



# Bruce County 2023 Development Charges Background Study

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Council Workshop #2

June 15, 2023

# Agenda



- Introductions
- Process and Timelines
- Growth Forecast
- Service Standards
- Capital Infrastructure Needs
- Draft D.C. Rates
- Next Steps
- Questions




# Process and Timelines

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# Study Timeline/Schedule



- Meetings with County staff, growth forecast development, and policy review (March 2023 to May 2023)
- Council workshop #1 (April 20, 2023)
- **Council workshop #2 (June 15, 2023)** 
- Stakeholder meeting (July 5, 2023)
- Release of background study (July 20, 2023)
- Public Meeting (August 3, 2023)
- Council consideration of by-law passage (September 21, 2023)



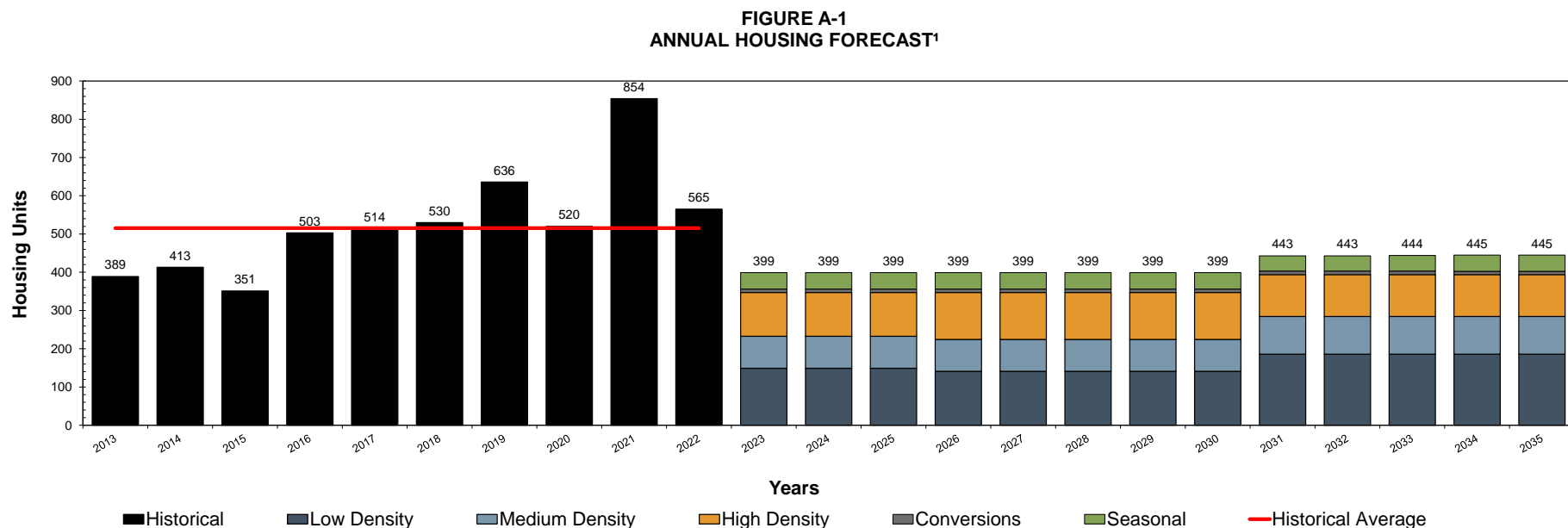
# Growth Forecast

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# Growth Forecast – Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for Bruce County, 2013-2022.

<sup>[1]</sup> Growth forecast represents calendar year.

# Draft Growth Forecast Summary



Measure	10 Year	14 Year
	2023-2032	2023-2036
(Net) Population Increase	8,911	12,221
Residential Unit Increase	4,286	5,756
Non-Residential Gross Floor Area Increase (sq.ft.)	2,713,000	3,230,400

Source: Watson & Associates Economists Ltd. Forecast 2023

## Residential

Unit Type	Mix
Low Density	38%
Medium Density	21%
High Density	27%
Seasonal Units	12%
Conversions	2%

## Non-Residential G.F.A

Type	Mix
Industrial	65%
Non-industrial	35%

# Forecast Periods for County-Wide Services



- A 14-Year growth forecast period is being used for the following services/class of service:
  - Services Related to a Highway;
  - Public Works Operations (Facilities); and
  - Fleet (class of service).
- A 10-year growth forecast period is being used for the following services:
  - Parks and Recreation (Trails);
  - Ambulance;
  - Long-term Care; and
  - Child Care and Early Years Programs.





# Service Standards

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# Service Standards - Overview



- Service Standard measure provides a ceiling on the level of the charge which can be imposed
- D.C.A., 1997 provides that the ceiling is based on the “average of the past 15 years”
- The D.C.A. requires a detailed review of service levels and requires consideration of both “quality” and “quantity” measures
- This involves reviewing capital inventories in detail over previous 15 years

# Summary of Service Standard Calculations - Draft



Service Category	Sub-Component	15 Year Average Service Standard					Maximum Ceiling LOS
		Cost (per capita)	Quantity (per capita)		Quality (per capita)		
Service Related to a Highway	Services Related to a Highway - Roads	\$12,112.07	0.0071	km of roadways	1,705,925	per km	148,021,607
	Services Related to a Highway - Bridges, Culverts & Structures	\$3,094.67	0.0016	Number of Bridges, Culverts & Structures	1,934,169	per item	37,819,962
	Services Related to a Highway - Traffic Signals & Streetlights	\$65.07	0.0002	No. of Traffic Signals	325,350	per signal	795,220
	Services Related to a Highway - Facilities	\$189.49	0.7575	sq.ft. of building area	250	per sq.ft.	2,315,757
Fleet	Fleet	\$136.33	0.0009	No. of vehicles and equipment	-	per vehicle	1,666,089
Parks & Recreation	Park Trails	\$31.29	0.0016	Km of Paths and Trails	19,556	per linear m	278,825
	Trails Facilities	\$8.52	0.0001	sq.ft. of building area	85,200	per item	75,922
Ambulance	Ambulance Facilities	\$53.23	0.1580	sq.ft. of building area	337	per sq.ft.	474,333
	Ambulance Vehicles	\$43.40	0.0002	No. of vehicles and equipment	217,000	per vehicle	386,737
Long-term Care	Long-term Care Facilities	\$1,318.27	2.0236	sq.ft. of building area	651	per sq.ft.	11,747,104
	Long-term Care Vehicles and Equipment	\$0.57	-	No. of vehicles and equipment	-	per vehicle	5,079
Childcare and Early Years Programs	Child Care and Early Years Programs - Facilities	\$29.51	0.0668	sq.ft. of building area	442	per sq.ft.	262,964



# Capital Infrastructure Needs

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# Capital Infrastructure Needs – Capital Costs

- Capital Cost definition:
  - Acquire land or interest in land
  - Improve land
  - Acquire, lease, construct or improve buildings, facilities and structures (includes furniture and equipment)
  - Equipment and rolling stock
  - Capital component of a lease for the above
  - Circulation materials for Libraries
  - Interest on money borrowed to pay for the above
- Capital costs must be reduced by grants, subsidies, and other contributions.
- May include authorized costs incurred or proposed to be incurred by others on behalf of a municipality/local board.

# Limitations on Capital



- Certain capital costs may not be included:
  - Parkland Acquisition
  - Vehicle & Equipment with average life of <7 yrs.
  - Computer Equipment that is not integral to the delivery of the service
  - Studies (removed as an eligible capital cost as per Bill 23)
  - Possible removal of land acquisition for services (yet to be defined by the regulations)

# Capital Infrastructure Needs - Draft



Services	Forecast Period	Gross Capital Cost Estimate (2023\$)	Deductions*	Total D.C. Recoverable	Residential D.C. Recoverable Costs	Non-residential D.C. Recoverable Costs
Services Related to a Highway	14-Year	86,771,000	48,124,100	38,646,900	29,758,113	8,888,787
Fleet	14-Year	200,000	-	200,000	154,000	46,000
Parks and Recreation Services (Trails)	10-Year	350,000	-	350,000	332,500	17,500
Long-term Care Services	10-Year	3,500,000	-	3,500,000	3,150,000	350,000
Child Care and Early Years Programs	10-Year	200,000	-	200,000	200,000	-
Ambulance Services	10-Year	13,658,750	12,638,000	1,020,750	918,675	102,075
<b>Total</b>		<b>104,679,750</b>	<b>60,762,100</b>	<b>43,917,650</b>	<b>34,513,288</b>	<b>9,404,362</b>

\*Deductions relate to post period benefit, benefit to existing development, grants, subsidies, and other contributions, and other deductions

- Increases in most services consistent with inflation
- For Roads, increase in costs due to:
  - Inflation; and
  - Addition of new projects (Bruce Rd. 33 and Bruce Rd. 6 widenings)

# Summary of Service Standard Calculations

## – Draft - Maximum vs. Utilized



Service Category	Sub-Component	Maximum Ceiling LOS	Utilized	Remaining
Service Related to a Highway	Services Related to a Highway - Roads	148,021,607	38,646,900	150,305,647
	Services Related to a Highway - Bridges, Culverts & Structures	37,819,962		
	Services Related to a Highway - Traffic Signals & Streetlights	795,220		
	Services Related to a Highway - Facilities	2,315,757		
Fleet	Fleet	1,666,089	200,000	1,466,089
Parks & Recreation	Park Trails	278,825	350,000	4,747
	Trails Facilities	75,922		
Ambulance	Ambulance Facilities	474,333	1,020,750	57,070
	Ambulance Vehicles	386,737		
Long-term Care	Long-term Care Facilities	11,747,104	3,500,000	8,252,183
	Long-term Care Vehicles and Equipment	5,079		
Childcare and Early Years Programs	Child Care and Early Years Programs - Facilities	262,964	200,000	62,964





# Draft D.C. Rates

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# Draft D.C. Rates - Overview



- The draft rates are based on the draft capital program identified previously.
- For residential development the calculated rates are provided on a per unit basis for each type of dwelling:
  - Single/semi;
  - Multiples;
  - Apartments (large and small); and
  - Special care/special dwelling.
- With respect to non-residential development the calculations have been provided in two ways for Council's consideration:
  1. One non-residential rate (blended); or
  2. Industrial vs. non-industrial rate.

# Draft D.C. Rates - Residential



Service/Class of Service	RESIDENTIAL				
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Studio and 1 Bedroom	Special Care/Special Dwelling Units
<b>Municipal Wide Services/Class of Service:</b>					
Services Related to a Highway	6,302	4,028	3,973	2,674	2,603
Public Works (Fleet)	33	21	21	14	14
Parks and Recreation Services	96	61	61	41	40
Long-term Care Services	910	582	574	386	376
Child Care and Early Years Programs	58	37	37	25	24
Ambulance Services	266	170	168	113	110
<b>Total County Wide Services/Class of Services</b>	<b>7,665</b>	<b>4,899</b>	<b>4,834</b>	<b>3,253</b>	<b>3,167</b>



# Draft D.C. Rates – Non-Residential

Service/Class of Service	NON-RESIDENTIAL
	(per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services/Class of Service:</b>	
Services Related to a Highway	2.76
Public Works (Fleet)	0.01
Parks and Recreation Services	0.01
Long-term Care Services	0.12
Child Care and Early Years Programs	-
Ambulance Services	0.04
<b>Total County Wide Services/Class of Services</b>	<b>2.94</b>

Blended

Service/Class of Service	NON-RESIDENTIAL	
	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services/Class of Service:</b>		
Services Related to a Highway	1.49	4.98
Public Works (Fleet)	0.01	0.03
Parks and Recreation Services	0.00	0.01
Long-term Care Services	0.08	0.24
Child Care and Early Years Programs	0.00	0.00
Ambulance Services	0.02	0.07
<b>Total County Wide Services/Class of Services</b>	<b>1.60</b>	<b>5.33</b>

Industrial/Non-industrial

# County D.C. Comparison



County Development Charge Survey	Single/Semi-Detached
Simcoe	\$13,052
Peterborough	\$10,133
Grey	\$9,183
Wellington	\$8,308
Bruce	\$7,665
Oxford*	\$4,940
Dufferin	\$3,218

*\*Excludes water and wastewater charges*

County Development Charge Survey	Non-residential (per sq. ft.)
Simcoe	\$5.10
Peterborough	\$3.40
Bruce	\$2.94
Wellington	\$2.31
Oxford*	\$1.61
Dufferin	\$0.99
Grey	\$0.84

*\*Excludes water and wastewater charges*

# Rate Survey – Single and Semi-detached Dwellings



## Bruce County Municipalities Only

As of June 7, 2023

Municipality	Lower Tier Charges	Upper Tier Charges	Total Development Charges
Saugeen Shores	\$30,115	\$7,665	\$37,780
Kincardine	\$23,321	\$7,665	\$30,986
South Bruce Peninsula (Outside South Wiarton)	\$10,708	\$7,665	\$18,373
Huron-Kinloss (Ripley Settlement Area) <sup>1</sup>	\$6,241	\$7,665	\$13,906
Brockton	-	\$7,665	\$7,665
Arran-Elderslie	-	\$7,665	\$7,665
Northern Bruce Peninsula	-	\$7,665	\$7,665
South Bruce	-	\$7,665	\$7,665

<sup>1</sup> Inflated by 38.7% as per DC indexing

# Rate Survey – Commercial Bruce County Municipalities Only



As of June 7, 2023

Municipality	Lower Tier Charges	Upper Tier Charges	Total Development Charges
Saugeen Shores	\$13.34	\$2.94	\$16.28
Kincardine	\$10.87	\$2.94	\$13.81
South Bruce Peninsula (Outside South Wiarton)	\$9.14	\$2.94	\$12.08
Huron-Kinloss (Ripley Settlement Area)	-	\$2.94	\$2.94
Brockton	-	\$2.94	\$2.94
Arran-Elderslie	-	\$2.94	\$2.94
Northern Bruce Peninsula	-	\$2.94	\$2.94
South Bruce	-	\$2.94	\$2.94



# Next Steps

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# Next Steps and Anticipated Dates



Project Milestone	Anticipated Date
Stakeholder Meeting	July 5, 2023
Final Report Released to Public	July 20, 2023
Public Meeting	August 3, 2023
By-law Passage	September 21, 2023

# Questions



Questions