per capita. Including parkland, parkland amenities (e.g. ball diamonds, playground equipment, soccer fields, etc.), parkland buildings and park trails, the level of service provided is approximately \$2,238 per capita. When applied over the forecast period, this average level of service translates into a DC-eligible amount of \$55,394,273.

Based on the projected growth over the 10-year forecast period, the City has identified \$49,769,828 in future growth capital costs for parkland development. These projects include, the development of additional parks including amenities, trails vehicles and equipment. Allocations for a post period benefit of \$14,246,000 and existing development benefit of \$118,000 have been made along with a reduction of \$183,281 to recognize the reserve fund balance. The net growth capital cost after the mandatory 10% deduction and the allocation of reserve balance of \$31,700,293 for inclusion in the DC.

As the predominant users of outdoor recreation tend to be residents of the City, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Outdoor Recreation Services

Pj.No	Increased Service Needs Attributable to Anticipated Development 2013-2022	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less: Grants, Subsidies and Other Contributions Attributable to New Development	Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
											Total	Residential Share 95%	Non-Residential Share 5%
PK0001	Southend Community Park - remaining phases	2016-2018	1,060,000	530,000		530,000	0	0	530,000	53,000	477,000	453,150	23,850
PK0002	Guelph Trails	2013-2022	7,610,000	3,805,000		3,805,000	0	0	3,805,000	380,500	3,424,500	3,253,275	171,225
PK0004	Jubilee Park	2013-2014	1,900,000	190,000		1,710,000	0	0	1,710,000	171,000	1,539,000	1,462,050	76,950
PK0007	Victoria Rd Northview	2014-2015	1,300,000	0		1,300,000	0	0	1,300,000	130,000	1,170,000	1,111,500	58,500
PK0014	Eastview Community Park	2013-2019	7,000,000	2,450,000		4,550,000	0	0	4,550,000	455,000	4,095,000	3,890,250	204,750
PK0076	Dallan Property	2017	796,348	0		796,348	0	0	796,348	79,635	716,713	680,878	35,836
PK0016	Pergola Property	2021	200,000	0		200,000	0	0	200,000	20,000	180,000	171,000	9,000
PK0021	Grangehill Phase 5	2021	331,680	0		331,680	0	0	331,680	33,168	298,512	283,586	14,926
PK0026	Howitt Park Picnic Shelter	2021	833,300	0		833,300	0	0	833,300	83,330	749,970	712,472	37,499
PD0077	West Hills	2022	1,281,480	0		1,281,480	0	0	1,281,480	128,148	1,153,332	1,095,665	57,667
PD0078	300-312 Grange Road Park	2016 - 2018	376,909	0		376,909	0	0	376,909	37,691	339,218	322,257	16,961
PK0030	Cityview Heights Parkette	2015-2016	376,909	0		376,909	0	0	376,909	37,691	339,218	322,257	16,961
PK0034	Kortright E Neighbourhood Park	2016-2017	933,650	0		933,650	0	0	933,650	93,365	840,285	796,271	42,014
PK0036	Cityview Drive Park	2019	915,343	274,603		640,740	0	0	640,740	64,074	576,666	547,833	28,833
PK0037	Kortright Sports Complex	2020-2021	4,948,328	2,474,164		2,474,164	0	0	2,474,164	247,416	2,226,748	2,115,410	111,337
PK0038	Grangehill Phase 7	2017	376,909	0		376,909	0	0	376,909	37,691	339,218	322,257	16,961
PK0039	Imico Property Park	2019-2020	358,213	0		358,213	0	0	358,213	35,821	322,392	306,272	16,120
PK0040	Peter Misersky Phase 2	2017	457,672	0		457,672	0	0	457,672	45,767	411,905	391,310	20,595
PK0042	York Open Space Development	2021	1,767,260	883,630		883,630	0	0	883,630	88,363	795,267	755,504	39,763
PK0043	Eastview Open Space	2021	1,237,082	618,541		618,541	0	0	618,541	61,854	556,687	528,853	27,834
PK0045	Valley Road Park	2022	915,343	0		915,343	0	0	915,343	91,534	823,809	782,618	41,190
PK0070	Victoria Park West	2018	823,809	0		823,809	0	0	823,809	82,381	741,428	704,357	37,071
PK0075	Pedestrian Connection Railway	2015-2017	950,000	0		950,000	0	0	950,000	95,000	855,000	812,250	42,750
PD0072	Downtown River Systems	2015	200,000	0		200,000	0	0	200,000	20,000	180,000	171,000	9,000
PK0047	Mitchell Farm	2016-2017	316,604	0		316,604	0	0	316,604	31,660	284,944	270,696	14,247
PK0048	Citywide Skatepark Facility	2014-2015	700,000	0		700,000	118,000	0	582,000	58,200	523,800	497,610	26,190
PK0049	270 Grange Road - new parkette	2019	376,909	0		376,909	0	0	376,909	37,691	339,218	322,257	16,961
PK0050	York District Community Park	2021	1,767,260	0		1,767,260	0	0	1,767,260	176,726	1,590,534	1,511,007	79,527
PK0051	Victoria Road N Community Park	2019-2021	3,534,520	1,767,260		1,767,260	0	0	1,767,260	176,726	1,590,534	1,511,007	79,527
PK0057	Orin Reid Park Phases 2 - 4	2015-2016	1,548,120	154,812		1,393,308	0	0	1,393,308	139,331	1,253,977	1,191,278	62,699
PK0060	Woods Sub Ph 1 Park	2022	600,000	300,000		300,000	0	0	300,000	30,000	270,000	256,500	13,500
PK0061	Woods Sub Ph 2 Park	2022	600,000	300,000		300,000	0	0	300,000	30,000	270,000	256,500	13,500
PK0068	East Node Neighbourhood Park	2022	331,680	165,840		165,840	0	0	165,840	16,584	149,256	141,793	7,463
PD0074	Woods Parkette	2016	600,000	0		600,000	0	0	600,000	60,000	540,000	513,000	27,000
	Vehicles & Equipment												
PO0014	Eastview Sportsfield Vehicles & Equipment	2013	304,000	0		304,000	0	0	304,000	30,400	273,600	259,920	13,680
PO0014	Turf Trim Vehicles & Equipment	2014	158,000	0		158,000	0	0	158,000	15,800	142,200	135,090	7,110
PO0014	Boulevard Grass Cutting Vehicles & Equipment	2014	104,000	0		104,000	0	0	104,000	10,400	93,600	88,920	4,680
PO0014	Horticulture Vehicles & Equipment	2014	100,000	0		100,000	0	0	100,000	10,000	90,000	85,500	4,500
PO0014	Trail Vehicles & Equipment	2015	61,000	0		61,000	0	0	61,000	6,100	54,900	52,155	2,745
PO0014	Kortright Vehicles & Equipment	2015	152,500	0		152,500	0	0	152,500	15,250	137,250	130,388	6,863
PO0014	IPM Cultural Practices Vehicles & Equipment	2016	211,000	0		211,000	0	0	211,000	21,100	189,900	180,405	9,495
PO0014	Turf Trim Vehicles & Equipment	2017	161,000	0		161,000	0	0	161,000	16,100	144,900	137,655	7,245

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Outdoor Recreation Services

Prj.No	Increased Service Needs Attributable to Anticipated Development 2013-2022	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share 95%	Non-Residential Share 5%
PO0014	Horticulture Vehicles & Equipment	2017	72,000	0		72,000	0		72,000	7,200	64,800	61,560	3,240
PO0014	Trail Vehicles & Equipment	2018	64,000	0		64,000	0		64,000	6,400	57,600	54,720	2,880
PO0014	Boulevard Grass Cutting Vehicles & Equipment	2018	108,000	0		108,000	0		108,000	10,800	97,200	92,340	4,860
PO0014	Horticulture Vehicles & Equipment	2019	75,000	26,250		48,750	0		48,750	4,875	43,875	41,681	2,194
PO0014	Trail Vehicles & Equipment	2020	64,000	22,400		41,600	0		41,600	4,160	37,440	35,568	1,872
PO0014	Turf Trim Vehicles & Equipment	2020	161,000	56,350		104,650	0		104,650	10,465	94,185	89,476	4,709
PO0014	Sportfield Vehicles & Equipment	2021	324,000	113,400		210,600	0		210,600	21,060	189,540	180,063	9,477
PO0014	Horticulture Vehicles & Equipment	2021	75,000	26,250		48,750	0		48,750	4,875	43,875	41,681	2,194
PO0014	Vehicles & Equipment	2022	250,000	87,500		162,500	0		162,500	16,250	146,250	139,938	7,313
	Reserve Fund Adjustment		0	0		0	183,281		(183,281)	(18,328)	(164,952)	(156,705)	(8,248)
Total			49,769,828	14,246,000	0	35,523,828	301,281	0	35,222,548	3,522,255	31,700,293	30,115,278	1,585,015

5.2.4 Indoor Recreation Services

With respect to recreation facilities, there are currently several facilities provided by the City amounting to a total of 527,120 sq.ft. of space. The average historic level of service for the previous ten years has been approximately 4.33 sq.ft. of space per capita or an investment of \$1,068 per capita. Based on this service standard, the City would be eligible to collect \$26,446,092 from DCs for facility space.

The City has provided for the need for a new community centre as well as an expansion and renovation to the Victoria Road Recreation Centre. The gross capital cost of these projects is \$43,508,000, with \$1,817,900 benefitting growth in the post 2022 period, \$9,355,800 benefitting existing development and \$32,334,300 benefit growth in the 2013-2022 period. Further, a deduction in the amount of \$6,379,796 has been made to reflect the balance in the DC reserve fund. Therefore, the balance before the mandatory 10% deduction is \$25,954,504. The net growth capital cost after the mandatory 10% deduction is \$22,721,074 and has been included in the development charge.

At present, the City has one hundred (100) vehicles and equipment relating to recreation which provides a level of service of \$12 per capita or a DC-eligible amount of \$296,824. The City has identified the need for new vehicles and equipment amounting to \$520,200, with \$223,385 benefitting the post-2022 period. After the 10% mandatory statutory deduction of \$29,692, the net growth related cost to be included in the DC calculation for parks vehicles and equipment is \$267,134.

While indoor recreation service usage is predominately residential-based, there is some use of the facility by non-residential users. To acknowledge this use, the growth-related capital costs have been allocated 95% residential and 5% non-residential.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Recreation Vehicles and Equipment

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost			
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share	
	2013-2022													
	Olympia Zamboni for SECC	2019	91,600	57,250		34,350	0		34,350	3,435	30,915	29,369	1,546	
	Olympia Zamboni for SECC	2019	91,600	57,250		34,350	0		34,350	3,435	30,915	29,369	1,546	
	Ice Edger	2019	6,000	3,750		2,250	0		2,250	225	2,025	1,924	101	
	Ice Edger	2019	6,000	3,750		2,250	0		2,250	225	2,025	1,924	101	
	17' Floor Swing Buffer	2019	5,000	3,125		1,875	0		1,875	188	1,688	1,603	84	
	17' Floor Swing Buffer	2019	5,000	3,125		1,875	0		1,875	188	1,688	1,603	84	
	Carpet Cleaner	2019	5,000	3,125		1,875	0		1,875	188	1,688	1,603	84	
	Carpet Cleaner	2019	5,000	3,125		1,875	0		1,875	188	1,688	1,603	84	
	28" Clarke Boost Floor Machine	2019	14,000	8,750		5,250	0		5,250	525	4,725	4,489	236	
	28" Clarke Boost Floor Machine	2019	14,000	8,750		5,250	0		5,250	525	4,725	4,489	236	
	20" Clarke Boost Floor Machine	2019	13,000	8,125		4,875	0		4,875	488	4,388	4,168	219	
	Elliptical Trainer	2019	9,000	5,625		3,375	0		3,375	338	3,038	2,886	152	
	Elliptical Trainer	2019	9,000	5,625		3,375	0		3,375	338	3,038	2,886	152	
	Leg Press	2019	8,000	5,000		3,000	0		3,000	300	2,700	2,565	135	
	Leg Press	2019	8,000	5,000		3,000	0		3,000	300	2,700	2,565	135	
	Treadmill	2019	15,000	9,375		5,625	0		5,625	563	5,063	4,809	253	
	Treadmill	2019	15,000	9,375		5,625	0		5,625	563	5,063	4,809	253	
	Spinner Bike	2019	15,000	9,375		5,625	0		5,625	563	5,063	4,809	253	
	Spinner Bike	2019	15,000	9,375		5,625	0		5,625	563	5,063	4,809	253	
	3/4 Ton 4X4 Pickup with Plow	2019	45,000	0		45,000	0		45,000	4,500	40,500	38,475	2,025	
	3/4 Ton Van	2019	35,000	0		35,000	0		35,000	3,500	31,500	29,925	1,575	
	Snow Blower	2019	4,000	750		3,250	0		3,250	325	2,925	2,779	146	
	Scissor Lift Platform	2019	20,000	3,760		16,240	0		16,240	1,624	14,616	13,885	731	
	Victoria Road Rec Centre Expansion													
	Elliptical Trainer	2016	9,000	0		9,000	0		9,000	900	8,100	7,695	405	
	Leg Press	2016	8,000	0		8,000	0		8,000	800	7,200	6,840	360	
	Treadmill	2016	15,000	0		15,000	0		15,000	1,500	13,500	12,825	675	
	Spinner Bike	2016	15,000	0		15,000	0		15,000	1,500	13,500	12,825	675	
	Carpet Cleaner	2016	5,000	0		5,000	0		5,000	500	4,500	4,275	225	
	28" Clarke Boost Floor Machine	2016	14,000	0		14,000	0		14,000	1,400	12,600	11,970	630	
	Total		520,200	223,385	0	296,815	0	0	296,815	29,682	267,134	253,777	13,357	

5.2.5 Library Services

The City provides six library facilities and a bookmobile which total 59,436 sq. ft. in size along with the land required for the Baker Street Facility. Over the past ten years, the average level of service was 0.42 sq. ft. of space per capita or an investment of \$114 per capita. Based on this service standard, the City would be eligible to collect approximately \$2,816,985 from DC's for library facility space (over the ten year period).

Provisions for an expansion & replacement of the main library facility as well as the land costs for Phases 3 & 4 of the Baker St. Facility have been identified for inclusion in the DC for library facilities due to growth. The gross cost of the provision has been included at a total of \$49,016,200, with a post period benefit of \$26,052,000. A deduction of \$13,699,800 has been made to reflect the proportion attributable to existing development and a further deduction of \$468,435 to reflect the reserve fund balance has been made. Further, a deduction of \$5,979,000 has been made based on grants, subsidies and other funding anticipated for the project. The net growth capital cost after the mandatory 10% deduction and the allocation of reserve balance of \$328,540 is \$2,488,425.

The City has an inventory of library collection items (406,924 items currently). These collection items include various materials including books, periodicals, audio visual materials, and electronic resources, all of which have a total value of approximately \$13 million. Over the past ten years, the average level of service was 3.34 collection items per capita or an investment of \$106 per capita. Based on this service standard, the City would be eligible to collect approximately \$2,624,875 from DC's for library collection items (over the ten year period).

Based on the projected growth over the 10-year forecast period (2013-2022), expansion to the collection has been identified for future capital. The net growth related capital cost to be included in the DC is \$2,326,388 (after the mandatory 10% deduction).

While library usage is predominately residential based, there is some use of the facilities by non-residential users, for the purpose of research. To acknowledge this use of the growth-related capital costs have been allocated 95% residential and 5% non-residential.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service Library Collection Materials

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Potential DC Recoverable Cost			
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Total	Residential Share	Non-Residential Share	
													Other (e.g. 10% Statutory Deduction)
1	2013-2022 Collection Materials Expansion for New Main Library	2017	2,624,875	0		2,624,875	0		2,624,875	262,488	2,362,388	2,244,268	118,119
Total			2,624,875	0	0	2,624,875	0	262,488	2,624,875	262,488	2,362,388	2,244,268	118,119

5.2.6 Administration

The DCA permits the inclusion of studies undertaken to facilitate the completion of the City's capital works program. The City has made provision for the inclusion of new studies undertaken to facilitate this DC process, as well as other studies which benefit growth (in whole or in part). The list of studies includes such studies as the following:

- Development Charge Studies;
- Official Plan Reviews;
- Urban Design Guidelines;
- Secondary Plans;
- Zoning By-law Reviews;
- Parks and Recreation Studies;
- Fire, Police & EMS Studies;
- Traffic Studies;
- Transit Master Plan; and
- Traffic Studies.

The cost of these studies is \$6,961,700, of which \$1,801,106 is attributable to existing benefit, \$407,350 is attributable to post period growth and \$52,000 is anticipated to be received through other funding sources. As well, a deduction in the amount of \$313,084 has been made to reflect the balance in the DC reserve fund. The net growth-related capital cost, after the mandatory 10% deduction and the application of the existing reserve balance, is \$4,313,678 and has been included in the development charge.

These costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment for the 10-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Administration Studies

Proj.No	Increased Service Needs Attributable to Anticipated Development 2013-2022	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share
GG0024	DC Study	2013	250,000	-		250,000	-		250,000	25,000	225,000	141,750	83,250
GG0024	DC Study	2018	250,000	-		250,000	-		250,000	25,000	225,000	141,750	83,250
GG0228	Public Works Needs Assessment Study	2015	100,000	-		100,000	25,000		75,000		75,000	47,250	27,750
1	Public Works Facility Study	2023	250,000	-		250,000	62,500		187,500		187,500	118,125	69,375
	Policy Planning												
PL0004	Official Plan Review	2017	327,000	-		327,000	81,750		245,250	24,525	220,725	139,057	81,668
PL0004	Official Plan Review	2020-2021	456,000	-		456,000	114,000		342,000	34,200	307,800	193,914	113,886
PL0007	Brownfields Initiatives	2013	25,000	-		25,000	6,250		18,750	1,875	16,875	10,631	6,244
PL0007	Brownfields Initiatives	2016-2017	66,000	-		66,000	16,500		49,500	4,950	44,550	28,067	16,484
PL0007	Brownfields Initiatives	2021	66,000	-		66,000	16,500		49,500	4,950	44,550	28,067	16,484
PL0008	Community Improvement Studies	2015-2016	177,000	-		177,000	88,500		88,500	8,850	79,650	50,180	29,471
PL0008	Community Improvement Studies	2020	87,000	-		87,000	43,500		43,500	4,350	39,150	24,665	14,486
PL0012	Housing Policy Implementation Study	2013	31,000	-		31,000	7,750		23,250	2,325	20,925	13,183	7,742
PL0012	Housing Strategy Update	2016-2017	92,000	-		92,000	23,000		69,000	6,900	62,100	39,123	22,977
PL0014	Urban Design Guidelines - Infill Development & Townhouse Design Guidelines	2013-2014	84,000	-		84,000	42,000		42,000	4,200	37,800	23,814	13,986
PL0014	Urban Design Guidelines	2016-2017	118,000	-		118,000	59,000		59,000	5,900	53,100	33,453	19,647
PL0014	Urban Design Guidelines	2019-2021	232,000	-		232,000	116,000		116,000	11,600	104,400	65,772	38,628
PL0017	Guelph Innovation Secondary Plan	2013-2014	84,000	-		84,000	16,800		67,200	6,720	60,480	38,102	22,378
PL0017	District / ORC Lands Study	2016	66,000	-		66,000	13,200		52,800	5,280	47,520	29,938	17,582
PL0020	Environmental Initiatives	2013-2016	85,000	-		85,000	63,750		21,250	2,125	19,125	12,049	7,076
PL0021	Zoning By-law Review	2014-2016	556,000	-		556,000	139,000		417,000	41,700	375,300	236,439	138,861
PL0021	Zoning By-law Review	2019-2020	159,000	-		159,000	39,750		119,250	11,925	107,325	67,615	39,710
PL0022	Clair Malby Secondary Plan	2013-2015	814,700	407,350		407,350	-		407,350	40,735	366,615	230,967	135,648
PL0024	Heritage Initiative	2013-2017	228,000	-		228,000	205,560		22,440	2,244	20,196	12,723	7,473
PL0024	Heritage Initiatives	2019-2021	163,000	-		163,000	146,610		16,390	1,639	14,751	9,293	5,458
PL0028	Community Energy Initiative	2013-2014	75,000	-		75,000	18,750		56,250	5,625	50,625	31,894	18,731
PL0036	Mixed Use Nodes & Corridors	2013-2017	200,000	-		200,000	120,120		79,880	7,988	71,892	45,292	26,600
	Transit												
RC0047	Transit Master Plan	2017	300,000	-		300,000	75,000		225,000	22,500	202,500	127,575	74,925
	Parking												
PG0075	Parking Master Plan	2017	200,000	-		200,000	100,000		100,000	10,000	90,000	56,700	33,300
1	Parking Master Plan	2022	200,000	-		200,000	100,000		100,000	10,000	90,000	56,700	33,300
	Parks and Recreation												
PK0062	Leash Free Zones Policy Study	2017	50,000	-		50,000	12,500		37,500	3,750	33,750	21,263	12,488
PK0063	Property Demarcation Policy Study	2018	50,000	-		50,000	12,500		37,500	3,750	33,750	21,263	12,488
PK0064	Naturalization Policy Study	2018	50,000	-		50,000	12,500		37,500	3,750	33,750	21,263	12,488
RP0297	Parkland Development Strategy	2014	200,000	-		200,000	40,000		160,000	16,000	144,000	90,720	53,280
PK0079	Trail Master Plan Update	2015	90,000	-		90,000	22,500		67,500	6,750	60,750	38,273	22,478
PK0073	Parks, Culture and Recreation Master Plan	2019	200,000	-		200,000	50,000		150,000	15,000	135,000	85,050	49,950

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Administration Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development 2013-2022	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost				
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share		
Fire/Police/EMS															
1	Ambulance Planning Study/Needs Assessment	2014	130,000	-		130,000	23,400	52,000	54,600	5,460	49,140	30,958	18,182		
2	Fire Master Plan	2015	100,000	-		100,000	50,000	-	50,000		50,000	31,500	18,500		
3	Fire Master Plan	2025	100,000	-		100,000	50,000		50,000		50,000	31,500	18,500		
4	Joint Planning Study	2016	50,000	-		50,000	12,500	-	37,500		37,500	23,625	13,875		
5	Joint Planning Study	2026	50,000	-		50,000	12,500	-	37,500		37,500	23,625	13,875		
Traffic															
TF0006	Signalized Control System Study	2014	75,000			75,000	37,500	-	37,500		37,500	23,625	13,875		
TF0006	Signalized Control System Study	2021	75,000			75,000	37,500	-	37,500		37,500	23,625	13,875		
	Reserve Fund Adjustment					-	(313,084)		313,084		313,084	197,243	115,841		
Total			6,961,700	407,350	-	6,554,350	1,801,106	52,000	4,701,244	387,566	4,313,678	2,717,617	1,596,061		

5.2.7 Health Services

Health services are provided from 10 facilities located throughout the City and Counties. The City of Guelph, County of Wellington and County of Dufferin share in the provision of Health Services. The City's share of costs for health services is 45.2%. Based on this percentage share, the City has 17,762 sq.ft. of facility space. These facilities provide for 0.14 sq.ft./capita, equating to \$27 per capita. This level of service provides the City with \$673,116 for eligible future DC funding over the 10 year forecast period.

At present there are plans for two new facility locations, one in Guelph and one in Orangeville in partnership with the Counties of Wellington & Dufferin at a cost of \$24,404,065. Of this cost, \$7,418,000 is attributable to City of Guelph growth in the post 2022 period, \$2,940,000 is attributable to City of Guelph existing development and \$673,065 attributable to growth in the current 10 year period (2013-2022), with the balance being funded by the Counties. After the mandatory 10% deduction, \$605,759 has been included in DC calculation.

While health services are predominately residential-based, there is some use of the service by non-residential users. To acknowledge this use the growth-related capital costs have been allocated 90% residential and 10% non-residential.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service Health Services

Prj. No	Increased Service Needs Attributable to Anticipated Development 2013-2022	Timing (year)	Gross Capital Cost Estimate (2013\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost			
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Subtotal	Other (e.g. 10% Statutory Deduction)	Total	Residential Share
1	Guelph Location	2013	17,539,000	5,331,300		12,207,700	2,061,000	9,611,000	53,570	482,130	433,917	48,213
2	Orangeville Location	2013	6,865,065	2,086,700		4,778,365	879,000	3,762,000	13,737	123,629	111,266	12,363
Total			24,404,065	7,418,000	0	16,986,065	2,940,000	13,373,000	67,307	605,759	545,183	60,576

5.2.8 Municipal Courts

The City has 14,349 sq. ft. of Municipal Courts space for Provincial Offenses Act (POA). Over the past ten years, the average level of service was 0.068 sq. ft. of space per capita or an investment of \$29 per capita. Based on this service standard, the City would be eligible to collect approximately \$720,895 from DC's for POA facilities (over the ten year period).

The expansion of space for municipal courts was complete over the past few years at which time the growth funding was transfer from the DC reserve fund leaving it in a deficit therefore, the deficit of \$123,222 has been included in the DC calculations. There are no other expansion projects required for the 10 year forecast period. The growth costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment, for the 10-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service Municipal Courts

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non- Residential Share
1	2013-2022 Reserve Fund Adjustment		123,222			123,222			123,222		123,222	77,630	45,592
Total			123,222	0	0	123,222	0	0	123,222	0	123,222	77,630	45,592

5.2.9 Ambulance Services

The City presently shares the funding responsibility for ambulance service with the County of Wellington. The funding allocation is based on a respective population (40 County/60% City). Overall the City's portion of the service provides ten ambulance bases which total 12,567 sq. ft. in size. Over the past ten years, the average level of service was 0.07 sq. ft. of space per capita or an investment of \$13 per capita. Based on this service standard, the City would be eligible to collect approximately \$309,945 from DC's for ambulance facility space (over the ten year period).

One project has been identified for inclusion in the DC, the Training Facility which is a joint project with Fire and Police. The cost of the ambulance component is estimated at \$1,039,000 with \$436,380 attributable to the post 2022 period, \$187,020 attributable to existing benefit and \$415,600 anticipated as a contribution from the County. At this time there is no benefit to growth in the current forecast period. A reserve adjustment of \$1,263,304 has been included based on previous projects related to growth with \$953,360 of this work attributable to post period growth and \$309,944 attributable to growth within the forecast period, 2013-2022. Therefore, the capital costs to be included in the DC calculations for the forecast period, is \$309,944.

The City has 225 items of equipment on ambulances. Over the past ten years, the average level of service was 0.0018 items per capita or an investment of \$5 per capita. Based on this service standard, the City would be eligible to collect approximately \$124,275 from DC's for ambulance equipment (over the ten year period).

For equipment on ambulances, \$150,000 has been identified for inclusion in the DC calculation based on the 10 year growth projections (before the 10% deduction). A deduction of \$60,000 has been made to recognize the County of Wellington's share of the costs, resulting in a \$90,000 cost for the City, before the 10% mandatory deduction.

The growth costs have been allocated 63% residential and 37% non-residential based on the incremental growth in population to employment, for the 10-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
 Service: Ambulance Vehicle Equipment

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non- Residential Share
1	Equipment on an Ambulance 2013-2022	2014	75,000	0		75,000	0	30,000	45,000	4,500	40,500	25,515	14,985
2	Equipment on an Ambulance	2018	75,000	0		75,000	0	30,000	45,000	4,500	40,500	25,515	14,985
Total			150,000	0	0	150,000	0	60,000	90,000	9,000	81,000	51,030	29,970

5.3 Service Levels and 19-Year Capital Costs for Guelph's DC Calculation

This section evaluates the development-related capital requirements for those services with 19-year capital costs.

5.3.1 Services Related to a Highway and Related Facility and Vehicle/Equipment Services

Guelph owns and maintains 159 km of roads, and provides 1,191 items related to active transportation. This provides an average level of investment of \$2,455 per capita, resulting in a DC-eligible recovery amount of \$105,950,510 over the 19-year forecast period.

With respect to future needs, the identified service related to highways programs totals \$117,459,000. The capital projects include various works related to adding capacity to the highway system including road improvements/expansions, intersection improvements, additional active transportation corridors and complete street additions & modifications. In addition to these costs outstanding growth related debt principal and interest (discounted) totalling \$1,581,737 has been included as well as the deficit in the DC reserve fund of \$1,976,435. Deductions for post period benefit of \$6,295,000, benefit to existing of \$23,556,500, the direct development contribution (local service component) of specific projects of \$8,005,000 and other contributions of \$13,144,500 have been made. This results in a DC eligible amount of \$70,016,172 to be recovered over the current forecast period (2013-2031).

The City also provides 354 traffic signals, which equate to an average level of investment of \$175 per capita, and a DC recoverable amount of \$7,538,305 over the 19-year forecast period. A number of new signal installations as well as traffic management initiatives have been included in the forecast period totalling \$3,375,000. Of this amount, \$967,500 benefits existing and the balance, \$2,407,500 benefits growth. This amount has been included in the DC calculation.

The Public Works Department has a variety of vehicles and major equipment totalling \$11,293,000. The inventory provides for a per capita standard of \$90. Over the forecast period, the DC-eligible amount for vehicles and equipment is \$3,867,103. Additional vehicle and equipment items have been identified for the forecast period, amounting to \$1,505,000 of growth-related capital, which has been included in the DC calculation.

The City operates their Public Works service out of a number of facilities. The facilities provide 83,727 sq.ft. of building area, providing for an average level of service of 0.71 sq.ft. per capita or \$123/capita. This level of service provides the City with a maximum DC-eligible amount for recovery over the 19 year forecast period of \$5,288,896. There have been three projects identified over the forecast period, an expansion to the Municipal Street Building, a new

aggregate processing facility and a new fleet repair and yard. The total cost of these projects is \$6.7 million, of which \$111,200 is a post period benefit and \$1.3 million benefits existing development. The net amount included in the DC is \$5,288,800.

The residential/non-residential capital cost allocation for roads would be based on a 60%/40% split, based on the incremental growth in population to employment for the 19-year forecast period.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph Services Related to a Highway

Prj. No	Increased Service Needs Attributable to Anticipated Development 2013-2031	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less:			Potential DC Recoverable Cost		
								Direct Developer Contributions (Local Service)	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 60%	Non-Residential Share 40%	
RD0078	Victoria:Stone-Arkell	2013-2014	1,050,000	0		1,050,000	315,000			735,000	441,000	294,000	
RD0286	Niska:Bridge Replacement	2013-2015	2,200,000	0		2,200,000	660,000			1,540,000	924,000	616,000	
RD0090	Woodlawn:Silvercreek-Nicklin	2023-2031	10,221,000	0		10,221,000	1,599,000		4,919,500	3,702,500	2,221,500	1,481,000	
RD0270	York: Victoria-E. City Limits	2017-2019	10,500,000	0		10,500,000	2,047,500		3,675,000	4,777,500	2,866,500	1,911,000	
RD0091	Crawly - Clair to Malby	2023-2031	1,000,000	0		1,000,000	0			1,000,000	600,000	400,000	
RD0265	Gordon: Clair-Malby	2019-2021	5,900,000	295,000		5,605,000	590,000			5,015,000	3,009,000	2,006,000	
RD0118	Transportation Strategy / Implement & TDM Initiatives	2013-2023	1,000,000	0		1,000,000	500,000			500,000	300,000	200,000	
RD0122	Eastview:Starwood-Watson	2016-2017	1,400,000	0		1,400,000	1,022,000	280,000		98,000	58,800	39,200	
RD0271	Stone: Monicello-Victoria	2013-2015	5,600,000	0		5,600,000	1,680,000			3,920,000	2,352,000	1,568,000	
RD0272	Victoria:York-Stone -I	2015-2017	3,950,000	0		3,950,000	1,185,000		3,550,000	2,765,000	1,106,000	5,648,000	
RD0267	Clair/Laird & Hanlon Interchange	2013-2015	17,670,000	0		17,670,000	0			14,120,000	8,472,000	5,648,000	
RD0249	HCBP Oversizing	2023-2027	1,000,000	0		1,000,000	0			1,000,000	600,000	400,000	
RD0140	New Railway Crossing Install	2023-2031	1,922,000	0		1,922,000	966,000			956,000	573,600	382,400	
RD0140	Hanlon-Kortright Improvements	2023-2031	2,521,000	0		2,521,000	0			2,521,000	1,512,600	1,008,400	
RD0170	Railway Crossings at Edinburgh Road and adjacent Roads	2013-2023	2,000,000	0		2,000,000	300,000		1,000,000	700,000	420,000	280,000	
RD0273	Silvercreek Parkway/CN Grade Separation and Improvements	2013-2015	10,000,000	0		10,000,000	3,000,000	5,000,000		2,000,000	1,200,000	800,000	
RD0269	Laird: Clair to Southgate	2013-2015	3,000,000	0		3,000,000	900,000			2,100,000	1,260,000	840,000	
RD0308	Elmira Road Extension to WR 124 (Hwy 24) Feasibility Study	2021	300,000	0		300,000	150,000			150,000	90,000	60,000	
RD0309	Cityview	2013-2014	225,000	0		225,000	0	225,000		0	0	0	
RD0285	Stanwood: Watson to Grange	2016	190,000	0		190,000	57,000			133,000	79,800	53,200	
TF0001	Mid-Block Coil New Watson	2014	150,000	0		150,000	45,000			105,000	63,000	42,000	
RD0310	Gordon: Edinburgh to Lowes	2014-2016	1,500,000	0		1,500,000	0	750,000		750,000	450,000	300,000	
RD0319	College Avenue (East of Edinburgh)	2017-2018	2,000,000	0		2,000,000	1,000,000	1,000,000		0	0	0	
RD0318	Herts Lane	2015-2023	1,500,000	0		1,500,000	0	750,000		750,000	450,000	300,000	
RD0320	Victoria Road	2023-2031	6,000,000	3,000,000		3,000,000	0	0		3,000,000	1,800,000	1,200,000	
1	Malby Road	2023-2031	6,000,000	3,000,000		3,000,000	0	0		3,000,000	1,800,000	1,200,000	
2	Victoria Road Widening (3 to 4 lanes) (North of Arkell to Clair)	2023-2031	3,000,000	0		3,000,000	300,000			2,700,000	1,620,000	1,080,000	
	Intersection Improvements												
RD0313	Int-Speedvale & Silvercreek	2022	1,800,000	0		1,800,000	900,000			900,000	540,000	360,000	
RD0312	Int College & Scottisdale	2022	1,600,000	0		1,600,000	800,000			800,000	480,000	320,000	
RD0274	Int Speedvale & Delhi	2016	1,000,000	0		1,000,000	500,000			500,000	300,000	200,000	
3	Int Victoria/Clair	2013-2017	150,000	0		150,000	0	0		150,000	90,000	60,000	
RD0316	Int Downey & Niska	2016	200,000	0		200,000	0	0		200,000	120,000	80,000	
	Active Transportation												
RD0322	Active Transportation Feasibility Study	2013-2014	150,000	0		150,000	0	0		150,000	90,000	60,000	
RD0321	Active Transportation Corridors	2014-2031	4,500,000	0		4,500,000	2,250,000			2,250,000	1,350,000	900,000	
	Complete Streets												
RD0268	Complete Street Modifications study	2013-2014	300,000	0		300,000	90,000			210,000	126,000	84,000	
RD0288	Complete Street Modifications	2015-2031	5,000,000	0		5,000,000	2,500,000			2,500,000	1,500,000	1,000,000	
TC0006	Satellite Clair/Gordon	2015-2017	350,000	0		350,000	0	0		350,000	210,000	140,000	
TR0026	West End Recreation Centre	2015	100,000	0		100,000	50,000			50,000	30,000	20,000	
TR0031	York / Watson	2017	300,000	0		300,000	150,000			150,000	90,000	60,000	
TC0018	Curbside Road Layby (various locations)	2014-2015	210,000	0		210,000	0	0		210,000	126,000	84,000	
	Existing Debt (Terminal Road Upgrades) Principal	2013-2019	1,358,483	0		1,358,483	0	0		1,358,483	815,090	543,393	
	Existing Debt (Terminal Road Upgrades) Interest (discounted)	2013-2019	223,254	0		223,254	0	0		223,254	133,952	89,302	
	Reserve Fund Adjustment	2013-2019	1,976,435	0		1,976,435	0	0		1,976,435	1,185,861	790,574	
	Total		121,017,172	6,295,000	0	114,722,172	23,556,500	8,005,000	13,144,500	70,016,172	42,009,703	28,006,469	

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Rolling Stock

Prj. No	Increased Service Needs Attributable to Anticipated Development 2013-2031	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost					
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 60%	Non-Residential Share 40%			
	Roads and Rights of Way													
	Asphalt Hot Box trailer	2015	35,000	0		35,000	0		35,000	21,000	14,000			
	Blower (for Heavy Front-End Loader)	2020	80,000	0		80,000	0		80,000	48,000	32,000			
	Tandem Salter/Sander	2024	390,000	0		390,000	0		390,000	234,000	156,000			
	Sidewalk Plough	2024	150,000	0		150,000	0		150,000	90,000	60,000			
	Asphalt Hot Box Trailer	2024	35,000	0		35,000	0		35,000	21,000	14,000			
	Tandem Salter/Sander	2032	390,000	0		390,000	0		390,000	234,000	156,000			
	Forestry													
	1/2 Ton Dump Truck	2022	65,000	0		65,000	0		65,000	39,000	26,000			
	Wood Chipper/Mulcher/Cutter	2022	50,000	0		50,000	0		50,000	30,000	20,000			
	Aerial Heavy Lift Truck	2024	310,000	0		310,000	0		310,000	186,000	124,000			
	Total		1,505,000	0	0	1,505,000	0	0	1,505,000	903,000	602,000			

5.3.2 Police Services

The Guelph Police Department operates from one main station as well as a shared facility with Fire and EMS (Ambulance) and has storage facility space. These facilities provide approximately 85,582 sq. ft. of building area, providing for a per capita average level of service of 0.61 sq. ft./capita or \$202 /capita. This level of service provides the City with a maximum DC-eligible amount for recovery over the 19-year forecast period of \$8,725,793.

Two capital projects have been identified for inclusion in the development charge; they include the joint training facility, and the renovations & expansion to their headquarters facility. The total capital costs of these projects is \$35,039,000 with \$19,720,500 of existing benefit, \$9,577,200 of post period benefit resulting in a total of \$5,741,300 to be included in the DC calculation. Existing Debt for the South End Facility including principal and interest (discounted) of \$2,584,537 and the DC reserve fund deficit of \$764,705 have also been included for a total DC-eligible amount of \$9,090,542 for inclusion in the DC calculations.

The police department currently has 195 police officers. The Police Department has small equipment and gear for the officers, with a calculated average level of service for the historic 10-year period of \$32 per capita, providing for a DC-eligible amount over the forecast period of approximately \$1,373,465. Based on growth-related needs the City has identified nineteen additional police officers as well as additional portable radios, in-car mobile radios and other new equipment. The total capital cost associated with these projects is \$643,100 and has been included in the DC calculation.

The costs for Police Services are shared 60%/40% between residential and non-residential based on the population to employment ratio over the forecast period.

5.3.3 Fire Services

Guelph currently operates its fire services from 57,489 sq.ft. of facility space, providing for a per capita average level of service of 0.4 sq.ft. per capita or \$98 per capita. This level of service provides the City with a maximum DC-eligible amount for recovery over the forecast period of \$4,242,077.

One project has been identified, a training facility (joint with police & ambulance) at a cost of \$1,039,000 with an existing benefit of \$727,300. Existing debt principal and interest (discounted) of \$805,020 and the reserve fund deficit of \$2,011,862 have also been included in the DC calculations. Therefore, the total growth capital cost included in the development charge is \$3,128,582.

The fire department has a current inventory of 24 vehicles and shares a command vehicle with the police on a 50/50 share basis. The total DC-eligible amount calculated for fire vehicles over the forecast period is \$3,449,411, based on a standard of \$80 per capita. The need for six additional fire vehicles has been identified, having a gross capital cost of \$5,154,000 with a \$304,800 post period benefit, and exiting benefit of \$1.4 million the net amount for inclusion in the development charge is \$3,449,200.

The fire department provides 534 units of equipment and gear for the use in fire services. The City currently has a calculated average level of service for the historic 10-year period of \$16 per capita, providing for a DC-eligible amount over the forecast period of \$694,715 for small equipment and gear.

Based on growth-related needs, the City has identified the need for additional equipment and gear for firefighters including portable radios, defibrillators, auto extrication equipment, a thermal image camera and other small equipment. The growth capital cost for the related equipment and net amount included in the development charge totals \$351,000.

These costs are shared between residential and non-residential based on the population to employment ratio over the forecast period, resulting in 60% being allocated to residential development and 40% being allocated to non-residential development.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Fire Vehicles

Prj .No	Increased Service Needs Attributable to Anticipated Development 2013-2031	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less:			Potential DC Recoverable Cost	
								Grants, Subsidies and Other Contributions Attributable to New	Total	Residential Share 60%	Non-Residential Share 40%	
1	Rescue/special operations truck	2024	750,000	-	-	750,000	-	-	-	750,000	450,000	300,000
2	Vehicles for Fire Prevention and Training	2018-2022	50,000	-	-	50,000	-	-	-	50,000	30,000	20,000
3	Vehicles for Fire Prevention and Training	2023-2032	50,000	-	-	50,000	-	-	-	50,000	30,000	20,000
4	Arial truck	2028	1,600,000	304,800	-	1,295,200	-	-	-	1,295,200	777,120	518,080
5	Pumper/Aerial	2013	1,352,000	-	-	1,352,000	700,000	-	-	652,000	391,200	260,800
6	Pumper/Aerial	2015	1,352,000	-	-	1,352,000	700,000	-	-	652,000	391,200	260,800
Total			5,154,000	304,800	-	4,849,200	1,400,000	-	-	3,449,200	2,069,520	1,379,680

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Fire Small Equipment and Gear

Prj .No	Increased Service Needs Attributable to Anticipated Development 2013-2031	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 60%	Non-Residential Share 40%
1	Equipment for 20 Firefighters	2028	86,000	0		86,000	0		86,000	51,600	34,400
2	Portable radios (5)	2028	37,000	0		37,000	0		37,000	22,200	14,800
3	Defibrillators (1)	2028	5,300	0		5,300	0		5,300	3,180	2,120
4	Mobile radios (1)	2028	7,400	0		7,400	0		7,400	4,440	2,960
5	Auto extrication Equip (1)	2028	50,000	0		50,000	0		50,000	30,000	20,000
6	Thermal image camera (1)	2028	10,500	0		10,500	0		10,500	6,300	4,200
7	Self contained breathing apparatus (SCBA) (5)	2028	37,500	0		37,500	0		37,500	22,500	15,000
8	Spare air cylinders (8x2 apparatus) (10)	2028	12,000	0		12,000	0		12,000	7,200	4,800
9	Air monitoring equipment (1)	2028	5,300	0		5,300	0		5,300	3,180	2,120
10	Other Fire Equipment for Aerial	2028	100,000	0		100,000	0		100,000	60,000	40,000
	Total		351,000	0	0	351,000	0	0	351,000	210,600	140,400

5.4 Service Levels and Urban Build Out Capital Costs for Guelph's DC Calculation

This section evaluates the development-related capital requirements for those services with urban build out capital costs.

5.4.1 Stormwater Services

There are four projects identified for inclusion in the DC which apply to storm water facilities. These projects total \$925,000, with an existing benefit of \$136,700, which results in \$788,300 to be included in the DC calculation. A reserve fund adjustment of \$2,166,763 has also been made to recover the deficit in the DC reserve fund. Therefore, the total included in the DC calculation is \$2,955,063.

The costs for Stormwater Services are shared 60%/40% between residential and non-residential based on the population to employment ratio over the 19-year forecast period.

5.4.2 Wastewater Services

As per the Municipalities engineers, AECOM (linear) and CH2M Hill (Facilities), the City has provided capital projects for wastewater facilities that include plant rerating for phosphorous reduction, plant upgrade studies, upgrades to Biosolids, Plant Expansion to 73.3 MLD and then to 85 MLD, SCADA and other plant upgrades, master plans, and various linear projects required due to growth.

For facilities, a total cost of \$358,244,000 of which \$20,072,050 has been identified as benefit to existing, \$218,255,700 as post period benefit and \$1 million from other sources. Thus, the net amount of \$118,916,250 has been included in the DC calculation. Also identified is the outstanding debt principal and interest totalling \$4,955,378 and a reserve fund deficit of \$589,132. Resulting in overall gross capital costs for wastewater facilities of \$124,460,760 included in the DC calculation.

A number of sewer projects have been identified for inclusion in the DC and confirmed by the City's consulting engineer, AECOM. The gross cost of the projects is \$86,970,391 with an identified benefit to existing of \$52,702,179 and a post period benefit of \$4,244,000 and a net amount of \$30,024,212 for inclusion in the DC calculation.

The growth-related costs have been allocated between residential and non-residential development based on incremental growth in population to employment over the urban build out forecast period. This split results in a 60% allocation to residential and a 40% allocation to non-residential.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Wastewater - Sewers

Pj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less: Grants, Subsidies and Other Contributions Attributable to New Development	Total		
									Residential Share 60%	Non-Residential Share 40%	
SC0002	WW-I-0WW-S-4 Flow Monitors	2015	750,000	0		750,000	375,000		375,000	225,000	150,000
WS0085	WW-I-1 York Trunk: Hanlon to Victoria	2013-2017	18,900,000	0		18,900,000	9,261,000		9,639,000	5,783,400	3,855,600
1	WW-I-1A Add Parallel Pipe from east of Hanlon to WWTP	2019-2023	9,232,400	0		9,232,400	7,293,596		1,938,804	1,163,282	775,522
SC0003	WW-I-2 Stevenson Trunk: York Trunk to Eramosa	2014-2015	3,748,470	0		3,748,470	2,586,444		1,162,026	697,215	464,810
SC0004	WW-I-3 Speed Trunk: East of Hanlon to Eramosa River	2016-2021	5,147,842	0		5,147,842	5,147,842		0	0	0
SC0005	WW-I-4 Waterloo Trunk: East of Hanlon to Yorkshire	2019-2021	3,362,990	0		3,362,990	2,085,054		1,277,936	766,762	511,174
SC0012	WW-I-5 Replace Yorkshire Trunk	2020	3,168,805	0		3,168,805	1,932,971		1,235,834	741,500	494,334
SC0006	WW-I-7 Speedvale Collector from Marlboro to Metcaif	2014	792,121	0		792,121	704,988		87,133	52,280	34,853
2	WW-I-8 Replace Water Street Collector	2023	1,083,311	0		1,083,311	506,990		576,321	345,793	230,529
SC0008	WW-I-10 River Crossings/Hanlon Expressway Crossings	2013-2014	700,000	0		700,000	399,000		301,000	180,600	120,400
SC0008	WW-I-10 River Crossings/Hanlon Expressway Crossings	2016-2022	2,450,000	0		2,450,000	1,396,500		1,053,500	632,100	421,400
3	WW-I-11 Area Asset Replacements (allowance)	2019-2031	10,000,000	0		10,000,000	8,000,000		2,000,000	1,200,000	800,000
SC0018	WW-I-12 Siphon improvements	2013-2014	840,000	0		840,000	420,000		420,000	252,000	168,000
SC0018	WW-I-12 Siphon improvements	2016-2022	4,200,000	0		4,200,000	2,100,000		2,100,000	1,260,000	840,000
4	WW-I-13 Infrastructure Improvements; manhole improvements; eliminate cross connections (dual functional manholes) etc.		5,500,000	0		5,500,000	4,400,000		1,100,000	660,000	440,000
SC0019	WW-I-14 I/I Reduction implementation program	2016-2022	2,200,000	0		2,200,000	1,100,000		1,100,000	660,000	440,000
SC0020	WW-I-15 New Gravity Sewers - allowance (oversizing)	2013	250,000	0		250,000	25,000		225,000	135,000	90,000
SC0020	WW-I-15 New Gravity Sewers - allowance (oversizing)	2016-2022	1,750,000	0		1,750,000	175,000		1,575,000	945,000	630,000
SC0021	WW-I-16 New Force mains - allowance (oversizing)	2013	150,000	0		150,000	15,000		135,000	81,000	54,000
SC0021	WW-I-16 New Force mains - allowance (oversizing)	2016-2022	1,050,000	0		1,050,000	105,000		945,000	567,000	378,000
5	WW-I-18 Upsize Pipe Along Yorkshire St. N from Bristol St. to Waterloo Ave.	2013-2018	242,471	0		242,471	189,127		53,344	32,006	21,337
6	WW-I-19 Add connection to York Trunk from 1050 mm along Waterworks PL. from York Rd. to Royal Recreation Trail	2013-2018	465,637	0		465,637	367,853		97,784	58,670	39,114
7	WW-I-20 Monticello Cr. From north of Stone Rd E. to Dimson Ave.	2013-2018	1,117,344	0		1,117,344	793,314		324,030	194,418	129,612
SC0023	WW-F-1 Decommission Gordon SPS	2015	2,700,000	0		2,700,000	1,350,000		1,350,000	810,000	540,000
8	WW-F-2 Improvements to lift stations & force mains (allowance)		2,200,000	0		2,200,000	1,760,000		440,000	264,000	176,000
WS0102	WW-F-4 South SPS	2020 - buildout	2,140,000	2,140,000		0	0		0	0	0
9	WW-F-5 Possible new SPS in South (IC) - future development south of Clair	2020 - buildout	2,104,000	2,104,000		0	0		0	0	0
WS0103	WW-S-1 Trunk Sewer Condition Assessment	2013-2022	260,000	0		260,000	130,000		130,000	78,000	52,000
10	WW-S-4 Flow monitors - study portion	2015	165,000	0		165,000	82,500		82,500	49,500	33,000
SC0010	WW-S-6 Wastewater Master Plan Update	2016	300,000	0		300,000	0		300,000	180,000	120,000
Total			86,970,391	4,244,000	0	82,726,391	52,702,179	0	30,024,212	18,014,527	12,009,685

5.4.3 Water Services

As per the Municipality's consulting engineer (AECOM), several water facilities projects have been identified for inclusion in the DC including Master Plan studies, new supply, pumping stations, reservoir, elevate tank works and water conservation and efficiency works. The gross cost of the projects is \$295,961,000, with an existing benefit of \$13,190,400, a post period benefit of \$133,734,000 and other contributions of \$75,000. As well, existing growth related debt of \$3,389,556 has been included. A deduction of \$6,475,851 has been made to recognize the DC reserve fund balance resulting in a net amount of \$145,875,305 to be included in the DC calculation.

In addition to the facility work required, there are a number of linear works required to service growth. The cost of these projects total \$122,234,200 with a post period benefit of \$13,883,000 and an existing benefit of \$46,181,800. Outstanding growth related debt of \$2,002,126 has also been included resulting in a total of \$64,171,526 attributable to growth over the current forecast period.

The allocation between residential and non-residential growth is calculated based on incremental growth in population to employment, for the build out forecast period for the urban serviced areas, resulting in a 60% residential and 40% non-residential allocation.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Water Facilities

Prj.No	Increased Service Needs Attributable to Anticipated Development 2013-Urban Build Out	Timing (year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Total	Residential Share 60%	Non-Residential Share 40%
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			
WT0002	New Supply: New Supply inside City:										
	Arkel Infiltration WT002/WT0046	2013-2023	10,695,000			10,695,000	-		10,695,000	6,417,000	4,278,000
	Membro/Downey	2013-2018	2,414,000			2,414,000	-		2,414,000	1,448,400	965,600
	Clythe/Sacco/Smallfield/Scout	2013-2023	16,076,000			16,076,000	-		16,076,000	9,645,600	6,430,400
	Logan/Fleming/McCurdy	2013-2023	10,273,000			10,273,000	-		10,273,000	6,163,800	4,109,200
	Gordon/Clair Hanlon/Stone	2013-2023	6,615,000			6,615,000	-		6,615,000	3,969,000	2,646,000
	Outside City	2018-2028	42,500,000			42,500,000	-		42,500,000	25,500,000	17,000,000
	Surface Water/ASR	2023-2043	85,707,000	85,707,000							
WW0106	Water Conservation and Efficiency	2013-2059	49,208,000	30,777,000					18,431,000	11,058,600	7,372,400
WT0020	W-F-0 Clair Tower Booster Pumping Station	2014-2015	120,000	-		120,000	-		120,000	72,000	48,000
1	W-F-1 Paisley Upgrades	2013-2018	1,500,000	-		1,500,000	750,000		750,000	450,000	300,000
WW099	W-F-2 VERNEY/CLAIR CONTROL UPGRADES/CHAMBER	2013-2018	2,000,000	-		2,000,000	520,000	75,000	1,405,000	843,000	562,000
WT0003	W-F-3 CLYTHE BOOSTER UPGRADES	2013-2018	8,800,000	-		8,800,000	4,400,000		4,400,000	2,640,000	1,760,000
2	W-F-4 ROBERTSON BOOSTER PS UPGRADES/EXPANSION	2019-2023	6,500,000	-		6,500,000	3,250,000		3,250,000	1,950,000	1,300,000
WW0102	W-F-5 WATER QUALITY UPGRADES (CORROSION & CL2)	2014-2031	4,155,000	-		4,155,000	1,465,600		2,689,400	1,613,640	1,075,760
WT0005	W-F-6 ZONE 1A/1B BPS & RESERVOIR	2013-2018	14,024,000	-		14,024,000	1,402,400		12,621,600	7,572,960	5,048,640
WT0006	W-F-7 ZONE 3 ELEVATED TANK	Beyond 2033	2,805,000	2,805,000			-				
3	W-F-8 ZONE 3 BOOSTER EXPANSION	Beyond 2033	421,000	421,000			-				
4	W-F-9 EAST SIDE BPS & RESERVOIR	2019-2028	14,024,000	-		14,024,000	1,402,400		12,621,600	7,572,960	5,048,640
5	W-F-10 GUELPH LAKE STORAGE & BPS	Beyond 2033	14,024,000	14,024,000			-				
6	W-F-11 ZONE 2E ELEVATED TANK	2018-2023	3,200,000	-		3,200,000	-		3,200,000	1,920,000	1,280,000
WW0105	W-S-1-7 Water Supply Master Plan Studies	2013-2031	900,000	-		900,000	-		900,000	540,000	360,000
	Existing Debt Principal	2013-2019	2,911,138	-		2,911,138	-		2,911,138	1,746,683	1,164,455
	Existing Debt Interest (discounted)	2013-2019	478,419	-		478,419	-		478,419	287,051	191,367
	Reserve Fund Adjustment						6,475,851		(6,475,851)	(3,885,511)	(2,590,340)
Total			299,350,556	133,734,000	0	165,616,556	19,666,251	75,000	145,875,305	87,525,183	58,350,122

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

City of Guelph
Service: Water Distribution

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (Year)	Gross Capital Cost Estimate (2013 \$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Total	Residential Share	Non-Residential Share
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			
WW0060	Maitby: Southgate to Gordon	Beyond 2033	1,657,000	0		1,657,000	165,700		1,491,300	894,780	596,520
WD0001	Gordon: Clair to Maitby	2018-2023	1,415,000	0		1,415,000	141,500		1,273,500	784,100	509,400
WD0012	W-1 Clair: Crawley to Gordon	2013-2018	750,000	0		750,000	75,000		675,000	405,000	270,000
WW0082	W-2 Scout Camp Aquaduct Tie-In	2019-2023	2,500,000	0		2,500,000	1,250,000		1,250,000	750,000	500,000
WD0002	W-3 Hanton: Wellington to Clair	2013-2023	11,250,000	0		11,250,000	2,925,000		8,325,000	4,995,000	3,330,000
WD0003	W-4 Edinbrough to Kortright	2019-2022	1,670,600	0		1,670,600	434,400		1,236,200	741,720	494,480
WD0004	W-5 Kortright to Edinbrough to Gordon	2023-buildout	2,138,400	0		2,138,400	556,000		1,582,400	949,440	632,960
WD0005	W-6 Speedvale: Watson to Westmount	2013-2018	5,940,000	0		5,940,000	2,970,000		2,970,000	1,782,000	1,188,000
WD0007	W-9 Wellington: Hanton to Watson	2013-2023	10,900,000	0		10,900,000	5,450,000		5,450,000	3,270,000	2,180,000
WD0011	W-11 Kortright Zone 1B: Edinbrough to Rickson	2019-2023	1,366,900	0		1,366,900	355,400		1,011,500	606,900	404,600
WD0008	W-12 Zone 1 A/B Split	2019-2022	500,000	0		500,000	250,000		250,000	150,000	100,000
WD0009	W-14 Arkell Well Transmission Main	2019-2028	14,500,000	0		14,500,000	7,250,000		7,250,000	4,350,000	2,900,000
WD0017	W-15 Watson: Speedvale to Hwy 24	2018-2023	975,000	0		975,000	97,500		877,500	526,500	351,000
1	W-16 Hanton Crossing - to Paisley (supply security)/Silver Creek	2013-2018	3,000,000	0		3,000,000	300,000		2,700,000	1,620,000	1,080,000
WD0013	W-18 Exhibition/Dublin - Verney to Wellington	2019-2023	7,837,800	0		7,837,800	1,870,100		5,967,700	3,580,620	2,387,080
2	W-19 Asset Replacement - Allowance	2023-buildout	8,783,800	0		8,783,800	7,027,000		1,756,800	1,054,080	702,720
3	W-20 Replace distribution piping	2018-2028	9,801,600	0		9,801,600	7,841,300		1,960,300	1,176,180	784,120
4	W-21 Asset Replacement	2018-2028	6,754,100	0		6,754,100	5,403,300		1,350,800	810,480	540,320
5	W-22 Woodlawn: Watson to Imperial	beyond 2033	10,097,000	10,097,000		0	0		0	0	0
6	W-23 Imperial: Woodlawn to Paisley	beyond 2033	3,786,000	3,786,000		0	0		0	0	0
7	W-24 River Crossing Connections	beyond 2033	2,078,000			2,078,000	1,039,000		1,039,000	623,400	415,600
WW0139	W-25 Development Oversizing (New Development Allowance)	2013-2031	2,520,000	0		2,520,000	0		2,520,000	1,512,000	1,008,000
8	South End - Transmission Mains (ring system)	2018-2031	6,233,000	0		6,233,000	0		6,233,000	3,739,800	2,493,200
9	W-26 East Side Transmission Line (Stantec)	2018-2022	2,400,000	0		2,400,000	240,000		2,160,000	1,296,000	864,000
WD0018	East Side Transmission Line	2018-2023	1,800,000	0		1,800,000	0		1,800,000	1,080,000	720,000
WD0019	East Side Zone 2 upgrades	2018-2023	400,000	0		400,000	180,000		220,000	132,000	88,000
10	W-S-2 Distribution System Water Quality Assessment	2015-2018	150,000	0		150,000	40,000		110,000	66,000	44,000
11	W-S-3 Property Needs Study	2015-2018	150,000	0		150,000	75,000		75,000	45,000	30,000
12	W-S-5 Performance/Benchmarking/Criticality investigations	2015-2018	250,000	0		250,000	0		250,000	150,000	100,000
13	W-S-6 Review opportunities for capturing energy/renew opportunities for capturing energy/pumping efficiency and optimization	2013-2014	180,000	0		180,000	125,000		55,000	33,000	22,000
14	W-S-7 Water - Distribution Master Plan Update	2014-2019	450,000	0		450,000	120,600		329,400	197,640	131,760
15	Existing Debt Principal	2013-2019	1,719,536	0		1,719,536	0		1,719,536	1,031,722	687,815
16	Existing Debt Interest (discounted)	2013-2019	282,590	0		282,590	0		282,590	169,554	113,036
Total			124,236,326	13,883,000	0	110,353,326	46,181,800	0	64,171,526	38,502,916	25,668,611

6. DEVELOPMENT CHARGE CALCULATION

6. DEVELOPMENT CHARGE CALCULATION

Table 6-1 calculates the proposed uniform development charges to be imposed for infrastructure services based upon a build out (2031) horizon (stormwater, wastewater, and water, Services Related to a Highway and Related, Fire Protection Services, and Police Services). Table 6-2 calculates the proposed uniform development charge to be imposed on anticipated development in the City for City-wide services over a 10-year planning horizon.

The calculation for residential development is generated on a per capita basis and is based upon four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartment's bachelor and 1 bedroom and all other multiples). The non-residential development charge has been calculated on a per sq.ft. of gross floor area basis for all types of non-residential development (industrial, commercial and institutional).

The DC-eligible costs for each service component were developed in Chapter 5 for all City services, based on their proposed capital programs.

For the residential calculations, the total cost is divided by the "gross" (new resident) population to determine the per capita amount. The eligible DC cost calculations set out in Chapter 5 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units (Appendix A, Schedule 5) to calculate the charge in Tables 6-1 and 6-2.

With respect to non-residential development, the total costs in the uniform charge allocated to non-residential development (based on need for service) have been divided by the anticipated development over the planning period to calculate a cost per sq.ft. of gross floor area.

Table 6-3 summarizes the total development charge that is applicable and Table 6-4 summarizes the gross capital expenditures and sources of revenue for works to be undertaken during the 5-year life of the by-law.

TABLE 6-1
CITY OF GUELPH
DEVELOPMENT CHARGE CALCULATION
Municipal-wide Services
2013-Buildout (2031)

SERVICE	2013 \$ DC Eligible Cost		2013 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
1. <u>Stormwater Services</u>				
1.1 Drainage and Controls	1,773,038	1,182,025	121	0.05
	1,773,038	1,182,025	121	0.05
2. <u>Wastewater Services</u>				
2.1 Treatment plants	74,676,456	49,784,304	5,111	2.15
2.2 Sewers	18,014,527	12,009,685	1,233	0.52
	92,690,983	61,793,989	6,344	2.67
3. <u>Water Services</u>				
3.1 Treatment plants and storage	87,525,183	58,350,122	5,990	2.52
3.2 Distribution systems	38,502,916	25,668,611	2,635	1.11
	126,028,099	84,018,733	8,625	3.63
4. <u>Services Related to a Highway & Related</u>				
4.1 Services related to a Highway	42,009,703	28,006,469	2,875	1.21
4.2 Traffic signals	1,444,500	963,000	99	0.04
4.3 Depots and Domes	3,173,280	2,115,520	217	0.09
4.4 PW Rolling Stock	903,000	602,000	62	0.03
	47,530,483	31,686,989	3,253	1.37
5. <u>Fire Protection Services</u>				
5.1 Fire facilities	1,877,149	1,251,433	128	0.05
5.2 Fire vehicles	2,069,520	1,379,680	142	0.06
5.3 Small equipment and gear	210,600	140,400	14	0.01
	4,157,269	2,771,513	284	0.12
6. <u>Police Services</u>				
6.1 Police facilities	5,454,325	3,636,217	373	0.16
6.2 Small equipment and gear	385,860	257,240	26	0.01
	5,840,185	3,893,457	399	0.17
TOTAL	\$278,020,057	\$185,346,705	\$19,026	\$8.01
DC ELIGIBLE CAPITAL COST	\$278,020,057	\$185,346,705		
Build out Gross Population / GFA Growth (ft ² .)	47,342	23,112,600		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$5,872.59	\$8.02		
By Residential Unit Type	p.p.u			
Single and Semi-Detached Dwelling	3.24	\$19,026		
Apartments - 2 Bedrooms +	1.95	\$11,452		
Apartments - Bachelor and 1 Bedroom	1.36	\$7,987		
Other Multiples	2.44	\$14,329		

TABLE 6-2
CITY OF GUELPH
DEVELOPMENT CHARGE CALCULATION
Municipal-wide Services
2013-2022

SERVICE	2013 \$ DC Eligible Cost		2013 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
7. <u>Transit</u>				
7.1 Transit vehicles & equipment	3,128,249	1,837,225	366	0.17
7.2 Transit facilities	1,190,700	699,300	139	0.07
	4,318,949	2,536,525	505	0.24
8. <u>Municipal Parking</u>				
8.1 Municipal parking spaces	5,857,486	3,440,111	686	0.32
	5,857,486	3,440,111	686	0.32
9. <u>Outdoor Recreation Services</u>				
9.1 Parkland development, amenities, trails, vehicles & equipment	30,115,278	1,585,015	3,525	0.15
	30,115,278	1,585,015	3,525	0.15
10. <u>Indoor Recreation Services</u>				
10.1 Recreation facilities	21,585,020	1,136,054	2,526	0.11
10.2 Recreation vehicles and equipment	253,777	13,357	30	0.00
	21,838,797	1,149,410	2,556	0.11
11. <u>Library Services</u>				
11.1 Library facilities	2,364,004	124,421	277	0.01
11.2 Library materials	2,244,268	118,119	263	0.01
11.3 Library vehicles	0	0	0	0.00
	4,608,272	242,541	540	0.02
12. <u>Administration</u>				
12.1 Studies	2,717,617	1,596,061	318	0.15
13. <u>Health Services</u>				
13.1 Health department space	545,183	60,576	64	0.01
14. <u>Municipal Courts</u>				
14.1 Municipal Courts	77,630	45,592	9	0.00
15. <u>Ambulance</u>				
15.1 Ambulance facilities	195,265	114,679	23	0.01
15.2 Vehicles Equipment	51,030	29,970	6	0.00
	246,295	144,649	29	0.01
TOTAL	\$70,325,506	\$10,800,480	\$8,232	\$1.01
DC ELIGIBLE CAPITAL COST	\$70,325,506	\$10,800,480		
10 Year Gross Population / GFA Growth (ft ² .)	27,683	10,598,100		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$2,540.39	\$1.01		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.24	\$8,232		
Apartments - 2 Bedrooms +	1.95	\$4,954		
Apartments - Bachelor and 1 Bedroom	1.36	\$3,455		
Other Multiples	2.44	\$6,199		

**TABLE 6-3
CITY OF GUELPH
DEVELOPMENT CHARGE CALCULATION
TOTAL ALL SERVICES**

	2013 \$ DC Eligible Cost		2013 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
Municipal-wide Services 19 Year	\$278,020,057	\$185,346,705	\$19,026	\$8.01
Municipal-wide Services 10 Year	70,325,506	10,800,480	8,232	1.01
TOTAL	\$348,345,563	\$196,147,184	\$27,258	\$9.02

Table 6-4
CITY OF GUELPH
GROSS EXPENDITURE AND SOURCES OF REVENUE SUMMARY
FOR COSTS TO BE INCURRED OVER THE LIFE OF THE BY-LAW

SERVICE	TOTAL GROSS COST	SOURCES OF FINANCING						DC RESERVE FUND			
		OTHER DEDUCTIONS	TAX BASE OR OTHER BENEFIT TO EXISTING	OTHER FUNDING	LEGISLATED REDUCTION	POST DC PERIOD BENEFIT	RESIDENTIAL	NON-RESIDENTIAL			
1. Stormwater Services											
1.1 Drainage and Controls	425,000	0	79,200	0	0	0	0	0	0	207,480	138,320
2. Wastewater Services											
2.1 Treatment plants	48,868,690	0	9,960,346	1,000,000	0	0	0	0	0	22,745,006	15,163,338
2.2 Sewers	34,791,320	0	18,918,411	0	0	0	0	0	0	9,523,745	6,349,164
3. Water Services											
3.1 Treatment plants and storage	51,658,772	0	6,186,787	62,500	0	0	0	0	3,274,149	25,281,202	16,854,135
3.2 Distribution systems	19,223,182	0	6,799,718	0	0	0	0	0	0	7,454,078	4,969,385
4. Services Related to a Highway & Related											
4.1 Services related to a Highway	57,839,338	0	12,090,487	5,229,545	0	0	0	0	0	20,108,583	13,405,722
4.2 Traffic signals	825,000	0	292,500	0	0	0	0	0	0	319,500	213,000
4.3 Depots and Domes	1,350,000	0	0	0	0	0	0	0	0	810,000	540,000
4.4 PW Rolling Stock	35,000	0	0	0	0	0	0	0	0	21,000	14,000
5. Fire Protection Services											
5.1 Fire facilities	0	0	0	0	0	0	0	0	0	0	0
5.2 Fire vehicles	2,704,000	0	1,400,000	0	0	0	0	0	0	782,400	521,600
5.3 Small equipment and gear	0	0	0	0	0	0	0	0	0	0	0
6. Police Services											
6.1 Police facilities	34,000,000	0	19,201,000	0	0	0	0	0	9,577,200	3,133,080	2,088,720
6.2 Small equipment and gear	139,600	0	0	0	0	0	0	0	0	83,760	55,840
7. Transit											
7.1 Transit vehicles & equipment	7,118,556	0	3,311,139	0	355,742	0	250,000	0	250,000	2,017,055	1,184,620
7.2 Transit facilities	4,100,000	0	2,000,000	0	210,000	0	0	0	0	1,190,700	699,300
8. Municipal Parking											
8.1 Municipal parking spaces	16,491,146	0	4,827,591	0	1,166,356	0	0	0	0	6,613,236	3,883,964
9. Outdoor Recreation Services											
9.1 Parkland development, amenities, trails, vehicles & equipment	21,542,651	0	118,000	0	1,707,401	0	4,350,645	0	4,350,645	14,598,275	768,330
10. Indoor Recreation Services											
10.1 Recreation facilities	31,388,667	0	8,143,867	0	2,203,287	0	1,211,933	0	1,211,933	18,838,101	991,479
10.2 Recreation vehicles and equipment	66,000	0	0	0	6,600	0	0	0	0	56,430	2,970
11. Library Services											
11.1 Library facilities	49,016,200	0	13,699,800	5,979,000	328,540	0	26,052,000	0	26,052,000	2,809,017	147,843
11.2 Library materials	2,624,875	0	0	0	262,488	0	0	0	0	2,244,268	118,119
11.3 Library vehicles	0	0	0	0	0	0	0	0	0	0	0
12. Administration											
12.1 Studies	4,573,700	0	1,300,330	52,000	261,402	0	407,350	0	407,350	1,608,149	944,469
13. Health Services											
13.1 Health department space	24,404,065	0	2,940,000	13,373,000	67,307	0	7,418,000	0	7,418,000	545,183	60,576
14. Municipal Courts											
14.1 Municipal Courts	0	0	0	0	0	0	0	0	0	0	0
15. Ambulance											
15.1 Ambulance facilities	0	0	0	0	0	0	0	0	0	0	0
15.2 Vehicles Equipment	75,000	0	0	30,000	4,500	0	0	0	0	25,515	14,985
TOTAL EXPENDITURES & REVENUES	\$413,260,762	\$0	\$111,269,176	\$25,726,045	\$6,573,620	\$52,541,278	\$141,015,765	\$69,129,878			

7. DEVELOPMENT CHARGE POLICY RECOMMENDATIONS AND DEVELOPMENT CHARGE BY-LAW RULES

7. DEVELOPMENT CHARGE POLICY RECOMMENDATIONS AND DEVELOPMENT CHARGE BY-LAW RULES

7.1 Introduction

s.s.5(1)9 states that rules must be developed:

“...to determine if a development charge is payable in any particular case and to determine the amount of the charge, subject to the limitations set out in subsection 6.”

Paragraph 10 of the section goes on to state that the rules may provide for exemptions, phasing in and/or indexing of development charges.

s.s.5(6) establishes the following restrictions on the rules:

- the total of all development charges that would be imposed on anticipated development must not exceed the capital costs determined under 5(1) 2-8 for all services involved;
- if the rules expressly identify a type of development, they must not provide for it to pay development charges that exceed the capital costs that arise from the increase in the need for service for that type of development; however, this requirement does not relate to any particular development; and
- if the rules provide for a type of development to have a lower development charge than is allowed, the rules for determining development charges may not provide for any resulting shortfall to be made up via other development.

With respect to “the rules,” Section 6 states that a DC by-law must expressly address the matters referred to above re s.s.5(1) para. 9 and 10, as well as how the rules apply to the redevelopment of land.

The rules provided are based on the City’s existing policies; however, there are items under consideration at this time and these may be refined prior to adoption of the by-law.

7.2 Development Charge By-law Structure

It is recommended that:

- the City uses a uniform City-wide development charge calculation for all City services; and
- one City development charge by-law be used for all services.

7.3 Development Charge By-law Rules

The following subsections set out the recommended rules governing the calculation, payment and collection of development charges in accordance with Section 6 of the *Development Charges Act, 1997*.

It is recommended that the following sections provide the basis for the development charges:

7.3.1 *Payment in any Particular Case*

In accordance with the *Development Charges Act, 1997*, s.2(2), a development charge 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*, or
- g) the issuing of a building permit under the *Building Code Act* in relation to a building or structure.

7.3.2 *Determination of the Amount of the Charge*

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned based on the amount of square feet of gross floor area constructed for eligible uses (i.e. industrial, commercial and institutional).
- 2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each City circumstance, e.g.
 - for Administration, the costs have been based on a population vs. employment growth ratio (63%/37%) for residential and non-residential, respectively) over the 10-year forecast period;

- for Indoor Recreation, Outdoor Recreation and Library services, a 5% non-residential attribution has been made to recognize use by the non-residential sector;
- for Transit, Municipal Parking, Municipal Courts and Ambulance Services, a 63% residential/37% non-residential attribution has been made based on a population vs. employment growth ratio over the 10-year forecast period;
- for Health Services, a 90% residential/10% non-residential attribution has been made based on an attribution of average predominant use over the 10-year forecast period;
- for Services Related to a Highway and Related Facilities and Vehicles & Equipment, Fire & Police, an 60% residential/40% non-residential attribution has been made based on a population vs. employment growth ratio over the 19-year forecast period; and
- for Stormwater, Water and Wastewater services an 60% residential/40% non-residential allocation has been made based on population vs. employment growth over the build out urban forecast period.

7.3.3 Application to Redevelopment of Land (Demolition and Conversion)

If a development involves the demolition of and replacement of a building or structure on the same site, or the conversion from one principal use to another, the developer shall be allowed a credit equivalent to:

- 1) the number of dwelling units demolished/converted multiplied by the applicable residential development charge in place at the time the development charge is payable; and/or
- 2) the gross floor area of the building demolished/converted multiplied by the current non-residential development charge in place at the time the development charge is payable.

The demolition reduction is allowed only if the land was improved by occupied structures, and if the demolition permit related to the site was issued, less than 48 months prior to the issuance of a building permit. The reduction can, in no case, exceed the amount of development charges that would otherwise be payable.

7.3.4 Exemptions (full or partial)

- a) Statutory exemptions
 - 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 DCA;

- buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s.3);
- 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).

b) Non-statutory exemptions

- places of worship, churchyards and cemeteries exempt from taxation under the *Assessment Act*;
- the development of non-residential farm buildings constructed for bona fide farm uses;
- a hospital under the *Public Hospitals Act*, and
- lands within the defined area of the University of Guelph, where such lands are used for university or university-related purposes (see Map 7-2).

7.3.5 Phasing in

No provisions for phasing-in the development charge are provided in the development charge by-law.

7.3.6 Timing of Collection

The development charge for most services be collected at the time of issuance of the first building permit, subject to early or late payment agreements entered into by the City and an owner under s.27 of the DCA, 1997. For residential developments proceeding through subdivision application under Section 51 of the *Planning Act*, water, wastewater, stormwater and services related to a highway & related (facilities & vehicles/equipment) charges will be paid based upon the estimated development to occur on the lands, subject to review as the lands develop.

7.3.7 Indexing

Indexing of the development charges shall be implemented on an automatic basis annually commencing from by-law passage, in accordance with the Statistics Canada Quarterly, Construction Price Statistics for the most recent year over year period

7.3.8 The Applicable Areas

The charges developed herein are applicable to all areas of the City.

7.4 Other Development Charge By-law Provisions

It is recommended that:

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that fifteen separate reserve funds be established: Outdoor Recreation Services, Indoor Recreation Services, Library Services, Administration, Ambulance, Municipal Parking, Health Services, Transit, Municipal Courts, Services Related to a Highway & Related, Fire Protection Services, Police Services, Stormwater Services, Wastewater Services and Water Services. It is recommended that this breakdown of each reserve fund be implemented in conjunction with the new by-law. Appendix D outlines the reserve fund policies that the City is required to follow as per the DC Act.

7.4.2 By-law In-force Date

A by-law under the DCA, 1997 comes into force on the day after which the by-law is passed by Council.

7.4.3 Minimum Interest Rate Paid on Refunds and Charges for Inter-Reserve Fund Borrowing

The minimum interest rate is the Bank of Canada rate on the day on which the by-law comes into force (as per s.11 of O.Reg. 82/98).

7.4.4 Non-Residential Charge

It is recommended that the Commercial, Industrial and Institutional charges be presented and approved as a combined “Non-Residential” charge.

7.5 Other Recommendations

It is recommended that Council:

“Whenever appropriate, request that grants, subsidies and other contributions be clearly designated by the donor as being to the benefit of existing development (or new development as applicable)”;

“Adopt the assumptions contained herein as an ‘anticipation’ with respect to capital grants, subsidies and other contributions”;

“Approve the capital project listing set out in Chapter 5 of the Development Charges Background Study dated November 1st, 2013, subject to further annual review during the capital budget process”;

“Approve the Development Charges Background Study dated November 1st, 2013, as amended (if applicable)”;

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

“Approve the Development Charge By-law as set out in Appendix F.”

8. BY-LAW IMPLEMENTATION

8. BY-LAW IMPLEMENTATION

8.1 Public Consultation Process

8.1.1 *Introduction*

This chapter addresses the mandatory, formal public consultation process (Section 8.1.2), as well as the optional, informal consultation process (Section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 8.1.4 addresses the anticipated impact of the development charge on development from a generic viewpoint.

8.1.2 *Public Meeting of Council*

Section 12 of the DCA, 1997 indicates that before passing a development charge by-law, Council must hold at least one public meeting, giving at least 20 clear days' notice thereof, in accordance with the Regulation. Council must also ensure that the proposed by-law and background report are made available to the public at least two weeks prior to the (first) meeting.

Any person who attends such a meeting may make representations related to the proposed by-law.

If a proposed by-law is changed following such a meeting, Council must determine whether a further meeting (under this section) is necessary (i.e. if the proposed by-law which is proposed for adoption has been changed in any respect, Council should formally consider whether an additional public meeting is required, incorporating this determination as part of the final by-law or associated resolution. It is noted that Council's decision, once made, is final and not subject to review by a Court or the OMB).

8.1.3 *Other Consultation Activity*

There are three broad groupings of the public who are generally the most concerned with City development charge policy:

1. The first grouping is the residential development community, consisting of land developers and builders, who are typically responsible for generating the majority of the development charge revenues. Others, such as realtors, are directly impacted by development charge policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the DC and

the timing thereof, and City policy with respect to development agreements, DC credits and front-ending requirements.

2. The second public grouping embraces the public at large and includes taxpayer coalition groups and others interested in public policy.
3. The third grouping is the industrial/commercial/institutional development sector, consisting of land developers and major owners or organizations with significant construction plans, such as hotels, entertainment complexes, shopping centres, offices, industrial buildings and institutions. Also involved are organizations such as Industry Associations, the Chamber of Commerce, the Board of Trade and the Economic Development Agencies, who are all potentially interested in City development charge policy. Their primary concern is frequently with the quantum of the charge, gross floor area exclusions such as basements, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

8.2 Anticipated Impact of the Charge on Development

The establishment of sound development charge policy often requires the achievement of an acceptable balance between two competing realities. The first is that high non-residential development charges can, to some degree, represent a barrier to increased economic activity and sustained industrial/commercial growth, particularly for capital intensive uses. Also, in many cases, increased residential development charges can ultimately be expected to be recovered via higher housing prices and can impact project feasibility in some cases (e.g. rental apartments).

On the other hand, development charges or other City capital funding sources need to be obtained in order to help ensure that the necessary infrastructure and amenities are installed. The timely installation of such works is a key initiative in providing adequate service levels and in facilitating strong economic growth, investment and wealth generation.

8.3 Implementation Requirements

8.3.1 Introduction

Once the City has calculated the charge, prepared the complete background study, carried out the public process and passed a new by-law, the emphasis shifts to implementation matters.

These include notices, potential appeals and complaints, credits, front-ending agreements, subdivision agreement conditions and finally the collection of revenues and funding of projects.

The sections which follow overview the requirements in each case.

8.3.2 Notice of Passage

In accordance with s.13 of the DCA, when a DC by-law is passed, the City clerk shall give written notice of the passing and of the last day for appealing the by-law (the day that is 40 days after the day it was passed). Such notice must be given no later than 20 days after the day the by-law is passed (i.e. as of the day of newspaper publication or the mailing of the notice).

Section 10 of O.Reg. 82/98 further defines the notice requirements which are summarized as follows:

- notice may be given by publication in a newspaper which is (in the Clerk's opinion) of sufficient circulation to give the public reasonable notice, or by personal service, fax or mail to every owner of land in the area to which the by-law relates;
- s.s.10(4) lists the persons/organizations who must be given notice; and
- s.s.10(5) lists the eight items which the notice must cover.

8.3.3 By-law Pamphlet

In addition to the "notice" information, the City must prepare a "pamphlet" explaining each development charge by-law in force, setting out:

- a description of the general purpose of the development charges;
- the "rules" for determining if a charge is payable in a particular case and for determining the amount of the charge;
- the services to which the development charges relate; and
- a general description of the general purpose of the Treasurer's statement and where it may be received by the public.

Where a by-law is not appealed to the OMB, the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

The City must give one copy of the most recent pamphlet without charge, to any person who requests one.

8.3.4 Appeals

Sections 13-19 of the DCA, 1997 set out the requirements relative to making and processing a DC by-law appeal and OMB Hearing in response to an appeal. Any person or organization may appeal a DC by-law to the OMB by filing a notice of appeal with the City clerk, setting out the objection to the by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

The City is carrying out a public consultation process, in order to address the issues which come forward as part of that process, thereby avoiding or reducing the need for an appeal to be made.

8.3.5 Complaints

A person required to pay a development charge, or his agent, may complain to the City Council imposing the charge that:

- the amount of the charge was incorrectly determined;
- the reduction to be used against the development charge was incorrectly determined; or
- there was an error in the application of the development charge.

Sections 20-25 of the DCA, 1997 set out the requirements that exist, including the fact that a complaint may not be made later than 90 days after a DC (or any part of it) is payable. A complainant may appeal the decision of City Council to the OMB.

8.3.6 Credits

Sections 38-41 of the DCA, 1997 set out a number of credit requirements, which apply where a City agrees to allow a person to perform work in the future that relates to a service in the DC by-law.

These credits would be used to reduce the amount of development charges to be paid. The value of the credit is limited to the reasonable cost of the work which does not exceed the average level of service. The credit applies only to the service to which the work relates, unless the City agrees to expand the credit to other services for which a development charge is payable.

8.3.7 Front-Ending Agreements

The City and one or more landowners may enter into a front-ending agreement which provides for the costs of a project which will benefit an area in the City to which the DC by-law applies.

Such an agreement can provide for the costs to be borne by one or more parties to the agreement who are, in turn, reimbursed in future by persons who develop land defined in the agreement.

Part III of the DCA, 1997 (Sections 44-58) addresses front-ending agreements and removes some of the obstacles to their use which were contained in the DCA, 1989. Accordingly, the City assesses whether this mechanism is appropriate for its use, as part of funding projects prior to City funds being available.

8.3.8 Severance and Subdivision Agreement Conditions

Section 59 of the DCA, 1997 prevents a Municipality from imposing directly or indirectly, a charge related to development or a requirement to construct a service related to development, by way of a condition or agreement under s.51 or s.53 of the *Planning Act*, except for:

- “local services, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owner as a condition of approval under section 51 of the *Planning Act*,” and
- “local services to be installed or paid for by the owner as a condition of approval under Section 53 of the *Planning Act*.”

It is also noted that s.s.59(4) of the DCA, 1997 requires that the municipal approval authority for a draft plan of subdivision under s.s.51(31) of the *Planning Act*, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the development charges related to the development, at the time the land is transferred.

In this regard, if the City in question is a commenting agency, in order to comply with subsection 59(4) of the *Development Charges Act, 1997* it would need to provide to the approval authority, information regarding the applicable City development charges related to the site.

If the City is an approval authority for the purposes of section 51 of the *Planning Act*, it would be responsible to ensure that it collects information from all entities which can impose a development charge.

The most effective way to ensure that purchasers are aware of this condition would be to require it as a provision in a registered subdivision agreement, so that any purchaser of the property would be aware of the charges at the time the title was searched prior to closing a transaction conveying the lands.