



 **Watson  
& Associates**  
ECONOMISTS LTD.

# Development Charges Background Study

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Town of Essex

July 26, 2024

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## List of Acronyms and Abbreviations

A.M.P.	Asset management plan
C.B.C.	Community benefits charge
D.C.	Development charge
D.C.A.	<i>Development Charges Act, 1997, as amended</i>
F.I.R.	Financial Information Return
G.F.A.	Gross floor area
N.F.P.O.W.	No fixed place of work
OLT	Ontario Land Tribunal
O.M.B.	Ontario Municipal Board
O.P.A.	Official Plan Amendment
O. Reg.	Ontario Regulation
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
S.W.M.	Stormwater management
sq.ft.	square foot/feet
sq.m	square metre(s)



# Executive Summary



# Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Town of Essex required by the *Development Charges Act, 1997*, as amended (D.C.A.). This report has been prepared in accordance with the methodology required under the D.C.A. The contents include the following:
  - Chapter 1 – Overview of the legislative requirements of the Act;
  - Chapter 2 – Review of present D.C. policies of the Town;
  - Chapter 3 – Summary of the residential and non-residential growth forecasts for the Town;
  - Chapter 4 – Approach to calculating the D.C.;
  - Chapter 5 – Review of historical service standards and identification of future capital requirements to service growth and related deductions and allocations;
  - Chapter 6 – Calculation of the D.C.s;
  - Chapter 7 – D.C. policy recommendations and rules; and
  - Chapter 8 – By-law implementation.
  
2. D.C.s provide for the recovery of growth-related capital expenditures from new development. The D.C.A. 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;
    - Amounts in excess of 15-year historical service calculation; and
    - D.C. 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 D.C.



3. Subsequent to the passage of the Town's 2019 D.C. By-law, the Town undertook a D.C. Update Study in 2021 to pass an amending D.C. By-law to incorporate a number of changes to the D.C.A. as a result of the following Acts (details of each Act are provided in Chapter 1 of this report):

- Bill 108: *More Homes, More Choice Act, 2019*
- Bill 138: *Plan to Build Ontario Together Act, 2019*
- Bill 197: *COVID-19 Economic Recovery Act, 2020*
- Bill 213: *Better for People, Smarter for Business Act, 2020*

Since that time, the Province introduced another set of revisions to the D.C.A. through Bill 23: *More Homes Built Faster Act, 2022*. Bill 23 was first introduced on October 25, 2022, and received Royal Assent on November 28, 2022. A summary of the changes provided from Bill 23 are outlined below (further details are provided in Chapter 1 of this report):

- Additional Residential Unit Exemption: Allowance of a third unit as-of-right;
- Removal of Housing as an Eligible D.C. Service;
- New Statutory Exemptions for Affordable Units, Attainable Units, and Affordable Inclusionary Zoning Units (currently not in force);  
Note: Bill 134: *Affordable Homes and Good Jobs Act, 2023* which was released on September 28, 2023, proposes a new definition of “affordable” under the D.C.A. and is anticipated to receive Royal Assent on December 4, 2023:
  - Owned unit (lesser of): cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in a new Bulletin.
  - Rental unit (lesser of): rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in a new Bulletin.
- New Statutory Exemption: Non-Profit Housing;
- Historical Level of Service extended to previous 15-year period instead of the previous 10-year period;
- Capital Cost definition revised to remove studies and prescribe services for which land or an interest in land will be restricted (nothing prescribed to date);



- Mandatory Phase-in of a D.C. passed after January 1, 2022, as follows:
  - Year 1 – 80% of the maximum charge;
  - Year 2 – 85% of the maximum charge;
  - Year 3 – 90% of the maximum charge;
  - Year 4 – 95% of the maximum charge; and
  - Year 5 to expiry – 100% of the maximum charge.
- D.C. By-law expiry will be a maximum of 10 years after the date the by-law comes into force;
- D.C. for Rental Housing developments to receive a discount as follows:
  - Three or more bedrooms – 25% reduction;
  - Two bedrooms – 20% reduction; and
  - All other bedroom quantities – 15% reduction.
- Maximum Interest Rate for Installments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications to be set at the average prime rate plus 1%; and
- Requirement to Allocate Funds Received – municipalities are required to spend or allocate at least 60% of their reserve fund at the beginning of the year for water, wastewater, and services related to a highway.

On April 10, 2024, the Province released Bill 185: Cutting Red Tape to Build More Homes Act. The Bill received Royal Assent on June 6, 2024. A summary of the changes provided from Bill 185 are outlined below (further details are provided in Chapter 1 of this report):

- The definition of eligible capital costs (to include certain studies);
  - The removal of the mandatory phase-in of charges;
  - The process for minor amendments to D.C. by-laws;
  - A reduction of time for the D.C. rate freeze related to site plan and zoning by-law amendment planning applications;
  - Modernizing public notice requirements; and
  - Implementation of the Affordable Residential Unit exemptions:
4. The growth forecast (Chapter 3) on which the D.C. study is based, projects the following population, housing, and non-residential floor area for the 10-year (2024 to 2033), and Urban Buildout forecast periods (for each Ward).



**Table ES-1**  
**Summary of Growth Forecast for Municipal-Wide Services by Planning Period**  
**Town of Essex**

Measure	10-year 2024 to 2033	Urban Buildout 2024 to Buildout
(Net) Population Increase	2,591	10,904
Residential Unit Increase	960	4,337
Non-Residential Gross Floor Area Increase (sq.ft.)	8,598,800	21,639,700

**Table ES-2**  
**Summary of Growth Forecast for Area Specific Urban Services by Planning Period**  
**Town of Essex**

Measure	Ward 1 2024 to Urban Buildout	Ward 2 2024 to Urban Buildout	Ward 3 2024 to Urban Buildout	Ward 4 2024 to Urban Buildout
(Net) Population Increase	4,137	866	4,660	328
Residential Unit Increase	1,876	361	1,513	170
Non-Residential Gross Floor Area Increase (sq.ft.)	858,100	1,168,800	5,636,000	394,700

**Table ES-3**  
**Summary of Growth Forecast for Ward 2 Industrial Service Area Lands**  
**Town of Essex**

Measure	Industrial Service Area
(Net) Population Increase	0
Residential Unit Increase	0
Non-Residential land area (ha)	42.65

5. On August 28, 2019, the Town of Essex’s D.C. By-law 1850 came into force under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law was amended via By-law 2030 and By-law 2043. The Town is undertaking a D.C. public process and anticipates passing a new by-law on October 7, 2024, with the mandatory public meeting scheduled for August 12, 2024.



6. The municipal-wide D.C. currently in effect is \$11,761 for single detached dwelling units. The current municipal-wide non-residential charge is \$2.33 per sq.ft. In addition to the municipal-wide development charges, there are also development charges for wastewater services which vary depending on the ward. The table below summarizes the current single-detached residential charges and non-residential charges by ward:

Table ES-4  
Summary of Current Wastewater Charges by Ward  
Town of Essex

Service Area	Residential	Non-Residential
	Single and Semi-Detached Dwelling	(per sq.ft. of Gross Floor Area)
<b>Area Specific Services- Wastewater:</b>		
Ward 1 - Essex Service Area	4,869	2.95
Ward 2 - Colchester North (McGregor) Service Area	1,267	-
Ward 3 - Colchester South Service Area	3,003	1.71
Ward 4 - Harrow Service Area	3,609	2.08

7. This report has undertaken a recalculation of the charges based on future identified needs (presented in Table ES-5 for residential and non-residential). Charges have been provided on a Town-wide basis for all services excluding wastewater, which is provided on an area-specific basis. The corresponding single-detached unit charge for Town-wide services is \$19,971. The non-residential charge for municipal-wide services is \$0.62 per sq.ft. of building area. The charges for wastewater services, both for single-detached units and non-residential development (on a per sq.ft. basis), are detailed below basis by ward. These rates are submitted to Council for their consideration.



Table ES-5  
Summary of Proposed Wastewater Charges by Ward  
Town of Essex

Service Area	Residential	Non-Residential
	Single and Semi-Detached Dwelling	(per sq.ft. of Gross Floor Area)
<b>Area Specific Services- Wastewater:</b>		
Ward 1 - Essex Service Area	1,136	0.48
Ward 2 - McGregor Service Area	15,144	1.37
Ward 3 - Colchester South Service Area	7,137	0.71
Ward 4 - Harrow Service Area	5,207	2.20

8. In addition, this report has undertaken a calculation of area-specific wastewater charges based on growth identified for the industrial service area lands within Ward 2 (presented in Table ES-6). Charges have been provided on a land area basis.

Table ES-6  
Summary of Wastewater for Industrial Properties and Development Charges Calculated  
Town of Essex

Land Parcel	Parcel Size (ha)	Proportional Share of Flow (%)	Share of Pumping Station and Forcemain	Share of Gravity Sewer (14th)	Share of Gravity Sewer (Pinkerton)	Total	Development Charge	Applicable Capital Charges
0 County Road 8 (North)	1.79	4.2%	\$ 35,684	\$ 33,961	\$ -	\$ 69,645	\$ 69,645	\$ -
0 County Road 8 (South)	17.16	40.2%	\$ 341,307	\$ 324,830	\$ -	\$ 666,136	\$ 666,136	\$ -
14028 Pinkerton Sideroad	3.94	9.2%	\$ 78,423	\$ 74,637	\$ 63,657	\$ 216,717	\$ -	\$ 216,717
14016 Pinkerton Sideroad	6.22	14.6%	\$ 123,814	\$ 117,836	\$ 100,501	\$ 342,151	\$ -	\$ 342,151
14978 14th Concession	13.53	31.7%	\$ 269,197	\$ 256,201	\$ 218,510	\$ 743,908	\$ 743,908	\$ -
<b>Total</b>	<b>42.65</b>	<b>100%</b>	<b>\$ 848,424</b>	<b>\$ 807,466</b>	<b>\$ 382,668</b>	<b>\$ 2,038,558</b>	<b>\$ 1,479,690</b>	<b>\$ 558,868</b>

Further capital charges for water are discussed in Chapter 9.

9. Charges are also in effect for Wind Turbines, Telecommunication Towers and Solar Farms. For each type of development, charges will be imposed for Services Related to a Highway and Fire Protection Services. The rates currently in effect are \$2.06 per square foot for solar farms and \$4,428 per unit for Wind Turbines and Telecommunication Towers. This report has undertaken a recalculation of the charges and solar farms will be charged \$0.49 per sq.ft. of the panel surfaces whereas the other two forms of development will be charged \$10,222 per structure.



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

Table ES-7  
Summary of Expenditures Anticipated Over the Life of the By-law

Summary of Expenditures Anticipated Over the Life of the By-law	Expenditure Amount
Total gross expenditures planned over the next ten years	\$102,258,032
Less: Benefit to existing development	\$16,644,091
Less: Post planning period benefit	\$39,813,833
Less: Ineligible re: Level of Service	\$232,150
Less: Grants, subsidies and other contributions	\$5,191,667
<b>Net costs to be recovered from development charges</b>	<b>\$40,376,490</b>

This suggests that for the non-D.C. cost over the ten-year D.C. by-law (benefit to existing development, and grants, subsidies and other contributions), \$22.07 million (or an annual amount of \$2.21 million) will need to be contributed from taxes and rates, or other sources. With respect to the post period benefit amount of \$39.81 million, it will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the Town plans to spend \$102.26 million over the life of the by-law, of which \$40.38 million (39%) is recoverable from D.C.s. Of this net amount, \$29.79 million is recoverable from residential development and \$10.58 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

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

The following services are calculated based on an area-specific buildout forecast:

- Wastewater Services.



The following services are calculated based on a 10-year forecast from 2024 to 2033:

- Services Related to a Highway;
- Fire Protection Services;
- Parks and Recreation Services;
- Growth Studies;
- Provincial Offences Act including By-law
- Policing Services; and
- Library Services.

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 D.C. by-law which is appended in Appendix G. 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-8**  
**Schedule of Development Charges**

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Wind turbines and telecommunications towers	Solar farms (per sq.ft.)	(per sq.ft. of Gross Floor Area)
<b>Town-wide Services/Class of Service:</b>								
Services Related to a Highway	7,696	5,074	4,690	3,238	2,636	7,696	0.37	0.37
Fire Protection Services	2,526	1,665	1,540	1,063	865	2,526	0.12	0.12
Parks and Recreation Services	7,194	4,743	4,385	3,027	2,464	-	-	0.03
Library Services	617	407	376	260	211	-	-	0.01
Provincial Offences Act including By-Law Enforcement	89	59	54	37	30	-	-	0.01
Policing Services	1,350	890	823	568	462	-	-	0.07
Growth Studies	499	329	304	210	171	-	-	0.01
<b>Total Town-wide Services/Class of Services</b>	<b>19,971</b>	<b>13,167</b>	<b>12,172</b>	<b>8,403</b>	<b>6,839</b>	<b>10,222</b>	<b>0.49</b>	<b>0.62</b>
<b>Area Specific Charges - Wastewater</b>								
Ward 1 - Essex Service Area	1,136	749	692	478	389	-	-	0.48
Ward 2 - McGregor Service Area	15,144	9,984	9,230	6,372	5,188	-	-	1.37
Ward 3 - Colchester South Service Area	7,137	4,705	4,350	3,003	2,445	-	-	0.71
Ward 4 - Harrow Service Area	5,207	3,433	3,173	2,191	1,784	-	-	2.20

**Note:** Wastewater development charges for the industrial service area lands and water capital charges are excluded from the above table.



# Report



# Chapter 1

## Introduction



# 1. Introduction

## 1.1 Purpose of this Document

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This background study has been prepared pursuant to the requirements of the D.C.A., as amended, (D.C.A.) (section 10) and, accordingly, recommends new development charges (D.C.s) and policies for the Town of Essex.

The Town retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C. study process throughout 2023 and 2024. Watson worked with Town staff in preparing the D.C. analysis and policy recommendations.

This D.C. background study, containing the proposed D.C. 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 Town's D.C. 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 G).

In addition, the report is designed to set out sufficient background on the legislation (Chapter 4), Essex's current D.C. policies (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 D.C. is provided herein.



## 1.2 Summary of the Process

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The public meeting required under section 12 of the D.C.A. has been scheduled for August 12, 2024. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology, and the proposed modifications to the Town's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on July 26, 2024.

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 D.C. by-law adoption process.

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

Schedule of Study Milestone	Dates
1. Data collection, staff review, D.C. calculations and policy work	June 2023 to May 2024
2. Public release of final D.C. background study and proposed by-law	July 26, 2024
3. Public meeting advertisement placed in newspaper(s)	No later than July 29, 2024
4. Public meeting of Council	August 12, 2024
5. Council considers adoption of background study and passage of by-law	October 7, 2024
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date



## 1.3 Changes to the D.C.A.: Bills 108, 138, 197, and 213

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### 1.3.1 **Bill 108: More Homes, More Choice Act – An Act to Amend Various Statutes with Respect to Housing, Other Development, and Various Matters**

On May 2, 2019, the Province introduced Bill 108, which proposed changes to the D.C.A. The Bill was introduced as part of the Province's "More Homes, More Choice: Ontario's Housing Supply Action Plan." The Bill received Royal Assent on June 6, 2019.

While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until they are proclaimed by the Lieutenant Governor (many of these changes were revised through Bill 197). At the time of writing, the following provisions have been proclaimed:

- Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Interest may be charged on the instalments, and any unpaid amounts may be added to the property and collected as taxes. As per Bill 23, non-profit housing developments are now exempt from paying D.C.s; however, prior to Bill 23, and as a result of Bill 108, non-profit housing developments paid D.C.s in 21 equal annual payments. Effective January 1, 2020, the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined as of the date of issuance of a building permit.

On February 28, 2020, the Province released updated draft regulations related to the D.C.A. and the *Planning Act*. A summary of the changes that were to take effect upon proclamation by the Lieutenant Governor is provided below.

**Changes to Eligible Services** – Prior to Bill 108, the D.C.A. provided a list of ineligible services whereby municipalities could include growth related costs for any service that was not listed. With Bill 108, the changes to the D.C.A. would now specifically list the



services that are eligible for inclusion in the by-law. Furthermore, the initial list of eligible services under Bill 108 was limited to "hard services", with the "soft services" being removed from the D.C.A. These services would be considered as part of a new community benefits charge (discussed below) imposed under the *Planning Act*. As noted in the next section this list of services has been amended through Bill 197.

**Mandatory 10% deduction** – The amending legislation would have removed the mandatory 10% deduction for all services that remain eligible under the D.C.A.

**Remaining Services to be Included in a New Community Benefits Charge (C.B.C.) Under the *Planning Act*** – It was proposed that a municipality may, by by-law, impose a C.B.C. against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies. The C.B.C. was proposed to include formerly eligible D.C. services that are not included in the above listing, in addition to parkland dedication and bonus zoning contributions.

### **1.3.2 Bill 138: Plan to Build Ontario Together Act, 2019**

On November 6, 2019, the Province released Bill 138 which provided further amendments to the D.C.A. and *Planning Act*. This Bill received Royal Assent on December 10, 2019, and was proclaimed which resulted in sections related to the D.C.A. (schedule 10) becoming effective on January 1, 2020. The amendments to the D.C.A. included removal of instalment payments for commercial and industrial developments that were originally included in Bill 108.

### **1.3.3 Bill 197: COVID-19 Economic Recovery Act, 2020**

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197 which provided amendments to a number of Acts, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020, received Royal Assent on July 21, 2020, and was proclaimed on September 18, 2020. The following provides a summary of the changes.



### 1.3.3.1 D.C.-Related Changes

#### List of D.C.-Eligible Services

- As noted above, under Bill 108 some services were to be included under the D.C.A. and some would be included under the C.B.C. authority. Bill 197, however, revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services are as follows:
  - Water supply services, including distribution and treatment services.
  - Wastewater services, including sewers and treatment services.
  - Storm water drainage and control services.
  - Services related to a highway.
  - Electrical power services.
  - Toronto-York subway extension.
  - Transit services.
  - Waste diversion services.
  - Policing services.
  - Fire protection services.
  - Ambulance services.
  - Library services.
  - Long-term care services.
  - Parks and recreation services, but not the acquisition of land for parks.
  - Public health services.
  - Childcare and early years services.
  - Housing services (no longer eligible as per Bill 23).
  - *Provincial Offences Act* services.
  - Services related to emergency preparedness.
  - Services related to airports, but only in the Regional Municipality of Waterloo.
  - Additional services as prescribed.

#### Classes of Services – D.C.

Pre-Bill 108/197 legislation (i.e., D.C.A., 1997) allowed for categories of services to be grouped together into a minimum of two categories (90% and 100% services).



The Act (as amended) repeals and replaces the above with the four following subsections:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of section 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

Note: An initial consideration of “class” appears to mean any group of services.

#### Mandatory 10% Deduction

In addition, the removal of the 10% deduction for soft services under Bill 108 has been maintained.

As a result of the passage of Bill 197, and subsequent proclamation on September 18, 2020, this report has provided the D.C. calculations without the 10% mandatory deduction.

#### *1.3.3.2 C.B.C.-Related Changes*

##### C.B.C. Eligibility

The C.B.C. is limited to lower-tier and single-tier municipalities; upper-tier municipalities will not be allowed to impose this charge.

#### *1.3.3.3 Combined D.C. and C.B.C. Impacts*

##### D.C. vs. C.B.C. Capital Cost

A C.B.C. may be imposed with respect to the services listed in subsection 2 (4) of the D.C.A. (eligible services), “provided that the capital costs that are intended to be funded



by the community benefits charge are not capital costs that are intended to be funded under a development charge by-law.”

### **1.3.4 Bill 213: Better for People, Smarter for Business Act, 2020**

On December 8, 2020, Bill 213 received Royal Assent. One of the changes of the Bill that took effect upon Royal Assent included amending the *Ministry of Training, Colleges and Universities Act* by introducing a new section that would exempt the payment of D.C.s for developments of land intended for use by a university that receives operating funds from the Government. As a result, this mandatory exemption will be included in the D.C. by-law.

## **1.4 Changes to the D.C.A. – Bill 23: More Homes Built Faster Act, 2022**

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On November 28, 2022, Bill 23 received Royal Assent. This Bill amends a number of pieces of legislation including the *Planning Act* and the D.C.A. It is noted that, as of the time of writing, the Province has announced (on December 13, 2023) potential changes to the phase-in requirements and the removal of studies as eligible capital costs. The details of these changes will be forthcoming in early 2024 and Watson will monitor and advise as to the nature of these changes. The following provides a summary of the changes to the D.C.A.

### **1.4.1 Additional Residential Unit Exemption**

The rules for these exemptions are now provided in the D.C.A., rather than the regulations and are summarized as follows:

- Exemption for residential units in existing rental residential buildings – For rental residential buildings with four or more residential units, the creation of the greater of one unit or 1% of the existing residential units will be exempt from a D.C.
- Exemption for additional residential units in existing and new residential buildings – The following developments will be exempt from a D.C.:
  - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit;



- A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
- One residential unit in a building or structure ancillary to a detached, semi-detached, or rowhouse on a parcel of urban land, if the detached, semi-detached, or rowhouse contains no more than two residential units and no other buildings or ancillary structures contain any residential units.

#### **1.4.2 Removal of Housing as an Eligible D.C. Service**

Housing services are removed as an eligible service. Municipalities with by-laws that include a charge for housing services can no longer collect for this service.

#### **1.4.3 New Statutory Exemption for Non-Profit Housing**

Non-profit housing units are exempt from D.C.s and D.C. instalment payments due after November 28, 2022.

#### **1.4.4 New Statutory Exemptions for Affordable Units, Attainable Units, and Affordable Inclusionary Zoning Units**

Affordable units, attainable units, and inclusionary zoning units (affordable) are exempt from the payment of D.C.s, as follows:

- Affordable Rental Units: Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
- Affordable Owned Units: Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.

*Note: Section 1.4.13 provides further details of the Affordable Rental Unit and Affordable Owned Unit definitions, which have been modified through Bill 134*

- Attainable Units: Excludes affordable units and rental units; will be defined as prescribed development or class of development and sold to a person who is at “arm’s length” from the seller.
  - Note: for affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.



*Note: the above Affordable Owned and Rental Unit exemptions came into force as of June 1, 2024. At the time of writing, it is not known when the exemption for Attainable Units will be in force.*

- Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws are exempt from a D.C.

#### **1.4.5 Historical Level of Service Extended to Previous 15-Year Period**

Prior to Bill 23, the increase in need for service was limited by the average historical level of service calculated over the 10-year period preceding the preparation of the D.C. background study. This average is now extended to the historical 15-year period.

#### **1.4.6 Revised Definition of Capital Costs**

The definition of capital costs has been revised to remove studies. Furthermore, the regulations to the Act may prescribe services for which land or an interest in land will be restricted. As at the time of writing, no services have been prescribed.

#### **1.4.7 Mandatory Phase-in of a D.C.**

For all D.C. by-laws passed after January 1, 2022, the charge must be phased-in annually over the first five years the by-law is in force, as follows:

- Year 1 – 80% of the maximum charge;
- Year 2 – 85% of the maximum charge;
- Year 3 – 90% of the maximum charge;
- Year 4 – 95% of the maximum charge; and
- Year 5 to expiry – 100% of the maximum charge.

#### **1.4.8 D.C. By-law Expiry**

A D.C. by-law now expires 10 years after the day it comes into force (unless the by-law provides for an earlier expiry date). This extends the by-law's life from five years, prior to Bill 23.



### **1.4.9 Installment Payments**

Non-profit housing development has been removed from the instalment payment section of the Act (subsection 26.1), as these units are now exempt from the payment of a D.C.

### **1.4.10 Rental Housing Discount**

The D.C. payable for rental housing development will be reduced based on the number of bedrooms in each unit as follows:

- Three or more bedrooms – 25% reduction;
- Two bedrooms – 20% reduction; and
- All other bedroom quantities – 15% reduction.

### **1.4.11 Maximum Interest Rate for Instalments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications**

No maximum interest rate was previously prescribed. As per Bill 23, the maximum interest rate is set at the average prime rate plus 1%. This maximum interest rate provision would apply to all instalment payments and eligible site plan and zoning by-law amendment applications occurring after November 28, 2022.

### **1.4.12 Requirement to Allocate Funds Received**

Annually, beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year for water, wastewater, and services related to a highway. Other services may be prescribed by the regulation .

## **1.5 Bill 185: Cutting Red Tape to Build More Homes Act, 2024**

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On April 10, 2024, the Province released Bill 185: *Cutting Red Tape to Build More Homes Act*. The Bill received Royal Assent on June 6, 2024. This Bill reversed many of the key changes that were implemented through Bill 23. The following sections provide a summary of the changes.

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### **1.5.1 Revised Definition of Capital Costs**

Bill 185 reversed the capital cost amendments of Bill 23 by reinstating studies as an eligible capital cost. The following paragraphs were added to subsection 5(3) of the D.C.A.:

5. *Costs to undertake studies in connection with any of the matters referred to in paragraphs 1 to 4.*
6. *Costs of the development charge background study required under section 10.*

### **1.5.2 Removal of the Mandatory Phase-in**

As noted in Section 1.4.7 above, Bill 23 required the phase-in of charges imposed in a D.C. by-law over a five-year term for any by-laws passed after January 1, 2022. Bill 185 removed this mandatory phase-in. This change is effective for any D.C. by-laws passed after Bill 185 came into effect.

For site plan and zoning by-law amendment applications that were made prior to Bill 185 receiving Royal Assent, the charges payable will be the charges that were in place on the day the planning application was made (i.e., including the mandatory phase-in).

### **1.5.3 Process for Minor Amendments to D.C. By-laws**

Section 19 of the D.C.A. requires that a municipality must follow sections 10 through 18 of the D.C.A. (with necessary modifications) when amending D.C. by-laws. Sections 10 through 18 of the D.C.A. generally require the following:

- Completion of a D.C. background study, including the requirement to post the background study 60 days prior to passage of the D.C. by-law;
- Passage of a D.C. by-law within one year of the completion of the D.C. background study;
- A public meeting, including notice requirements; and
- The ability to appeal the by-law to the Ontario Land Tribunal.

Bill 185 allows municipalities to undertake minor amendments to D.C. by-laws for the following purposes without adherence to the requirements noted above (with the exception of the notice requirements):



1. To repeal a provision of the D.C. by-law specifying the date the by-law expires or to amend the provision to extend the expiry date (subject to the 10-year limitations provided in the D.C.A.);
2. To impose D.C.s for studies, including the D.C. background study; and
3. To remove the provisions related to the mandatory phase-in of D.C.s.

Minor amendments related to items 2 and 3 noted above may be undertaken only if the D.C. by-law being amended was passed after November 28, 2022, and before Bill 185 took effect. Moreover, the amending by-law must be passed within six months of Bill 185 coming into effect.

Notice requirements for these minor amending by-laws are similar to the typical notice requirements, with the exception of the requirement to identify the last day for appealing the by-law (as these provisions do not apply).

#### ***1.5.4 Reduction of D.C. Rate Freeze Timeframe***

Bill 108 (see Section 1.3.1 above) provides for the requirement to freeze the D.C.s imposed on developments subject to a site plan and/or a zoning by-law amendment application. The D.C. rate for these developments is “frozen” at the rates that were in effect at the time the site plan and/or zoning by-law amendment application was submitted (subject to applicable interest). Once the application is approved by the municipality, if the date the D.C. is payable is more than two years from the approval firdate, the D.C. rate freeze would no longer apply. Bill 185 reduced the two-year timeframe to 18 months.

#### ***1.5.5 Modernizing Public Notice Requirements***

The D.C.A. sets out the requirements for municipalities to give notice of public meetings and of by-law passage. These requirements are prescribed in sections 9 and 10 of O. Reg. 82/98 and include giving notice in a newspaper of sufficiently general circulation in the area to which the by-law would apply. The regulatory changes modernized public notice requirements by allowing municipalities to provide notice on a municipal website if a local newspaper is not available.



# Chapter 2

## Current Town of Essex D.C. Policies



## 2. Current Town of Essex Policies

### 2.1 Schedule of Charges

On August 28, 2019, the Town of Essex's D.C. By-law 1850 came into force under the D.C.A. Subsequently, the 2019 D.C. By-law was amended with By-law 2043 which provided updates to conform with the legislative changes from Bills 108, 197, and 213, and By-law 2030 to establish interest rates and impose interest charges on instalment payments at the date of site plan or rezoning applications.

The by-law, as amended, imposes D.C.s for residential and non-residential uses. The table below provides the rates currently in effect, as of January 1, 2024.

Table 2-1  
Town of Essex  
Current D.C. Rates  
January 1, 2024

Service	Residential					Non-Residential		
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Apartments with < 2 Bedrooms	Special Care/Special Dwelling Units	Wind Turbines and Telecommunication Towers	Solar Farms (per. Sq.ft.)	per sq.ft.
Services Related to a Highway	2,255	1,366	1,138	949	805	2,255	1.06	1.06
Fire Protection Services	1,422	861	718	599	507	1,422	0.66	0.66
Policing Services	620	376	312	261	221	620	0.28	0.28
Parks and Recreation Services	6,859	4,154	3,460	1,985	1,683	-	-	0.25
Library Services	327	198	166	138	116	-	-	0.01
Administration Services	278	168	65	55	46	131	0.06	0.07
<b>Total Municipal Wide Services</b>	<b>11,761</b>	<b>7,123</b>	<b>5,859</b>	<b>3,987</b>	<b>3,378</b>	<b>4,428</b>	<b>2.06</b>	<b>2.33</b>
<b>Area Specific Charges - Wastewater</b>								
Ward 1 - Essex Service Area	4,869	2,948	2,455	1,736	2.26	-	-	2.95
Ward 2 - Colchester North (McGregor) Service Area	1,267	767	639	452	-	-	-	-
Ward 3 - Colchester South Service Area	3,003	1,819	1,515	1,017	1.27	-	-	1.71
Ward 4 - Harrow Service Area	3,609	2,187	1,820	1,287	1.57	-	-	2.08
<b>Total Rural Area</b>	<b>11,761</b>	<b>7,123</b>	<b>5,859</b>	<b>3,987</b>	<b>3,378</b>	<b>4,428</b>	<b>2.06</b>	<b>2.33</b>
<b>Total Ward 1</b>	<b>16,630</b>	<b>10,071</b>	<b>8,314</b>	<b>5,723</b>	<b>3,380</b>	<b>4,428</b>	<b>2.06</b>	<b>5.28</b>
<b>Total Ward 2</b>	<b>13,028</b>	<b>7,890</b>	<b>6,498</b>	<b>4,439</b>	<b>3,378</b>	<b>4,428</b>	<b>2.06</b>	<b>2.33</b>
<b>Total Ward 3</b>	<b>14,764</b>	<b>8,942</b>	<b>7,374</b>	<b>5,004</b>	<b>3,379</b>	<b>4,428</b>	<b>2.06</b>	<b>4.04</b>
<b>Total Ward 4</b>	<b>15,370</b>	<b>9,310</b>	<b>7,679</b>	<b>5,274</b>	<b>3,380</b>	<b>4,428</b>	<b>2.06</b>	<b>4.41</b>

### 2.2 Services Covered

The following services are covered under By-law 1850, as amended:

- Services related to a Highway;
- Fire Protection Services;
- Policing Services;
- Parks and Recreation Services;



- Library Services;
- Administration Services; and
- Wastewater Services.

## 2.3 Timing of D.C. Calculation of Payment

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Development charges shall be 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.

## 2.4 Indexing

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Rates shall be adjusted, without amendment to the by-law, annually on January 1, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0276-02).<sup>[1]</sup>

## 2.5 Redevelopment Allowance

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In the case of the re-development involving the demolition and replacement of all or part of a building or structure:

- (1) A credit offsetting the development charges payable shall be allowed, provided that the land was improved by occupied structures (or structures capable of occupancy) within the five years prior to the issuance of the demolition permit, and the building permit has been issued for the development or redevelopment within five years from the date the demolition permit has been issued; and

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<sup>[1]</sup> Ontario Regulation (O. Reg.) 82/98 referenced “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007” as the index source. Since implementation, Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-law provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.



- (2) The credit shall be calculated as follows:
- a. For residential buildings, the credit shall be equivalent to the number of dwelling units demolished multiplied by the applicable residential development charge in place at the time the development charge is payable under this by-law;
  - b. For non-residential buildings, the credit shall be equivalent to the gross floor area demolished multiplied by the applicable non-residential development charge in place at the time the development charge is payable under this by-law;

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

## 2.6 Exemptions

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The following exemptions are provided under By-law 1850:

- Places of worship;
- Cemetery or burial grounds;
- Public hospitals;
- Non-residential farm buildings constructed for bona fide farm uses;
- Non-residential industrial, commercial, and institutional development; and
- Discount for Harrow (DCs payable are 50% of total).



# Chapter 3

## Anticipated Development in Town of Essex



## 3. Anticipated Development in the Town of Essex

### 3.1 Summary of Growth Forecast

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The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Town will be required to provide services over a 10-year (2024 to 2034) and a longer-term (2024 to buildout <sup>[2]</sup>) time horizon.

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

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

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The D.C. growth forecast has been derived by Watson in consultation with the Town of Essex. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Municipality over the forecast period, including:

- Essex County Growth Analysis Report, Final Report, October 2022, Watson & Associates Economists Ltd.;
- Town of Essex 2019 Development Charges Background Study, June 20, 2019, by Watson & Associates Economists Ltd.;
- 2011, 2016 and 2021 population, household and employment Census data;
- Historical residential and non-residential building permit data over the 2014 to 2023 period;
- Residential and non-residential supply opportunities as identified by the Town of Essex staff; and

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[2] The buildout forecast refers to the water and wastewater servicing capacity within the Town of Essex.

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- Discussions with Town staff regarding anticipated residential and non-residential development in the Town of Essex.

### 3.3 Summary of Growth Forecast

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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 Municipality 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.

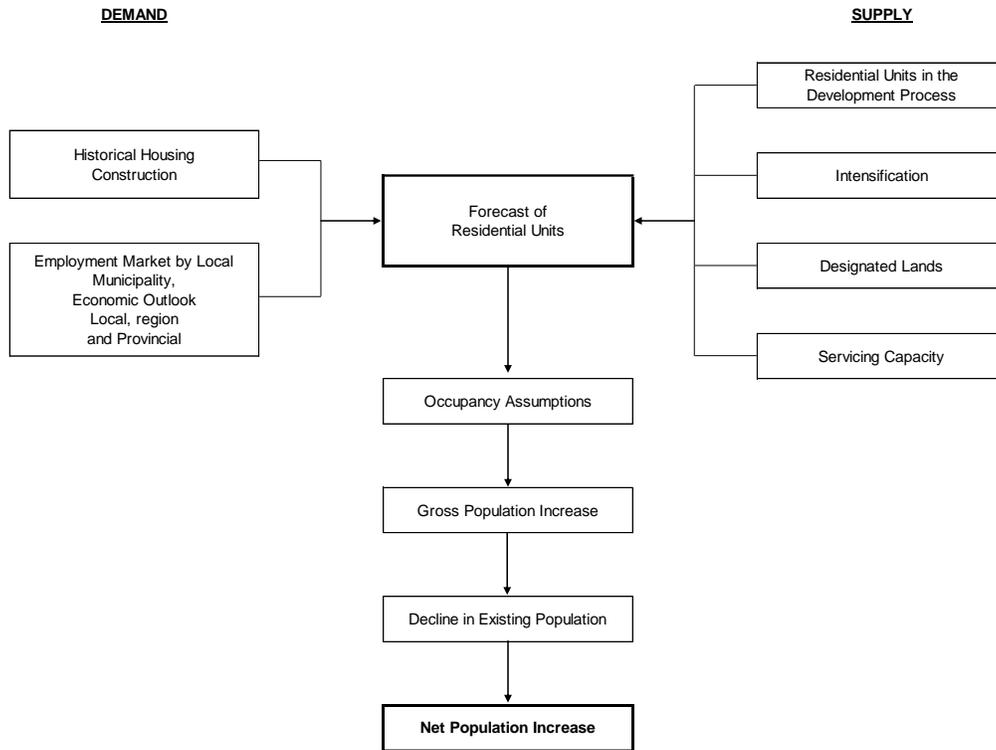
As identified in Table 3-1 and Appendix A – Schedule 1, population in the Town of Essex (excluding census undercount) is anticipated to reach approximately 24,950 by mid-2034 and 33,260 by buildout, resulting in an increase of approximately 2,590 and 10,900 persons, respectively. <sup>[3]</sup>

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<sup>[3]</sup> The population figures used in the calculation of the 2024 D.C. excludes the net Census undercount, which is estimated at approximately 3.3%. Population figures presented herein have been rounded.



Figure 3-1  
Population and Household Forecast Model





**Table 3-1  
Town of Essex  
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) <sup>[1]</sup>	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings <sup>[2]</sup>	Apartments <sup>[3]</sup>	Other	Total Households	Equivalent Institutional Households	
Historical	Mid 2011	20,240	19,600	400	19,200	6,708	335	374	376	7,793	364	2.515
	Mid 2016	21,100	20,427	852	19,575	6,830	365	455	440	8,090	775	2.525
	Mid 2021	21,910	21,216	551	20,665	7,150	370	440	420	8,380	501	2.532
Forecast	Mid 2024	23,090	22,354	579	21,775	7,364	481	464	420	8,729	526	2.561
	Mid 2034	25,760	24,945	685	24,260	7,916	579	677	420	9,592	623	2.601
	Buildout <sup>[4]</sup>	34,349	33,258	809	32,449	10,533	904	1,000	420	12,857	735	2.587
Incremental	Mid 2011 - Mid 2016	860	827	452	375	122	30	81	64	297	411	
	Mid 2016 - Mid 2021	810	789	-301	1,090	320	5	-15	-20	290	-274	
	Mid 2021 - Mid 2024	1,180	1,138	28	1,110	214	111	24	0	349	25	
	Mid 2024 - Mid 2034	2,670	2,591	106	2,485	552	98	213	0	863	97	
	Mid 2024 - Buildout	11,259	10,904	230	10,674	3,169	423	536	0	4,128	209	

[1] Population includes the Census undercount estimated at approximately 3.3% and has been rounded.

[2] Includes townhouses and apartments in duplexes.

[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

[4] Buildout reflects the water and/or wastewater servicing capacity of the urban development areas.

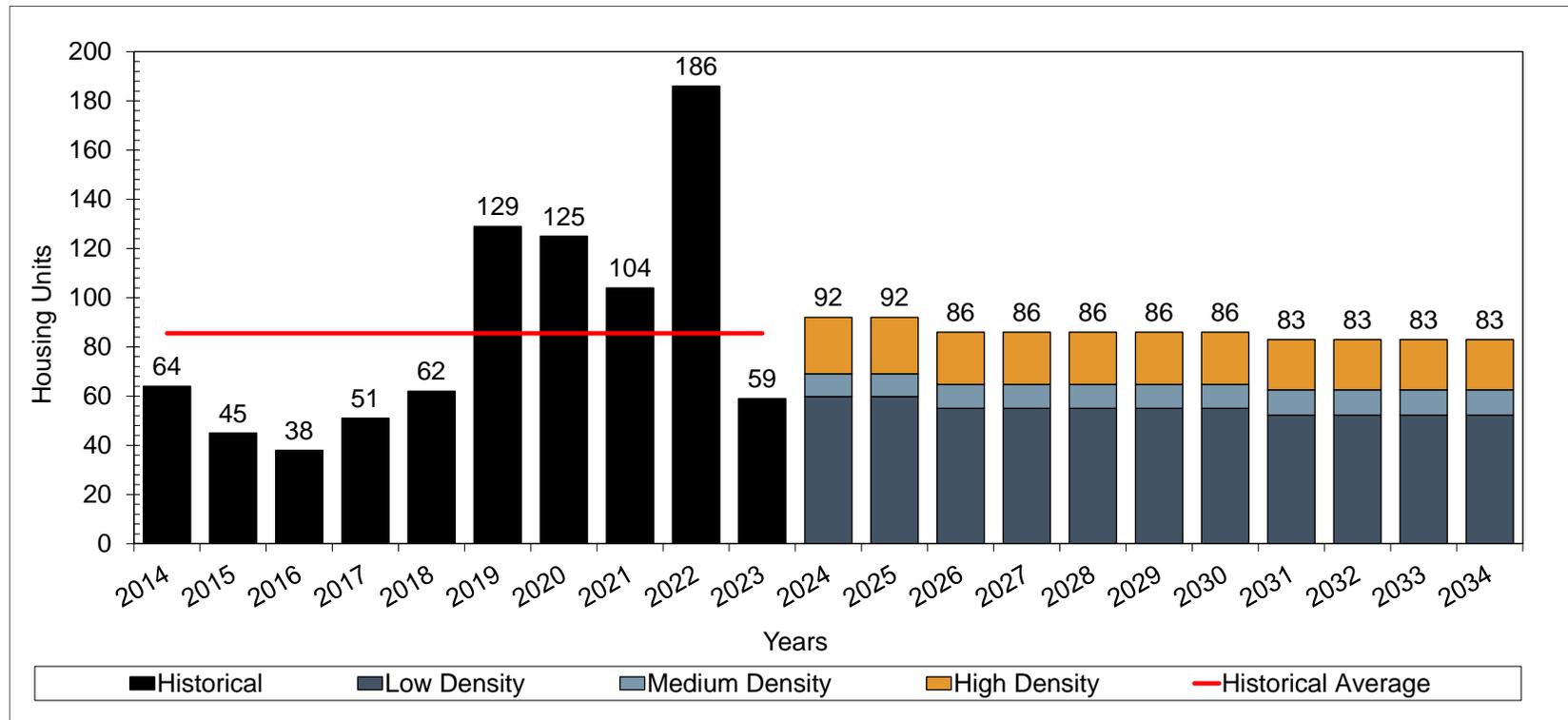
**Notes:**

Numbers may not add due to rounding.

Source: Derived from Growth Analysis Report for Essex County, October 2022, Watson & Associates Economists Ltd., and discussions with Town of Essex staff regarding water and wastewater servicing capacity by Watson & Associates Economists Ltd.



Figure 3-2  
Town of Essex  
Annual Housing Forecast <sup>[1]</sup>



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

Source: Historical housing activity derived from Town of Essex building permits data, 2014 to 2023.



Provided below is a summary of the key assumptions and findings regarding the Town of Essex D.C. growth forecast:

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

- The housing unit mix for the Town was derived from a detailed review of historical development activity (as per Schedule 6), as well as active residential development applications, and discussions with Town staff regarding anticipated development trends for the Town of Essex.
- Based on the above indicators, the 2024 to buildout household growth forecast for the Town is comprised of a unit mix of 77% low density units (single detached and semi-detached), 10% medium density (multiples except apartments) and 13% high density (bachelor, 1-bedroom and 2-bedroom apartments).

#### 2. Geographic Location of Residential Development (Appendix A – Schedule 2)

- Schedule 2 summarizes the anticipated amount, type, and location of development by area for the Town of Essex
- In accordance with forecast demand and available land supply and servicing capacity, the amount and percentage of forecast housing growth between 2024 and buildout by development location is summarized on the following page.



Table 3-2  
Town of Essex  
Geographic Location of Residential Development

Development Location	Amount of Housing Growth, 2024 to buildout	Percentage of Housing Growth, 2024 to 2051
Essex	1,730	42%
McGregor	350	8%
Colchester	1,490	36%
Harrow	150	4%
Rural	420	10%
<b>Town of Essex</b>	<b>4,130</b>	<b>100%</b>

Note: Figures may not sum precisely due to rounding.

### 3. Planning Period

- Short- and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for transit services to a 10-year planning horizon. All other services can utilize a longer planning period if the municipality has identified the growth-related capital infrastructure needs associated with the longer-term growth planning period.

### 4. Population in New Units (Appendix A – Schedules 3, 4 and 5)

- The number of housing units to be constructed by 2051 in the Town of Essex over the forecast period is presented in Table 3-1. Over the 2024 to buildout forecast period, the Town is anticipated to average approximately 86 new housing units per year.
- Institutional population <sup>[4]</sup> is anticipated to increase by approximately 230 people between 2024 to buildout.
- Population in new units is derived from Schedules 3, 4 and 5, which incorporate historical development activity, anticipated units (see unit mix

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<sup>[4]</sup> Institutional population largely includes special care facilities such as nursing home or residences for senior citizens. A P.P.U. of 1.100 depicts 1-bedroom and 2-or-more-bedroom units in collective households.



discussion) and average persons per unit (P.P.U.) by dwelling type for new units.

- Schedule 7a summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2021 custom Census data for the Town of Essex. Due to data limitations high density P.P.U. data was derived from Essex County which includes the Town of Essex and is outlined in Schedule 7b. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 25-year average P.P.U.s by dwelling type are as follows:
  - Low density: 3.211
  - Medium density: 2.117
  - High density: 1.811

#### 5. Existing Units and Population Change (Appendix A – Schedules 3, 4, and 5)

- Existing households for mid-2024 are based on the 2021 Census households, plus estimated residential units constructed between mid-2021 to the beginning of the growth period, assuming a minimum six-month lag between construction and occupancy (see Schedule 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 through 5.<sup>[5]</sup> The forecast population change in existing households over the 2024 to buildout forecast period is approximately 1,370 persons.

#### 6. Employment (Appendix A – Schedules 9a, 9b and 9c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Town divided by the number of residents. Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home, which are considered individually below.

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<sup>[5]</sup> Change in occupancy levels for existing households occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.



- 2016 employment data <sup>[6],[7]</sup> (place of work) for the Town of Essex is outlined in Schedule 9a. The 2016 employment base is comprised of the following sectors:
  - 135 primary (2%);
  - 525 work at home employment (9%);
  - 1,290 industrial (23%);
  - 2,315 commercial/population-related (41%); and
  - 1,405 institutional (25%).
- The 2016 employment by usual place of work, including work at home, is 5,670. An additional 980 employees have been identified for the Town of Essex in 2016 that have no fixed place of work (N.F.P.O.W.).<sup>[8]</sup>
- Total employment, including work at home and N.F.P.O.W. for the Town of Essex is anticipated to reach approximately 9,190 by mid-2034 and 12,930 by buildout. This represents an employment increase of approximately 1,650 for the 10-year forecast period and 5,390 for the longer-term forecast period.
- Schedule 9b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential G.F.A. calculation. Accordingly, work at

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<sup>[6]</sup> 2016 employment is based on Statistics Canada 2016 Place of Work Employment dataset by Watson & Associates Economists Ltd.

<sup>[7]</sup> Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021 to June 14, 2021.

<sup>[8]</sup> No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."



home and N.F.P.O.W. employees have been removed from the D.C.A. employment forecast and calculation.

- Total employment for the Town of Essex (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 7,230 by mid-2034 and 10,310 by buildout. This represents an employment increase of approximately 1,400 for the 10-year forecast period and 4,480 for the longer-term forecast period.

#### 7. Non-Residential Sq.ft. Estimates (G.F.A.), Appendix A – Schedule 9b)

- Square footage estimates were calculated in Schedule 9b based on the following employee density assumptions:
  - 20,000 sq.ft. per employee for primary
  - 1,250 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 Town-wide incremental G.F.A. is anticipated to increase by 8.6 million sq.ft. over the 10-year forecast period and 20.8 million sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2024 to buildout incremental G.F.A. forecast by sector is broken down as follows:
  - Primary – 88%
  - Industrial – 4%;
  - Commercial/population-related – 5%; and
  - Institutional – 3%.

#### 8. Geographic Location of Non-Residential Development (Appendix A, Schedule 9c)

- Schedule 9c summarizes the anticipated amount, type and location of non-residential development by area for the Town of Essex.
- The amount and percentage of forecast total non-residential growth between 2024 and buildout by development location is summarized below.



Table 3-3  
Town of Essex  
Geographic Location of Non-Residential Development

Development Location	Amount of Non-Residential G.F.A. (sq.ft.), 2024 to buildout	Percentage of Non-Residential G.F.A., 2024 to buildout
Essex	858,100	4%
Industrial Service Area	823,800	4%
McGregor	1,168,800	5%
Colchester	5,636,000	26%
Harrow	394,700	2%
Rural	12,758,300	59%
<b>Town of Essex</b>	<b>21,639,700</b>	<b>100%</b>

Note: Figures may not sum precisely due to rounding



# Chapter 4

## The Approach to the Calculation of the Charge



## 4. The Approach to the Calculation of the Charge

### 4.1 Introduction

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This chapter addresses the requirements of subsection 5 (1) of the D.C.A. with respect to the establishment of the need for service which underpins the D.C. calculation. These requirements are illustrated schematically in Figure 4-1.

### 4.2 Services Potentially Involved

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Table 4-1 lists the full range of municipal services that are provided within the Town. A number of these services are not included in the list of eligible services provided in subsection 2 (4) of the D.C.A. as being ineligible for inclusion in D.C.s. These are shown as “ineligible” on Table 4-1. Two ineligible costs defined in subsection 5 (3) of the D.C.A. 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 that are potentially eligible for inclusion in the Town’s D.C. are indicated with a “Yes.”

### 4.3 Increase in the Need for Service

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The D.C. 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, subsection 5 (1) 3, which requires that Town 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.





Table 4-1  
Categories of Municipal Services to be Addressed as Part of the Calculation

Eligibility for Inclusion in the D.C. Calculation	Description
Yes	Municipality provides the service – service has been included in the D.C. calculation.
No	Municipality provides the service – service has not been included in the D.C. calculation.
n/a	Municipality does not provide the service.
Ineligible	Service is ineligible for inclusion in the D.C. calculation.

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
1. Services Related to a Highway	Yes	1.1 Arterial roads	100
	Yes	1.2 Collector roads	100
	Yes	1.3 Bridges, culverts and roundabouts	100
	No	1.4 Local municipal roads	0
	Yes	1.5 Traffic signals	100
	Yes	1.6 Sidewalks and streetlights	100
	Yes	1.7 Active transportation	100
2. Other Transportation Services	n/a	2.1 Transit vehicles <sup>[1]</sup> & facilities	100
	n/a	2.2 Other transit infrastructure	100
	Ineligible	2.3 Municipal parking spaces - indoor	0
	Ineligible	2.4 Municipal parking spaces - outdoor	0
	Yes	2.5 Works yards	100
	Yes	2.6 Rolling stock <sup>[9]</sup>	100
	n/a	2.7 Ferries	100
	n/a	2.8 Airport	100
3. Stormwater Drainage and Control Services	No	3.1 Main channels and drainage trunks	100
	No	3.2 Channel connections	100
	No	3.3 Retention/detention ponds	100

<sup>[9]</sup> with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles <sup>[1]</sup>	100
	Yes	4.3 Small equipment and gear	100
5. Park Services (i.e., Parks and Open Space)	Ineligible	5.1 Acquisition of land for parks, woodlots and E.S.A.s	0
	Yes	5.2 Development of area municipal parks	100
	Yes	5.3 Development of district parks	100
	Yes	5.4 Development of municipal-wide parks	100
	Yes	5.5 Development of special purpose parks	100
6. Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	100
	Yes	6.2 Recreation vehicles and equipment <sup>[10]</sup>	100
7. Library Services	Yes	7.1 Public library space (incl. furniture and equipment)	100
	n/a	7.2 Library vehicles <sup>[1]</sup>	100
	n/a	7.3 Library materials	100
8. Emergency Preparedness Services	n/a	8.1 Facility space (incl. furniture and equipment)	100
	n/a	8.2 Vehicles <sup>[1]</sup>	100
	n/a	8.3 Equipment	100
9. Electrical Power Services	Ineligible	9.1 Electrical substations	0
	Ineligible	9.2 Electrical distribution system	0
	Ineligible	9.3 Electrical system rolling stock	0

<sup>[10]</sup> with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
10. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	10.1 Cultural space (e.g., art galleries, museums and theatres)	0
	Ineligible	10.2 Tourism facilities and convention centres	0
11. Wastewater Services	Yes	11.1 Treatment plants	100
	Yes	11.2 Sewage trunks	100
	n/a	11.3 Local systems	0
	Yes	11.4 Vehicles and equipment <sup>[1]</sup>	100
12. Water Supply Services	No	12.1 Treatment plants	100
	No	12.2 Distribution systems	100
	n/a	12.3 Local systems	0
	No	12.4 Vehicles and equipment <sup>[1]</sup>	100
13. Waste Management Services	Ineligible	13.1 Landfill collection, transfer vehicles and equipment	0
	Ineligible	13.2 Landfills and other disposal facilities	0
	n/a	13.3 Waste diversion facilities	100
	n/a	13.4 Waste diversion vehicles and equipment <sup>[1]</sup>	100
14. Policing Services	Yes	14.1 Policing detachments	100
	Yes	14.2 Policing rolling stock <sup>[1]</sup>	100
	Yes	14.3 Small equipment and gear	100
15. Homes for the Aged	n/a	15.1 Homes for the aged space	100
	n/a	15.2 Vehicles <sup>[1]</sup>	100
16. Child Care	n/a	16.1 Child-care space	100
	n/a	16.2 Vehicles <sup>[1]</sup>	100
17. Health	n/a	17.1 Health department space	100
	n/a	17.2 Health department vehicles <sup>[1]</sup>	100
18. Social Housing	n/a	18.1 Social housing space	0
19. Provincial Offences Act Services	Yes	19.1 Provincial Offences Act services space	100
20. Social Services	Ineligible	20.1 Social service space	0

<sup>[1]</sup> with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
21. Ambulance	n/a n/a	21.1 Ambulance station space 21.2 Vehicles <sup>[1]</sup>	100 100
22. Hospital Provision	Ineligible	22.1 Hospital capital contributions	0
23. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	23.1 Office space 23.2 Office furniture 23.3 Computer equipment	0 0 0
24. Other Services	Yes	24.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land and facilities, including the D.C. background study cost	0
	Yes	24.2 Interest on money borrowed to pay for growth-related capital	0-100

<sup>[1]</sup> with a 7+ year lifetime

## 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. The Town's detailed Local Service Policy is provided in Appendix E.

## 4.5 Capital Forecast

Paragraph 7 of subsection 5 (1) of the D.C.A. 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) costs to undertake studies in connection with any of the matters referred to in paragraphs a to d;
- f) costs of the development charge background study required under section 10; and
- g) interest on money borrowed to pay for the above-referenced costs;

In order for an increase in need for service to be included in the D.C. calculation, Town Council must indicate “that it intends to ensure that such an increase in need will be met” (subsection 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 section 3). The capital program contained herein reflects the Town’s approved and proposed capital budgets and master servicing/needs studies.

## **4.6 Treatment of Credits**

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Section 8, paragraph 5, of O. Reg. 82/98 indicates that a D.C. background study must set out “the estimated value of credits that are being carried forward relating to the service.” Section 17, paragraph 4, of the same regulation indicates that “the value of the credit cannot be recovered from future D.C.s,” if the credit pertains to an ineligible

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service. This implies that a credit for eligible services can be recovered from future D.C.s. 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 credits to be included in the D.C. calculations.

## 4.7 Classes of Services

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Section 7 of the D.C.A. states that a D.C. by-law may provide for any D.C. eligible service or the capital costs with respect to those services. Furthermore, a class may be composed of any number or combination of services and may include parts or portions of each D.C. eligible service.

These provisions allow for services to be grouped together to create a class for the purposes of the D.C. by-law and D.C. reserve funds. The D.C. calculations and by-law provided herein have identified a class of service for growth studies.

## 4.8 Existing Reserve Funds

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Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 7 of subsection 5 (1).”

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

For services that 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 future forecast periods, which underlie the D.C. calculation herein.

The alternative would involve the Town spending all reserve fund monies prior to renewing each by-law, which would not be a sound basis for capital budgeting. Thus, the Town will use these reserve funds for the Town’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 that contributed them (rather than to future development, which will generate the need for additional facilities directly proportionate to future growth).

The Town's D.C. Reserve Fund balances by service as of December 31, 2023, are shown below:

Table 4-2  
Summary of Development Charges Reserve Fund Balances  
As of December 31, 2023

Service	Balance as of December 31, 2023
Services Related to a Highway	\$1,099,648
Fire Protection Services	\$215,751
Policing Services	\$496,423
Parks and Recreation Services	\$2,303,443
Library Services	\$81,573
Growth Studies	\$144,914
Wastewater – Ward 1 Essex Service Area	(\$2,063,938)
Wastewater – Ward 2 McGregor Service Area	\$28,255
Wastewater – Ward 3 Colchester North Service Area	\$525,347
Wastewater – Ward 4 Harrow Service Area	(\$506,282)
<b>Total</b>	<b>\$2,325,133</b>

Note: Amounts in brackets are deficit balances.

## 4.9 Deductions

The D.C.A. potentially requires that four 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; and
- Anticipated grants, subsidies, and other contributions.



The requirements behind each of these reductions are addressed below.

#### **4.9.1 Reduction Required by Level of Service Ceiling**

This is designed to ensure that the increase in need included in section 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 15-year period immediately preceding the preparation of the background study” (D.C.A., subsection 5 (1) 4). O. Reg. 82/98 (section 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.”

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 factors are multiplied together, they produce a measure of the level of service which meets the requirements of the Act, i.e., cost per unit.

With respect to transit services, the changes to the Act introduced in 2015 have provided for an alternative method for calculating the service standard ceiling. Transit services must now utilize a forward-looking service standard analysis, described later in this section.

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

#### **4.9.2 Reduction for Uncommitted Excess Capacity**

Paragraph 5 of subsection 5 (1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the Town’s “excess capacity,” other than excess capacity which is “committed.”

“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**

Section 5 (1) 6 of the D.C.A. provides that, “The increase in the need for service must be reduced by the extent to which an increase in service to meet the increased need would benefit existing development.” The general guidelines used to consider benefit to existing development included:

- The repair or unexpanded replacement of existing assets that are in need of repair;
- An increase in average service level of quantity or quality (compare water as an example);
- The elimination of a chronic servicing problem not created by growth; and
- Providing services where none previously existed (generally considered for water or wastewater services).

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 service cap in section 4.9.1 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 services related to a highway, 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. Alternatively, 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 Municipal-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 Wednesdays in one arena and Thursdays 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. Furthermore, 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, section 6).

### **4.10 Municipal-wide vs. Area Rating**

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This step involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the amended D.C.A., it is now mandatory to “consider” area rating of services (providing charges for specific areas and services); however, it is not mandatory to implement area rating. Further discussion is provided in subsection 7.4.4 of this report.

### **4.11 Allocation of Development**

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This step involves relating the costs involved to anticipated development for each period under consideration and using allocations between residential and non-residential development and between one type of development and another, to arrive at a schedule of charges.



## 4.12 Asset Management

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The legislation now requires that a D.C. background study must include an asset management plan (A.M.P.) (subsection 10 (2) c. 2). The A.M.P. must deal with all assets that are proposed to be funded, in whole or in part, by D.C.s. The current regulations provide very extensive and specific requirements for the A.M.P. related to transit services (as noted in the subsequent subsection); however, they are silent with respect to how the A.M.P. is to be provided for all other services. As part of any A.M.P., the examination should be consistent with the municipality's existing assumptions, approaches, and policies on the asset management planning. This examination has been included in Appendix F.

## 4.13 Transit

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The D.C.A. provides for the following matters for transit:

- The background study requires the following in regard to transit costs (as per subsection 8 (2) of the Regulations):
  - The calculations used to prepare the estimate for the planned level of service for the transit services, as mentioned in subsection 5.2 (3) of the Act.
    - i. An identification of the portion of the total estimated capital cost relating to the transit services that would benefit,
    - ii. the anticipated development over the 10-year period immediately following the preparation of the background study, or
    - iii. the anticipated development after the 10-year period immediately following the preparation of the background study.
  - An identification of the anticipated excess capacity that would exist at the end of the 10-year period immediately following the preparation of the background study.
  - An assessment of ridership forecasts for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study, categorized by development types, and whether the forecast ridership will be from existing or planned development.



- An assessment of the ridership capacity for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study.
- A forward-looking service standard (as per subsection 6.1 (2) of the Regulations):
  - The service is a discrete service.
  - No portion of the service that is intended to benefit anticipated development after the 10-year period immediately following the preparation of the background study may be included in the estimate.
  - No portion of the service that is anticipated to exist as excess capacity at the end of the 10-year period immediately following the preparation of the background study may be included in the estimate.
- A detailed asset management strategy and reporting requirements (subsection 6.1 (3) of the Regulations) that includes lifecycle costs, action plans that will enable the assets to be sustainable, summary of how to achieve the proposed level of service, discussion on procurement measures and risk.

The Town neither currently provides nor intends to provide transit services in the near future; therefore, the above calculations and reporting requirements are not applicable for this study.



# Chapter 5

## D.C.-Eligible Cost Analysis by Service



## 5. D.C.-Eligible Cost Analysis by Service

### 5.1 Introduction

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This chapter outlines the basis for calculating eligible costs for the D.C.s to be applied on a uniform basis. In each case, the required calculation process set out in subsection 5 (1) paragraphs 2 to 7 in the D.C.A. and described in Chapter 4, was followed in determining D.C. eligible costs.

The service component is evaluated on two format sheets:

- The service standards that provide the average historical 15-year level of service calculation (see Appendix B), which “caps” the D.C. amounts (note that this is not required for wastewater); and
- The infrastructure cost calculation, which determines the potential D.C. recoverable cost.

The nature of the capital projects and timing identified in the chapter reflects Council's current intention. Over time, however, Town projects and Council priorities change; accordingly, Council's intentions may alter, and different capital projects (and timing) may be necessary to meet the need for services required by new growth.

### 5.2 Service Levels and 10-Year Capital Costs for Town of Essex D.C. Calculation

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This section evaluates the development-related capital requirements for fire protection services, parks and recreation services, library services, services related to a highway, provincial offences act including by-law, policing services, and growth studies over a 10-year planning period from 2024 to 2034.

#### 5.2.1 Fire Protection Services

The Town of Essex Fire Department currently operates out of a combined 20,269 sq.ft. of facility space. The facility space provided over the 2009 to 2023 period provides for an average level of service of 0.66 sq.ft. per capita or \$495 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the forecast period of \$1.28 million.



The fire department has a current inventory of 13 vehicles. Based on the number of vehicles utilized in the provision of fire services over the previous 15 years, the total D.C.-eligible amount calculated for fire vehicles over the forecast period is \$1.45 million (based on a standard of \$561 per capita).

In addition to vehicles, the Town provides 343 items of equipment and gear for the use in fire services. The inventory utilized over the previous 15 year period results in a calculated average level of service of \$97 per capita, providing for a D.C.-eligible amount over the forecast period of \$250,602 for small equipment and gear.

Based on the above, the maximum D.C.-eligible amount for fire protection services is approximately \$2.99 million.

Based on the projected growth over the 10-year forecast period, the Town has identified future capital needs totalling approximately \$7.46 million. The projects include the need for a fire prevention officer vehicle, replacement and expansion of Fire Station # 3, and debt related to Fire Station 1. With respect to deductions, the following adjustments have been made:

- Benefit to existing development: \$2.83 million.
- Post period benefit: \$1.42 million.
- Reserve fund balance: \$215,751.

Therefore, the net growth-related capital cost of \$2.99 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential development based on the population to employment ratio over the forecast period, resulting in 65% being allocated to residential development and 35% being allocated to non-residential development.



**Table 5-1**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Fire Protection Services**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 65%	Non- Residential Share 35%
1	Replace and Expand Fire Station #3	2025-2031	6,660,000	1,416,900		5,243,100	2,830,500		2,412,600	1,568,190	844,410
2	Station 1 Growth Related Fire Debt Principal	2024-2034	703,307	-		703,307	-		703,307	457,149	246,157
3	Station 1 Growth Related Fire Debt Interest (Discounted)	2024-2034	9,771	-		9,771	-		9,771	6,351	3,420
4	Fire Prevention Officer Vehicle	2029	83,000	-		83,000	-		83,000	53,950	29,050
5	Reserve Fund Adjustment	Reserves					215,751		(215,751)	(140,238)	(75,513)
	<b>Total</b>		<b>7,456,078</b>	<b>1,416,900</b>	<b>-</b>	<b>6,039,178</b>	<b>3,046,251</b>	<b>-</b>	<b>2,992,927</b>	<b>1,945,403</b>	<b>1,047,525</b>



## **5.2.2 Parks and Recreation Services**

The Town currently provides a variety of parks and recreation-related assets to service the community. A summary of the Town's inventory is provided below:

- 219.90 acres of parkland (consisting of various sized community parks and neighbourhood parks);
- Approximately 156.50 amenities that include items such as soccer fields, baseball diamonds, tennis courts, splash pad, skate park, etc.;
- 84 parks and recreation vehicles and equipment (consisting of mowers, trailer, ice resurfer, pick-up trucks, etc.); and
- Approximately 195,035 sq.ft. of recreation facility space, which includes community centres, recreation complex, arena, Colchester old schoolhouse, Lions Hall, Kinsmen field house, Colchester harbour kiosk and Harrow soccer park.

In total, the Town's parks and recreation service has provided a 15-year (2009 to 2023) historical level of service that equates to an investment of \$8,399 per capita. This level of investment provides the Town with a D.C.-eligible amount of \$21.76 million towards future parks and recreation capital.

Based on the projected growth over the 10-year forecast period, the Town has identified \$37.60 million in future growth capital costs for parks and recreation. These projects include the Essex Sports Field Complex, Harrow Dog Park, additional playgrounds, trail expansion, pavilions, the Essex/Harrow Skateboard Park expansion, pickleball courts, provisions for additional facility space and vehicles and equipment, and debt related to the Essex Centre for Sports Complex. With respect to deductions, the following adjustments have been made:

- Benefit to existing development: \$1.98 million.
- Post period benefit: \$26.51 million.
- Reserve fund balance: \$2.30 million.

Therefore, the net growth-related capital cost of \$5.83 million is being included in the D.C. calculations.



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



**Table 5-2  
Infrastructure Cost Included in the Development Charges Calculation  
Parks and Recreation Services**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non-Residential Share 5%
1	Essex Sports Field Complex (8 soccer fields, 5 baseball, football stadium, play structure, concession building, trails)	2024-2035	29,500,000	25,208,400		4,291,600	1,369,800	750,000	2,171,800	2,063,210	108,590
2	Harrow Dog Park	2027	100,000	-	25,000	75,000	69,200		5,800	5,510	290
3	Co-Ann Park Playground	2024	400,000	-	200,000	200,000	50,000		150,000	142,500	7,500
4	Trail Expansion	2025	28,600	-		28,600	25,700		2,900	2,755	145
5	Essex Town Centre Playground	2025	300,000	-		300,000	-		300,000	285,000	15,000
6	Tawenstha Park Playground	2028	300,000	-		300,000	-		300,000	285,000	15,000
7	Colchester Park Pavillion	2029	500,000	-		500,000	-		500,000	475,000	25,000
8	Essex/Harrow Skateboard Park Expansions	2028	428,900	-		428,900	14,300		414,600	393,870	20,730
9	Provision for Additional Vehicles and Equipment	2024-2033	143,000	-		143,000	-		143,000	135,850	7,150
10	Essex Centre Sports Complex - Debt Principal	2024-2026	335,619	167,800		167,819	-		167,819	159,428	8,391



**Table 5-2**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Parks and Recreation Services- continued**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non-Residential Share 5%
11	Essex Centre Sports Complex - Debt Interest (Discounted)	2024-2026	19,230	9,600		9,630	-		9,630	9,148	481
12	Essex Centre Sports Complex - Debt Principal	2024-2030	2,085,894	1,042,900		1,042,994	-		1,042,994	990,844	52,150
13	Essex Centre Sports Complex - Debt Interest (Discounted)	2024-2030	154,303	77,200		77,103	-		77,103	73,247	3,855
14	Pickleball Courts	2028-2030	600,000	-		600,000	450,000		150,000	142,500	7,500
15	Sadlers Park Pavilion and Event Space (renew pavilion and add electrical)	2026-2030	200,000	-		200,000	-		200,000	190,000	10,000
16	Provision for Additional Facility Space	2024-2033	2,500,000	-		2,500,000	-		2,500,000	2,375,000	125,000
17	Reserve Fund Adjustment	Reserves					2,303,443		(2,303,443)	(2,188,271)	(115,172)
	<b>Total</b>		<b>37,595,546</b>	<b>26,505,900</b>	<b>225,000</b>	<b>10,864,646</b>	<b>4,282,443</b>	<b>750,000</b>	<b>5,832,202</b>	<b>5,540,592</b>	<b>291,610</b>



### **5.2.3 Library Services**

The Town provides three (3) library facilities which total 13,077 sq.ft. in library space. Over the past 15 years, the average level of service was 0.63 sq.ft. of space per capita or an investment of \$391 per capita. Based on this service standard, the Town would be eligible to collect a total of \$1.01 million from D.C.s for library facilities.

Based on the projected growth over the 10-year forecast period, the Town has identified a provision for additional space in the amount of \$500,000. As this amount is provisional, no deductions for benefit to existing development or post-period benefit have been provided at this time. Once specific growth-related capital projects are identified, the appropriate deductions will be applied. Therefore, the net growth capital cost of \$500,000 has been included in the D.C. calculations.

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, the growth-related capital costs have been allocated 95% residential and 5% non-residential.



**Table 5-3**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Library Services**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2024 to 2033									95%	5%
1	Provision for Additional Space	2024-2033	500,000	-		500,000	-		500,000	475,000	25,000
	<b>Total</b>		<b>500,000</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>475,000</b>	<b>25,000</b>

\*Provision above is in addition to the reserve fund balance of \$81,573



## **5.2.4 Services Related to a Highway**

### **5.2.4.1 Services Related to a Highway – Roads and Related**

The Town owns and maintains:

- 70 km of asphalt roads;
- 209 km of tar and chip roads;
- 39 km of gravel roads; and
- 1,366 streetlights.

The inventory utilized over the historical 15-year period provides an average level of investment of \$12,383 per capita, resulting in a D.C.-eligible recovery amount of \$32.08 million over the 10-year forecast period.

With respect to future needs, the Town has identified a capital program totalling \$17.19 million. These projects include numerous intersection improvements, active transportation trail, roundabouts, storm sewer improvements, and a pollution control plant bridge. With respect to the Hanlan Street expansion, it is anticipated that this project will be partially funded with grants, with the remaining amount being funded from the development community. With respect to D.C. deductions, the following adjustments have been made:

- Benefit to existing development: \$5.91 million.
- Post period benefit: \$1.00 million.
- Grants, subsidies, and other contributions: \$2.00 million.
- Reserve fund balance: \$1.10 million.

Therefore, the total growth-related cost to be included in the D.C. is \$7.18 million.

The residential/non-residential capital cost allocation for service related to a highway – roads and related is based on the ratio of the anticipated population and employment growth over the 10-year forecast period. This results in 65% being allocated to residential development and 35% to non-residential development.



**Table 5-4  
Infrastructure Cost Included in the Development Charges Calculation  
Services Related to a Highway – Roads and Related**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 65%	Non-Residential Share 35%
1	Gosfield Ave & Talbot Intersection Improvements	2029	1,200,000	-		1,200,000	180,000		1,020,000	663,000	357,000
2	Harrow Intersection Improvements (CR13 & CR20) - signalization	2029-2034	500,000	-		500,000	75,000		425,000	276,250	148,750
3	Maidstone Avenue & Talbot Street N-Intersection Improvements: CR8 & CR34	2024-2025	1,600,000	-		1,600,000	495,000		1,105,000	718,250	386,750
4	Intersection Improvements: Maidstone Avenue /Gosfield & Arthur	2024-2025	740,000	-		740,000	555,000		185,000	120,250	64,750
5	Roundabout: Maidstone Avenue /Gosfield & Arthur	2051	4,000,000	1,000,000		3,000,000	3,000,000		-	-	-
6	Storm Sewer Improvements ( Talbot Street from Maidstone to Hopgood)	2031-2035	1,000,000	-		1,000,000	-		1,000,000	650,000	350,000
7	Active Transportation Trail: Maidstone Avenue from Talbot Street North to Talbot Street South	2025-2026	450,000	-		450,000	-		450,000	292,500	157,500
8	Hanlan Street Extension	2026-2030	2,000,000	-		2,000,000	-	2,000,000	-	-	-
9	Roundabout at Hanlan Street & CR23	2026-2030	2,000,000	-		2,000,000	600,000		1,400,000	910,000	490,000
10	Roundabout at Hanlan Street & Morton Ave	2026-2030	1,600,000	-		1,600,000	480,000		1,120,000	728,000	392,000
11	Maidstone Ave & South Talbot Intersection Improvements (Incl. Reed Street intersection)	2026-2027	1,500,000	-		1,500,000	225,000		1,275,000	828,750	446,250
12	Essex Pollution Control Plant Bridge	2025-2030	600,000	-		600,000	300,000		300,000	195,000	105,000
13	Reserve Fund Adjustment	Reserves					1,099,648		(1,099,648)	(714,772)	(384,877)
	<b>Total</b>		<b>17,190,000</b>	<b>1,000,000</b>	<b>-</b>	<b>16,190,000</b>	<b>7,009,648</b>	<b>2,000,000</b>	<b>7,180,352</b>	<b>4,667,228</b>	<b>2,513,123</b>



#### *5.2.4.2 Services Related to a Highway – Public Works Facilities, Equipment, and Fleet*

The Town's Public Works department currently operates out of a combined space of 32,639 sq.ft. of building area. The space utilized over the previous 15-year period provides an average level of service of \$387 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the 10-year forecast period of \$1.00 million.

The Public Works Department currently maintains an inventory of 54 vehicles and major equipment totalling \$6.59 million. This inventory utilized over the historical 15-year period provides for an average level of service of \$363 per capita. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$939,445.

Based on the above, the maximum D.C.-eligible amount for public works is approximately \$1.94 million.

Based on the anticipated growth in the Town over the forecast period, approximately \$3.07 million of future capital has been identified. These projects include the North Malden facility expansion, North Malden salt storage expansion, a street sweeper, two (2) 5-ton trucks, a pick-up truck, and a provision for additional facility space. Deductions of approximately \$369,400 have been made for the share of the projects that benefit existing development, as well as \$765,000 for the contribution that benefits development beyond the 10-year forecast. Therefore, the net growth-related D.C. recoverable amount of \$1.94 million has been included in the calculations.

The residential/non-residential capital cost allocation for service related to a highway – public works is based on the ratio of the anticipated population and employment growth over the 10-year forecast period. This results in 65% being allocated to residential development and 35% to non-residential development.



**Table 5-5  
Infrastructure Cost Included in the Development Charges Calculation  
Services Related to a Highway – Public Works Facilities, Equipment, and Fleet**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 65%	Non- Residential Share 35%
1	North Malden Salt Storage Expansion	2024-2025	700,000	-		700,000	175,000		525,000	341,250	183,750
2	North Malden Facility Expansion	2026-2030	800,000	640,000		160,000	-		160,000	104,000	56,000
3	Additional Street Sweeper	2026-2030	500,000	125,000		375,000	-		375,000	243,750	131,250
4	5-Ton Truck	2024	388,800	-		388,800	194,400		194,400	126,360	68,040
5	5-Ton Truck	2025	388,800	-		388,800	-		388,800	252,720	136,080
6	Pick-Up Truck	2024	75,000	-		75,000	-		75,000	48,750	26,250
7	Provision for Facility Space	2024-2026	219,900	-		219,900	-		219,900	142,935	76,965
	<b>Total</b>		<b>3,072,500</b>	<b>765,000</b>	<b>-</b>	<b>2,307,500</b>	<b>369,400</b>	<b>-</b>	<b>1,938,100</b>	<b>1,259,765</b>	<b>678,335</b>



### **5.2.5 Provincial Offences Act including By-law**

The Town's Provincial Offences Act including By-law (P.O.A) department operates out of 1,951 sq.ft. of building area. The facilities utilized over the previous 15-year period provides an average level of service of \$38 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the 10-year forecast period of \$98,484.

The P.O.A. department currently maintains an inventory of 2.5 vehicles totalling \$205,205. The inventory over the previous 15-year period provides for an average level of service of \$3 per capita. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$8,317.

Based on the above, the maximum D.C.-eligible amount for public works is approximately \$106,801.

Based on the anticipated growth in the Town over the forecast period a provision for additional facility space and vehicles has been included in the D.C. calculation in the amount of \$105,000.

The residential/non-residential capital cost allocation for provincial offences act including by-law is based on the ratio of the anticipated population and employment growth over the 10-year forecast period. This results in 65% being allocated to residential development and 35% to non-residential development.





## **5.2.6 Policing Services**

Since 2008, the Ontario Provincial Police (O.P.P.) provides police services to the Town through a service agreement. The Town is responsible, under the agreement with the O.P.P., to provide facility space and as such provides a headquarters facility and well as space for a community police centre. The facility space provided over the 2009 to 2023 period provides for an average level of service of 0.75 sq.ft. per capita or \$589 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the forecast period of \$1.53 million.

In addition to facility space, the Town provides the O.P.P. with funding for vehicles, equipment and gear through the service agreement. Policing Services has a current inventory of 70 vehicles and equipment. Based on the number of vehicles and equipment utilized over the previous 15 years, the total D.C.-eligible amount calculated for police vehicles and equipment over the forecast period is \$85,011 (based on a standard of \$33 per capita).

Based on the above, the maximum D.C.-eligible amount for fire protection services is approximately \$1.61 million.

Based on the projected growth over the 10-year forecast period, the Town has identified a provision for additional facility space in the amount of \$1.60 million. As this amount is provisional, no deductions for benefit to existing development or post-period benefit have been provided at this time. Once specific growth-related capital projects are identified, the appropriate deductions will be applied. Therefore, the net growth capital cost of \$1.60 million has been included in the D.C. calculations.

The residential/non-residential capital cost allocation for policing services is based on the ratio of the anticipated population and employment growth over the 10-year forecast period. This results in 65% being allocated to residential development and 35% to non-residential development.



**Table 5-7  
Infrastructure Cost Included in the Development Charges Calculation  
Policing Services**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 65%	Non-Residential Share 35%
1	Provision for additional Police Facility Space	2024-2033	1,600,000	-		1,600,000	-		1,600,000	1,040,000	560,000
	<b>Total</b>		<b>1,600,000</b>	<b>-</b>	<b>-</b>	<b>1,600,000</b>	<b>-</b>	<b>-</b>	<b>1,600,000</b>	<b>1,040,000</b>	<b>560,000</b>

\*Provision above is in addition to the reserve fund balance of \$496,423



### **5.2.7 Growth Studies**

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Town's capital works program. As discussed in Section 4.7, these studies have been allocated as a class of service based on each service to which the study relates.

For planning related studies (i.e. Official Plan updates), a deduction of 10% has been applied to recognize the extent to which the studies relate to non-D.C.-eligible services. All planning studies have been allocated to the class of services in the following manner:

- Wastewater Services – 25%
- Services Related to a Highway – 25%
- Public Works – 5%
- Fire Protection Services – 15%
- Police Services – 5%
- Library Services – 5%
- Parks and Recreation Services – 15%
- P.O.A. including By-law Enforcement Services – 5%

In addition, the capital costs of D.C. studies have been allocated across the different services based on the proportion of the total net growth-related capital costs. The following provides a breakdown of the allocation of D.C. study updates to each service:

- Wastewater Services – 45%
- Services Related to a Highway – 14%
- Public Works – 2%
- Fire Protection Services – 6%
- Police Services – 1%
- Library Services – 1%
- Parks and Recreation Services – 30%
- P.O.A. including By-law Enforcement Services – 1%

The remainder of the growth studies identified are as follows:

- Master Fire Plan and Community Risk Assessment
- Fire Master Plan



- Harrow and Colchester South Community Centre Park Master Plan
- Parks and Recreation Master Plan Update
- Transportation Master Plan (incl. Active Transportation)
- Regional Transit Study
- Colchester Hamlet Streetscaping Study

The total cost of these studies is \$1.49 million, of which \$668,400 is attributable to existing benefit. A deduction of \$7,150 has been made to recognize the portion of planning studies related to D.C.-ineligible services. In addition, the existing reserve fund balance of \$144,914 has been deducted from the calculations. The resultant net growth-related capital cost of \$592,036 has been included in the D.C. calculation.

These costs have been allocated 65% residential and 35% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



**Table 5-8  
Infrastructure Cost Included in the Development Charges Calculation  
Growth Studies**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to 2033	Service to Which Project Relates	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 65%	Non-Residential Share 35%
1	Master fire plan and Community Risk Assessment	Fire Protection Services	2024	100,000	-		100,000	70,000		30,000	19,500	10,500
2	Fire Master Plan	Fire Protection Services	2027	92,900	-		92,900	46,500		46,400	30,160	16,240
3	Fire Master Plan	Fire Protection Services	2032	92,900	-		92,900	46,500		46,400	30,160	16,240
4	Harrow and Colchester South Community Centre Park Master Plan	Parks and Recreation Services	2024	20,000	-		20,000	10,000		10,000	6,500	3,500
5	Parks and Recreation Master Plan Update	Parks and Recreation Services	2028	53,000	-		53,000	26,500		26,500	17,225	9,275
6	Transportation Master Plan (incl. Active Transportation)	Services Related to a Highway	2025-2026	285,900	-		285,900	143,000		142,900	92,885	50,015
7	Regional Transit Study	Services Related to a Highway	2025-2026	107,200	-		107,200	80,400		26,800	17,420	9,380
8	Colchester Hamlet Streetscaping Study	Services Related to a Highway	2026-2027	85,800	-		85,800	42,900		42,900	27,885	15,015
<b>9</b>	<b>Servicing Master Plan (Water/Wastewater)</b>			<b>500,300</b>	-	-	<b>333,533</b>	<b>166,800</b>	-	<b>166,733</b>	<b>108,377</b>	<b>58,357</b>
9A	Servicing Master Plan	Water Services	2024-2025	166,767	-		166,767	83,400		83,367	54,188	29,178
9B	Servicing Master Plan	Wastewater Services	2024-2025	166,767	-		166,767	83,400		83,367	54,188	29,178
9C	Servicing Master Plan	Stormwater Services	2024-2025	166,767	-		166,767	83,400		83,367	54,188	29,178
<b>10</b>	<b>Development Charges Study</b>			<b>41,400</b>	-		<b>41,400</b>	-		<b>41,400</b>	<b>26,910</b>	<b>14,490</b>
10A	Development Charge Study	Wastewater Services	2024	18,900	-		18,900	-		18,900	12,285	6,615
10B	Development Charge Study	Services Related to a Highway	2024	5,700	-		5,700	-		5,700	3,705	1,995
10C	Development Charge Study	Public Works	2024	1,000	-		1,000	-		1,000	650	350
10D	Development Charge Study	Fire Protection Services	2024	2,500	-		2,500	-		2,500	1,625	875
10E	Development Charge Study	Policing Services	2024	500	-		500	-		500	325	175
10F	Development Charge Study	Library Services	2024	400	-		400	-		400	260	140
10G	Development Charge Study	Parks and Recreation Services	2024	12,400	-		12,400	-		12,400	8,060	4,340
10H	Development Charge Study	P.O.A. including By-law Enforcement Services	2024	-	-		-	-		-	-	-



**Table 5-7**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Growth Studies continued**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Service to Which Project Relates	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2024 to 2033										65%	35%
<b>11</b>	<b>Development Charges Study</b>			<b>41,400</b>	-		<b>41,400</b>	-		<b>41,400</b>	<b>26,910</b>	<b>14,490</b>
11A	Development Charge Study	Wastewater Services	2033	18,900	-		18,900	-		18,900	12,285	6,615
11B	Development Charge Study	Services Related to a Highway	2033	5,700	-		5,700	-		5,700	3,705	1,995
11C	Development Charge Study	Public Works	2033	1,000	-		1,000	-		1,000	650	350
11D	Development Charge Study	Fire Protection Services	2033	2,500	-		2,500	-		2,500	1,625	875
11E	Development Charge Study	Policing Services	2033	500	-		500	-		500	325	175
11F	Development Charge Study	Library Services	2033	400	-		400	-		400	260	140
11G	Development Charge Study	Parks and Recreation Services	2033	12,400	-		12,400	-		12,400	8,060	4,340
11H	Development Charge Study	P.O.A. including By-law Enforcement Services	2033	-	-			-				
<b>12</b>	<b>5-year Official Plan Review</b>			<b>71,500</b>	-	<b>7,150</b>	<b>64,350</b>	<b>32,200</b>		<b>32,150</b>	<b>20,898</b>	<b>11,253</b>
12A	5-year Official Plan Review	Wastewater Services	2030-2031	17,900	-	1,790	16,110	8,000		8,110	5,272	2,839
12B	5-year Official Plan Review	Services Related to a Highway	2030-2031	17,900	-	1,790	16,110	8,000		8,110	5,272	2,839
12C	5-year Official Plan Review	Public Works	2030-2031	3,600	-	360	3,240	1,600		1,640	1,066	574
12D	5-year Official Plan Review	Fire Protection Services	2030-2031	10,600	-	1,060	9,540	4,800		4,740	3,081	1,659
12E	5-year Official Plan Review	Policing Services	2030-2031	3,600	-	360	3,240	1,800		1,440	936	504
12F	5-year Official Plan Review	Library Services	2030-2031	3,600	-	360	3,240	1,600		1,640	1,066	574
12G	5-year Official Plan Review	Parks and Recreation Services	2030-2031	10,700	-	1,070	9,630	4,800		4,830	3,140	1,691
12H	5-year Official Plan Review	P.O.A. including By-law Enforcement Services	2030-2031	3,600	-	360	3,240	1,600		1,640	1,066	574
<b>13</b>	<b>Reserve Fund Adjustment</b>							<b>144,914</b>		<b>(144,914)</b>	<b>(94,194)</b>	<b>(50,720)</b>
	<b>Total</b>			<b>1,492,300</b>	-	<b>7,150</b>	<b>1,485,150</b>	<b>893,114</b>	-	<b>592,036</b>	<b>384,824</b>	<b>207,213</b>



## 5.3 Area Specific Urban Buildout D.C. Calculation

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This section evaluates the development-related capital requirements for wastewater over an area-specific urban buildout planning period.

### 5.3.1 Wastewater Services

#### 5.3.1.1 Ward 1 Essex Service Area

Through discussion with staff there are no additional wastewater capital needs identified for the Ward 1 Essex service area at this time. Included in the D.C. calculation is the recovery of the Town's reserve fund deficit of \$2.06 million. Therefore, the net growth-related capital cost of \$2.06 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential based on the population to employment ratio over the Ward 1 Essex service area's urban buildout forecast period, resulting in 80% being residential development and 20% being allocated to non-residential development.



**Table 5-8**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Wastewater Services – Ward 1 Essex Service Area**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 80%	Non- Residential Share 20%
1	Reserve Fund Adjustment	Reserves	2,063,938	-		2,063,938	-		2,063,938	1,651,151	412,788
	<b>Total</b>		<b>2,063,938</b>	<b>-</b>	<b>-</b>	<b>2,063,938</b>	<b>-</b>	<b>-</b>	<b>2,063,938</b>	<b>1,651,151</b>	<b>412,788</b>



### 5.3.1.2 *Ward 2A McGregor Service Area*

The McGregor area of Ward 2 in the Town of Essex receives wastewater services from the Town of Amherstburg. The Towns are currently undertaking a joint Environmental Assessment with respect to the expansion of the existing lagoons. At this time, it is anticipated that the Town of Essex will contribute to the expansion of the wastewater treatment capacity based on the number of units required to be serviced. As such, the wastewater capital program includes Essex's portion of the McGregor lagoon expansion in the amount of \$5.90 million as well as their share of the Environmental Assessment and the feasibility study. A deduction from the D.C. calculation in the amount of \$28,255 has been applied to reflect the balance in the D.C. reserve fund. Therefore, the net growth-related capital cost of \$6.16 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential development based on the population to employment ratio over the service area's urban buildout forecast period, resulting in 74% being residential development and 26% being allocated to non-residential development.



**Table 5-9**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Wastewater Services – Ward 2 McGregor Service Area**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share  74%	Non- Residential Share  26%
	<b>2024 to Urban Buildout</b>										
1	McGregor Lagoon Expansion	2024-2035	5,900,000	-		5,900,000	-		5,900,000	4,366,000	1,534,000
2	McGregor Sewage Lagoon Expansion EA	2024-2025	160,000	-		160,000	-		160,000	118,400	41,600
3	McGregor Servicing Feasibility Study	2025	125,000	-		125,000	-		125,000	92,500	32,500
4	Reserve Fund Adjustment	Reserves	-	-		-	28,255		(28,255)	(20,909)	(7,346)
	<b>Total</b>		<b>6,185,000</b>	<b>-</b>	<b>-</b>	<b>6,185,000</b>	<b>28,255</b>	<b>-</b>	<b>6,156,745</b>	<b>4,555,991</b>	<b>1,600,754</b>



### 5.3.1.3 Ward 2B Industrial Service Area Lands

In addition to the growth that the Town has identified, the Town is anticipated to service industrial land areas within Ward 2, west of the Ward 1 boundary. The total capital program identified is approximately \$2.04 million. The capital projects for the industrial service area lands include a pumping station, forcemain, and gravity sewers. The calculation is based on the landowner's allocation of the overall land parcel size (in hectares) for the respective cost of each of the capital projects.

Furthermore, a benefit to the existing community amounting to \$558,868 has been identified for the properties at 14028 and 14016 Pinkerton Sideroad, which have been excluded from the D.C. calculation. Therefore, the net growth-related capital cost for the industrial service area lands is \$1.48 million. The non-growth component of the works is anticipated to be recovered from the existing landowners via a by-law imposed under Part XII of the *Municipal Act* (See Chapter 9).

Table 5-10  
Infrastructure Cost Included in the Development Charges Calculation  
Wastewater Services – Ward 2B Industrial Service Area Lands

Land Parcel	Parcel Size (ha)	Proportional Share of Flow (%)	Share of Pumping Station and Forcemain	Share of Gravity Sewer (14th)	Share of Gravity Sewer (Pinkerton)	Total	Development Charge	Applicable Capital Charges
0 County Road 8 (North)	1.79	4.2%	\$ 35,684	\$ 33,961	\$ -	\$ 69,645	\$ 69,645	\$ -
0 County Road 8 (South)	17.16	40.2%	\$ 341,307	\$ 324,830	\$ -	\$ 666,136	\$ 666,136	\$ -
14028 Pinkerton Sideroad	3.94	9.2%	\$ 78,423	\$ 74,637	\$ 63,657	\$ 216,717	\$ -	\$ 216,717
14016 Pinkerton Sideroad	6.22	14.6%	\$ 123,814	\$ 117,836	\$ 100,501	\$ 342,151	\$ -	\$ 342,151
14978 14th Concession	13.53	31.7%	\$ 269,197	\$ 256,201	\$ 218,510	\$ 743,908	\$ 743,908	\$ -
<b>Total</b>	<b>42.65</b>	<b>100%</b>	<b>\$ 848,424</b>	<b>\$ 807,466</b>	<b>\$ 382,668</b>	<b>\$ 2,038,558</b>	<b>\$ 1,479,690</b>	<b>\$ 558,868</b>



#### 5.3.1.4 *Ward 3 Colchester South Service Area*

The wastewater capital program identified for Ward 3 totals \$47.29 million. The projects include the need for a wastewater treatment plant to replace the existing lagoons, Pumpstation number 1 upgrades, and Pumpstation numbers 2,3,5,6, and 7 upgrades. With respect to deductions, the following adjustments have been made:

- Benefit to existing development: \$9.37 million.
- Post period benefit: \$19.71 million.
- Reserve fund balance: \$525,347.
- Other Contributions: \$3.30 million.

Therefore, the net growth-related capital cost of \$14.39 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential development based on the population to employment ratio over the service area's urban buildout forecast period, resulting in 72% being residential development and 28% being allocated to non-residential development.



**Table 5-11**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Wastewater Services – Ward 3 Colchester North Service Area**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to Urban Buildout	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share  72%	Non- Residential Share  28%
1	Treatment Alternative SBR (mechanism system)	2027-2035	40,290,000	19,706,700		20,583,300	5,889,700	3,300,000	11,393,600	8,203,392	3,190,208
2	Pumpstation No. 1 Upgrades	2024-2030	2,435,000	-		2,435,000	1,182,400		1,252,600	901,872	350,728
3	Pumpstation No. 2,3,5,6 & 7 Upgrades	2024-2030	4,560,000	-		4,560,000	2,295,500		2,264,500	1,630,440	634,060
4	Reserve Fund	Reserves	-			-	525,347		(525,347)	(378,250)	(147,097)
	<b>Total</b>		<b>47,285,000</b>	<b>19,706,700</b>	<b>-</b>	<b>27,578,300</b>	<b>9,892,947</b>	<b>3,300,000</b>	<b>14,385,353</b>	<b>10,357,454</b>	<b>4,027,899</b>



### 5.3.1.5 *Ward 4 Harrow Service Area*

The wastewater capital program identified for Ward 4 Harrow service area over the urban buildout forecast period includes future capital needs totaling \$1.49 million. The projects encompass the Harrow raw sewage pump station and the Harrow lagoon environmental assessment. The Town's reserve fund deficit of \$506,283 has been included in the calculation for recovery. A deduction of \$593,500 has been made for the share of the raw sewage pump station that benefits the existing community.

Therefore, the net growth-related capital cost of \$1.40 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential based on the population to employment ratio over the service area's urban buildout forecast period, resulting in 38% being residential development and 62% being allocated to non-residential development.



**Table 5-12**  
**Infrastructure Cost Included in the Development Charges Calculation**  
**Wastewater Services – Ward 4 Harrow Service Area**

Proj. No.	Increased Service Needs Attributable to Anticipated Development  2024 to Urban Buildout	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 38%	Non- Residential Share 62%
1	Harrow Raw Sewage Pump Station	2024	1,187,000	-		1,187,000	593,500		593,500	225,530	367,970
2	Harrow Lagoon Environmental Assessment	2026-2027	300,000	-		300,000	-		300,000	114,000	186,000
3	Reserve Fund Adjustment	Reserves	506,283	-		506,283	-		506,283	192,387	313,895
	<b>Total</b>		<b>1,993,283</b>	<b>-</b>	<b>-</b>	<b>1,993,283</b>	<b>593,500</b>	<b>-</b>	<b>1,399,783</b>	<b>531,917</b>	<b>867,865</b>



# Chapter 6

## D.C. Calculation



## 6. D.C. Calculation

Table 6-1 to 6-4 calculates the proposed area-specific urban area D.C.s to be imposed for infrastructure services based upon the 2024 to urban-area buildout forecast period (wastewater). Table 6-5 calculates the proposed uniform D.C.s to be imposed on anticipated development in the Town for Town-wide services over the 2024 to 2033 forecast period. Note, the calculation for the Ward 2 industrial area was provided separately and shown in Chapter 5.

The calculation for residential development is generated on a per capita basis and is based upon five forms of housing types (singles and semi-detached, multiples, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, and special care dwelling units). The non-residential D.C. has been calculated on a per sq.ft. of G.F.A. basis for all types of non-residential development (industrial, commercial, and institutional). The D.C.-eligible costs for each service component were developed in Chapter 5 for all Town 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-D.C. 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 7) to calculate the charge in Tables 6-1 to 6-5.

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 G.F.A. The Town also imposes D.C.s for wind turbines and telecommunicate towers, and solar farms for recovery. Their D.C.s will be equivalent to a single detached unit based on the services related to a highway and fire protection services categories to recognize the utilization of those two (2) services.

Table 6-6 summarizes the total D.C. that is applicable for Town-wide and urban-area services and Table 6-7 summarizes the gross capital expenditures and sources of revenue for works to be undertaken during the life of the by-law.



Table 6-1  
Town of Essex  
Development Charge Calculation  
Ward 1 Essex Service Area - Wastewater  
Area Specific Urban Buildout (2024 to Urban Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
<b>1. Wastewater Services</b>	\$	\$	\$	\$
1.1 Ward 1 - Essex Service Area	1,651,151	412,788	1,136	0.48
<b>TOTAL</b>	<b>\$1,651,151</b>	<b>\$412,788</b>	<b>\$1,136</b>	<b>\$0.48</b>
D.C.-Eligible Capital Cost	\$1,651,151	\$412,788		
Urban Buildout Gross Population/GFA Growth (sq.ft.)	4,668	858,100		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$353.72</b>	<b>\$0.48</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.211	\$1,136		
Other Multiples	2.117	\$749		
Apartments - 2 Bedrooms +	1.957	\$692		
Apartments - Bachelor and 1 Bedroom	1.351	\$478		
Special Care/Special Dwelling Units	1.100	\$389		

Table 6-2  
Town of Essex  
Development Charge Calculation  
Ward 2A McGregor Service Area - Wastewater  
Area Specific Urban Buildout (2024 to Urban Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
<b>2. Wastewater Services</b>	\$	\$	\$	\$
2.1 Ward 2 - McGregor Service Area	4,555,991	1,600,754	15,144	1.37
<b>TOTAL</b>	<b>\$4,555,991</b>	<b>\$1,600,754</b>	<b>\$15,144</b>	<b>\$1.37</b>
D.C.-Eligible Capital Cost	\$4,555,991	\$1,600,754		
Urban Buildout Gross Population/GFA Growth (sq.ft.)	966	1,168,800		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$4,716.35</b>	<b>\$1.37</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.211	\$15,144		
Other Multiples	2.117	\$9,985		
Apartments - 2 Bedrooms +	1.957	\$9,230		
Apartments - Bachelor and 1 Bedroom	1.351	\$6,372		
Special Care/Special Dwelling Units	1.100	\$5,188		



Table 6-3  
Town of Essex  
Development Charge Calculation  
Ward 3 Colchester South Service Area -Wastewater  
Area Specific Urban Buildout (2024 to Urban Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
<b>3. Wastewater Services</b>				
3.1 Ward 3 - Colchester South Service Area	10,357,454	4,027,899	7,137	0.71
<b>TOTAL</b>	<b>\$10,357,454</b>	<b>\$4,027,899</b>	<b>\$7,137</b>	<b>\$0.71</b>
D.C.-Eligible Capital Cost	\$10,357,454	\$4,027,899		
Urban Buildout Gross Population/GFA Growth (sq.ft.)	4,660	5,636,000		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$2,222.63</b>	<b>\$0.71</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.211	\$7,137		
Other Multiples	2.117	\$4,705		
Apartments - 2 Bedrooms +	1.957	\$4,350		
Apartments - Bachelor and 1 Bedroom	1.351	\$3,003		
Special Care/Special Dwelling Units	1.100	\$2,445		

Table 6-4  
Town of Essex  
Development Charge Calculation  
Ward 4 Harrow Service Area - Wastewater  
Area Specific Urban Buildout (2024 to Urban Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
<b>4. Wastewater Services</b>				
4.1 Ward 4 - Harrow Service Area	531,917	867,865	5,207	2.20
<b>TOTAL</b>	<b>\$531,917</b>	<b>\$867,865</b>	<b>\$5,207</b>	<b>\$2.20</b>
D.C.-Eligible Capital Cost	\$531,917	\$867,865		
Urban Buildout Gross Population/GFA Growth (sq.ft.)	328	394,700		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$1,621.70</b>	<b>\$2.20</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.211	\$5,207		
Other Multiples	2.117	\$3,433		
Apartments - 2 Bedrooms +	1.957	\$3,174		
Apartments - Bachelor and 1 Bedroom	1.351	\$2,191		
Special Care/Special Dwelling Units	1.100	\$1,784		



Table 6-5  
Town of Essex  
Development Charge Calculation  
Municipal-wide Services  
10-Year (2024 to 2033)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
5. <u>Services Related to a Highway</u>				
5.1 Roads and Related	4,667,228	2,513,123	6,060	0.29
5.2 Public Works	1,259,765	678,335	1,636	0.08
	5,926,993	3,191,458	7,696	0.37
6. <u>Fire Protection Services</u>				
6.1 Fire facilities, vehicles & equipment	1,945,403	1,047,525	2,526	0.12
7. <u>Parks and Recreation Services</u>				
7.1 Park development, amenities, recreation facilities, vehicles, and equipment	5,540,592	291,610	7,194	0.03
8. <u>Library Services</u>				
8.1 Library facilities, materials and vehicles	475,000	25,000	617	0.01
9. <u>Provincial Offences Act including By-Law Enforcement</u>				
9.1 Facilities, vehicles and equipment	68,250	36,750	89	0.01
10. <u>Policing Services</u>				
10.1 Facilities, vehicles and equipment	1,040,000	560,000	1,350	0.07
11. <u>Growth Studies</u>				
11.1 Water Services	43,533	23,441	57	-
11.2 Wastewater Services	67,506	36,350	88	-
11.3 Services Related to a Highway	121,204	65,264	157	0.01
11.4 Public Works	1,901	1,023	2	-
11.5 Fire Protection Services	69,210	37,267	90	-
11.6 Policing Services	1,274	686		
11.7 Library Services	1,274	686	2	-
11.8 Parks and Recreation Services	34,532	18,594	45	-
11.9 P.O.A. including By-law Enforcement Services	856	461	1	-
11.10 Stormwater Services	43,533	23,441	57	-
	384,824	207,213	499	0.01
<b>TOTAL</b>	<b>\$15,381,062</b>	<b>\$5,359,555</b>	<b>\$19,971</b>	<b>\$0.62</b>
D.C.-Eligible Capital Cost	\$15,381,062	\$5,359,555		
10-Year Gross Population/GFA Growth (sq.ft.)	2,473	8,598,800		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$6,219.60</b>	<b>\$0.62</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.211	\$19,971		
Other Multiples	2.117	\$13,167		
Apartments - 2 Bedrooms +	1.957	\$12,172		
Apartments - Bachelor and 1 Bedroom	1.351	\$8,403		
Special Care/Special Dwelling Units	1.100	\$6,842		



Table 6-6  
Town of Essex  
Development Charge Calculation  
Total All Services

	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
<b>Town-wide Services/Classes 10 Year</b>	\$ 15,381,062	\$ 5,359,555	\$ 19,971	\$ 0.62
<b>TOTAL TOWN-WIDE SERVICES</b>	<b>15,381,062</b>	<b>5,359,555</b>	<b>19,971</b>	<b>0.62</b>
<b>Area Specific Wastewater Services</b>				
Ward 1 - Essex Service Area	1,651,151	412,788	1,136	0.48
Ward 2 - McGregor Service Area	4,555,991	1,600,754	15,144	1.37
Ward 3 - Colchester South Service Area	10,357,454	4,027,899	7,137	0.71
Ward 4 - Harrow Service Area	531,917	867,865	5,207	2.20

Note: Table above does not include costs for the Ward 2 industrial service area



**Table 6-8**  
**Town of Essex**  
**Gross Expenditure and Sources of Revenue Summary for Costs to be Incurred over the Life of the By-law**

Service/Class	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source			Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing	Other Funding		Residential	Non-Residential
1. Wastewater Services							
1.1 Ward 1 - Essex Service Area	0	0	0	0	0	0	0
2. Wastewater Services							
2.1 Ward 2 - McGregor Service Area	4,916,667	0	0	0	0	3,638,333	1,278,333
3. Wastewater Services							
3.1 Ward 3 - Colchester South Service Area	38,331,667	0	8,058,778	2,566,667	15,327,433	8,912,728	3,466,061
4. Wastewater Services							
4.1 Ward 4 - Harrow Service Area	1,487,000	0	593,500	0	0	339,530	553,970
5. Services Related to a Highway							
5.1 Roads and Related	11,366,667	0	2,342,500	2,000,000	0	4,565,708	2,458,458
5.2 Public Works	2,388,800	0	175,000	0	765,000	941,720	507,080
6. Fire Protection Services							
6.1 Fire facilities, vehicles & equipment	7,391,253	0	2,830,500	0	1,416,900	2,043,504	1,100,348
7. Parks and Recreation Services							
7.1 Park development, amenities, recreation facilities, vehicles, and equipment	32,678,879	225,000	1,750,700	625,000	22,304,500	7,384,995	388,684
8. Library Services							
8.1 Library facilities, materials and vehicles	500,000	0	0	0	0	475,000	25,000
9. Provincial Offences Act including By-Law Enforcement							
9.1 Facilities, vehicles and equipment	1,600,000	0	0	0	0	1,040,000	560,000
10. Policing Services							
10.1 Facilities, vehicles and equipment	105,000	0	0	0	0	68,250	36,750
11. Growth Studies							
11.1 Water Services	166,767	0	99,793	0	0	43,533	23,441
11.2 Wastewater Services	222,467	1,790	116,821	0	0	67,506	36,350
11.3 Services Related to a Highway	508,200	1,790	319,942	0	0	121,204	65,264
11.4 Public Works	5,600	360	2,316	0	0	1,901	1,023
11.5 Fire Protection Services	301,400	1,060	193,863	0	0	69,210	37,267
11.6 Policing Services	4,600	360	2,280	0	0	1,274	686
11.7 Library Services	4,400	360	2,080	0	0	1,274	686
11.8 Parks and Recreation Services	108,500	1,070	54,304	0	0	34,532	18,594
11.9 P.O.A. including By-law Enforcement Services	3,600	360	1,922	0	0	856	461
11.10 Stormwater Services	166,767	0	99,793	0	0	43,533	23,441
<b>Total Expenditures &amp; Revenues</b>	<b>\$102,258,232</b>	<b>\$232,150</b>	<b>\$16,644,091</b>	<b>\$5,191,667</b>	<b>\$39,813,833</b>	<b>\$29,794,593</b>	<b>\$10,581,898</b>



# Chapter 7

## D.C. Policy Recommendations and D.C. By-law Rules



## 7. D.C. Policy Recommendations and D.C. By-law Rules

### 7.1 Introduction

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Subsection 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 D.C.s.

Subsection 5 (6) establishes the following restrictions on the rules:

- the total of all D.C.s that would be imposed on anticipated development must not exceed the capital costs determined under subsection 5 (1) 2-7 for all services involved;
- if the rules expressly identify a type of development, they must not provide for it to pay D.C.s 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 D.C. than is allowed, the rules for determining D.C.s may not provide for any resulting shortfall to be made up via other development.

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

The rules provided are based on the Town’s existing policies; with some modifications and consideration for the changes to the D.C.A. resulting from Bills 108, 197, 213, 23, and 185.



## 7.2 D.C. By-law Structure

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**It is recommended that:**

- the Town uses a uniform Town-wide D.C. calculation for services excluding wastewater services;
- D.C.s for wastewater services be imposed on the urban service areas of the Town on an area-specific basis as provided in Chapters 5 and 6; and
- one D.C. by-law be used for all services referenced above.

## 7.3 D.C. By-law Rules

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The following subsections set out the recommended rules governing the calculation, payment and collection of D.C.s in accordance with section 6 of the D.C.A.

**It is recommended that the following sections provide the basis for the D.C.s.:**

### ***7.3.1 Payment in any Particular Case***

In accordance with the D.C.A., subsection 2 (2), a D.C. 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 subsection 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 9 of the *Condominium Act, 1998*; or
- (g) the issuing of a permit under the *Building Code Act, 1992* 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 number of square feet of G.F.A. constructed for eligible uses (i.e., industrial, commercial, and institutional). For the area-specific charges in the industrial service area, the D.C.s will be imposed on a land area basis for each property benefitting from the infrastructure.
- 2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance, e.g.,
  - for parks and recreation services and library services, a 5% non-residential attribution has been made to recognize use by the non-residential sector;
  - for services related to a highway, fire protection services, growth studies, policing services, and Provincial offences act including by-law a 65% residential/35% non-residential attribution has been made based on a population vs. employment growth ratio over the 10-year (2024-2033) forecast period;
  - for wastewater services in Ward 1 Essex service area an 80% residential/20% non-residential allocation has been made based on population vs. employment growth over the urban buildout (2024 to urban buildout) forecast period;
  - for wastewater services in Ward 2 McGregor service area a 74% residential/26% non-residential allocation has been made based on population vs. employment growth over the urban buildout (2024 to urban buildout) forecast period;
  - for wastewater services in Ward 3 Colchester South service area a 72% residential/28% non-residential allocation has been made based on population vs. employment growth over the urban buildout (2024 to urban buildout) forecast period;
  - and for wastewater services in Ward 4 Harrow service area a 38% residential/62% non-residential allocation has been made based on



population vs. employment growth over the urban buildout (2024 to urban buildout) forecast period.

### **7.3.3 Application to Redevelopment of Land (Demolition and Conversion)**

If a development involves the demolition and replacement of a building or structure on the same site (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 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 D.C. in place at the time the D.C. is payable; and/or
- 2) the G.F.A. of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable;

provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

### **7.3.4 Exemptions (full or partial)**

a) Statutory exemptions:

- industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, section 1) of the building; for industrial building additions that exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (subsection 4 (3) of the D.C.A.);
- buildings or structures owned by and used for the purposes of any municipality, local board, or Board of Education (section 3);
- may add up to 2 apartments in an existing or new detached, semi-detached, or rowhouse (including in an ancillary structure);
- add one additional unit or 1% of existing units in an existing rental residential building;
- a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario;



- affordable units;
- attainable units (to be in force at a later date);
- affordable inclusionary zoning units;
- non-profit housing; and
- discount for rental housing units based on bedroom size (i.e., three or more bedrooms – 25% reduction, two bedrooms – 20% reduction, and all others – 15% reduction).

b) Non-statutory exemptions for Council's consideration:

- Places of worship;
- Cemetery or burial grounds;
- Public hospitals; and
- Non-residential farm buildings constructed for bona fide farm uses

### **7.3.5 Timing of Collection**

The D.C.s for all services and classes are payable upon issuance of a building permit for each dwelling unit, building, or structure, subject to early or late payment agreements entered into by the Town and an owner under s. 27 of the D.C.A.

Rental housing and institutional developments will pay D.C.s in 6 equal annual payments commencing at occupancy subject to early or late payment agreements entered into by the Town and an owner under s. 27 of the D.C.A.

Moreover, the D.C. amount for all developments occurring within 18 months of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted after June 6, 2024), shall be determined based on the D.C. in effect on the day the applicable Site Plan or Zoning By-law Amendment application was submitted (as a complete application).

Instalment payments and payments determined at the time of Site Plan or Zoning By-law Amendment application are subject to annual interest charges. The maximum interest rate the Town can impose is the average prime rate plus 1%.



### **7.3.6 The Applicable Areas**

The charges developed herein provide for varying charges within the Town, as follows:

- All Municipal-wide services – the full residential and non-residential charge will be imposed on all lands within the Town; and
- Wastewater– the full residential and non-residential charge will be imposed on the area specific urban service areas of the Town.

### **7.3.7 Indexing**

Indexing of the D.C.s shall be implemented on a mandatory basis annually commencing on January 1, 2025, and each January 1<sup>st</sup> thereafter, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0276-02)<sup>[12]</sup> for the most recent year-over-year period.

## **7.4 Other D.C. By-law Provisions**

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**It is recommended that:**

### **7.4.1 Categories of Services for Reserve Fund and Credit Purposes**

The Town's D.C. collections are currently in 10 separate reserve funds: Administration Studies, Fire Protection, Policing Services, Roads and Related, Parks & Recreation, Library Services, Wastewater Ward 1, Wastewater Ward 2, Wastewater Ward 3, and Wastewater Ward 4.

It is recommended that the Town establish a reserve fund for wastewater services for Ward 2 for industrial service area lands.

Appendix D outlines the reserve fund policies that the Town is required to follow as per the D.C.A.

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[12] O. Reg. 82/98 referenced "The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007" as the index source. Since implementation, Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-law provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.



### **7.4.2 By-law In-force Date**

A by-law under the D.C.A. 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 Charged for Inter-Reserve Fund Borrowing**

The minimum interest rate is what the Bank of Canada rate is on the day the by-law comes into force updated on the first business day of every January, April, July and October (as per section 11 of O. Reg. 82/98).

### **7.4.4 Area Rating**

The D.C.A. required that Council must consider the use of area specific charges:

1. Subsection 2 (9) of the D.C.A. now requires a municipality to implement area-specific D.C.s for either specific services which are prescribed and/or for specific municipalities which are to be regulated (note that at this time, no municipalities or services are prescribed by the regulations).
2. Subsection 10 (2) c.1 of the D.C.A. requires that “the development charges background study shall include consideration of the use of more than one development charge by-law to reflect different needs for services in different areas.”

In regard to the first item, there are no services or specific municipalities identified in the regulations which must be area rated. The second item requires Council to consider the use of area rating.

Currently, the Town’s by-law does provide for area-rating with respect to wastewater. All other Town services are recovered based on a uniform, municipal-wide basis. There have been several reasons why area-rating has not been imposed on these services, including:

1. All Town services, with the exception of water and wastewater, require that the average 15-year service standard be calculated. This average service standard multiplied by growth in the Town, establishes an upper ceiling on the amount of funds that can be collected from all developing landowners. Section 4 (4) of



O. Reg. 82/98 provides that “if a development charge by-law applies to a part of the municipality, the level of service and average level of service cannot exceed that which would be determined if the by-law applied to the whole municipality.” Put in layperson terms, the average service standard multiplied by the growth within the specific area would establish an area-specific ceiling which would significantly reduce the total revenue recoverable for the Town hence potentially resulting in D.C. revenue shortfalls and impacts on property taxes.

2. Expanding on item 1, attempting to impose an area charge potentially causes equity issues in transitioning from a Municipal-wide approach to an area-specific approach. For example, if all services were now built (and funded) within Area A (which is 75% built out) and this was funded with some revenues from Areas B and C, moving to an area-rating approach would see Area A contribute no funds to the costs of services in Areas B and C. The D.C.s would be lower in Area A (as all services are now funded) and higher in Areas B and C. As well, funding shortfalls may then potentially encourage the municipality to provide less services to Areas B and C due to reduced revenue.
3. Many services provided (roads, parks and recreation facilities, etc.) are not restricted to one specific area and are often used by all residents. For example, arenas located in different parts of the Town will be used by residents from all areas depending on the programming of the facility (i.e., a public skate is available each night, but at a different arena; hence usage of any one facility at any given time is based on programming availability).

For the reasons noted above, it is recommended that Council continue the D.C. approach to calculate the charges on an urban area basis for wastewater while all other services be charged on a uniform Municipal-wide basis.



## 7.5 Other Recommendations

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### 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;”

“Continue the D.C. approach to calculate the charges on a uniform Town-wide basis for all services except wastewater;”

“Approve the D.C. approach to calculate the charges on an urban-area basis for wastewater services;”

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated July 26, 2024, subject to further annual review during the capital budget process;”

“Approve the D.C. Background Study dated July 26, 2024;”

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

“Approve the D.C. By-law as set out in Appendix G.



# Chapter 8

## By-law Implementation



## 8. By-law Implementation

### 8.1 Public Consultation Process

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#### **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 8.2 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

#### **8.1.2 Public Meeting of Council**

Section 12 of the D.C.A. indicates that before passing a D.C. 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 Ontario Land Tribunal (OLT) (formerly the Local Planning Appeal Tribunal (LPAT)).

#### **8.1.3 Other Consultation Activity**

There are three broad groupings of the public who are generally the most concerned with municipal D.C. 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 D.C. revenues. Others, such as realtors, are directly impacted by D.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the D.C. and the timing thereof, and municipal policy with respect to development agreements, D.C. 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 municipal D.C. policy. Their primary concern is frequently with the quantum of the charge, G.F.A. 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**

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The establishment of sound D.C. policy often requires the achievement of an acceptable balance between two competing realities. The first is that high non-residential D.C.s 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 D.C.s can ultimately be expected to be recovered via housing prices and can impact project feasibility in some cases (e.g., rental apartments).

On the other hand, D.C.s or other municipal 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

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### 8.3.1 Introduction

Once the Town 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 that follow present an overview of the requirements in each case.

### 8.3.2 Notice of Passage

In accordance with section 13 of the D.C.A., when a D.C. by-law is passed, the Town 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;
- subsection 10 (4) lists the persons/organizations who must be given notice; and
- subsection 10 (5) lists the eight items that the notice must cover.

### 8.3.3 By-law Pamphlet

In addition to the “notice” information, the Town must prepare a “pamphlet” explaining each D.C. by-law in force, setting out:

- a description of the general purpose of the D.C.s;



- 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 D.C.s relate; and
- a 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 OLT, the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

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

### **8.3.4 Appeals**

Sections 13 to 19 of the D.C.A. set out the requirements relative to making and processing a D.C. by-law appeal and OLT hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the OLT by filing a notice of appeal with the Town 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 Town is conducting a public consultation process in order to address the issues that 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 D.C., or his agent, may complain to the Town Council imposing the charge that:

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



Sections 20 to 25 of the D.C.A. set out the requirements that exist, including the fact that a complaint may not be made later than 90 days after a D.C. (or any part of it) is payable. A complainant may appeal the decision of Town Council to the OLT.

### **8.3.6 Credits**

Sections 38 to 41 of the D.C.A. set out a number of credit requirements, which apply where a municipality agrees to allow a person to perform work in the future that relates to a service in the D.C. by-law.

These credits would be used to reduce the amount of D.C.s 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 municipality agrees to expand the credit to other services for which a D.C. is payable.

### **8.3.7 Front-Ending Agreements**

The Town and one or more landowners may enter into a front-ending agreement that provides for the costs of a project that will benefit an area in the Town to which the D.C. 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 D.C.A. (sections 44 to 58) addresses front-ending agreements and removes some of the obstacles to their use which were contained in the *Development Charges Act*, 1989. Accordingly, the Town assesses whether this mechanism is appropriate for its use, as part of funding projects prior to Town funds being available.

### **8.3.8 Severance and Subdivision Agreement Conditions**

Section 59 of the D.C.A. 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 section 51 or section 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 subsection 59 (4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under subsection 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 D.C.s related to the development, at the time the land is transferred.

In this regard, if the municipality in question is a commenting agency, in order to comply with subsection 59 (4) of the D.C.A. it would need to provide to the approval authority information regarding the applicable municipal D.C.s related to the site.

If the Town 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 that can impose a D.C.

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.



# Chapter 9

## Water and Wastewater Charges Under Part XII of the *Municipal Act, 2001*



## 9. Water and Wastewater Charges Under Part XII of the *Municipal Act*, 2001

### 9.1 Background

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The Town of Essex reviewed options to service proposed developments for wastewater in the industrial service area of Ward 2. The growth-related capital costs are to be recovered the D.C. by-law and the non-growth-related costs are to be recovered through charges imposed under the authority of the *Municipal Act* (Part XII).

In addition, there are existing properties in the wastewater service areas that may wish to connect to the Town's wastewater systems. This chapter discusses a capital charge that may be imposed on these existing properties under the authority of the *Municipal Act* (Part XII).

For water services, the Town does not currently utilize D.C.s to recover the cost of growth-related infrastructure. Capital charges are currently imposed under Part XII of the *Municipal Act* for all development, redevelopment, and existing properties that connect into the Town's water systems. As these charges currently apply, no further changes to the current approach for water are included in this report. However, for the industrial service area in Ward 2, capital charges will be utilized to recover the cost of water servicing.

### 9.2 Municipal Act, 2001 (Part XII)

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The Province of Ontario introduced a new Municipal Act which came into force on January 1, 2003. Generally, the new Act was developed to give municipalities broader powers than the former Act. Whereas the old Act sought to vest powers which the municipality could exercise, the new Act seeks to establish broad powers and then provides restrictions for certain matters.

The former Municipal Act gave municipalities the authority to recover costs associated with certain capital facilities, and set out cost recovery mechanisms that could be used:

“221 (2) The Council of a local municipality, in authorizing the construction of sewage works or water works, may by by-law impose a sewer rate or water works rate upon



owners or occupants of land who derive or will or may derive a benefit therefrom sufficient to pay all of such portion of the capital costs of the works as the by-law may specify.”

In applying section 221 (2) of the Municipal Act, “sewage works” and “water works” referred to mains, treatment or storage facilities; thus, the works being constructed and area served could range from a watermain servicing a local street to a complete water system. The former Act set out the methods for calculating the sewage rate or water works rate, which could be any combination of the following methods:

1. A metre frontage rate on the lands that receive an immediate benefit from the work;
2. A metre frontage rate on that lands that receive a deferred benefit from the work;
3. A hectarage rate or rates on any or all of the lands designated under subsection (6), which rates may differ as between lands that will receive an immediate benefit and lands that will receive a deferred benefit;
4. A rate on that portion of the lands designated under subsection (6) that is connected to the sewage works based on the water rates or charges charged or chargeable in respect of such lands;
5. A fixed charge for each parcel of land, comprising the land designated under subsection (6), which is a parcel separately assessed according to the last returned assessment roll; and/or,
6. Any other method that the council considers to be fair.

Some municipalities have used this provision of the *Municipal Act* for extending mains to unserved areas, whereas others have used it to finance an entire system. The key issue in considering the use of this section is whether the infrastructure can be recovered under the D.C.A. In instances when the works service non-growth areas or where works are of a local nature, this section may be used. Part XII of the *Municipal Act* provides the powers for municipalities to impose fees.

### 9.3 Purpose

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As noted above, the Town has already undertaken an assessment of the capital costs associated with water and wastewater infrastructure needed to accommodate development of the industrial service area lands in Ward 2. The non-growth-related

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capital costs are to be recovered through charges imposed under the authority of the Municipal Act (Part XII).

Generally, local works are not included in this review. Local works are most often internal works within a new subdivision, which are required to be installed and funded directly by the developing landowners. Similarly, there may be instances where local sized mains are extended into existing areas, and the municipality will recover these costs via a Local Improvement Charge or a localized *Municipal Act*, 2001, Part XII by-law specific to recover the costs of those works.

## 9.4 Service Area

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The service areas subject to the Part XII by-law are as follows:

- Wastewater
  - Ward 1 – Essex Service Area
  - Ward 2 – McGregor Service Area
  - Ward 3 – Colchester South Service Area
  - Ward 4 – Harrow Service Area
  - Industrial Service Area
- Water
  - Industrial Service Area

Maps for the above noted areas are provided in the draft by-law in Appendix H.

## 9.5 Schedule of Charges

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### 9.5.1 Introduction

The following subsections set out the applicable charges for each of the service areas of the Town. The proposed By-law is provided in Appendix H.

### 9.5.2 Industrial Service Area

#### 9.5.2.1 Wastewater

As noted in Section 5.3.2.3 of this report, the total wastewater capital costs required to service this area is approximately \$2.04 million. These costs have been allocated to the



benefiting properties based on ownership of parcel size for industrial lands. The following table identifies the lands in the industrial service area as well as the capital charges applicable to each property:

**Table 9-1**  
**Part XII Capital Charges Applicable to the Industrial Service Area**  
**Wastewater Services**

Land Parcel	Parcel Size (ha)	Share of Pumping Station and Forcemain	Share of Gravity Sewer (14th)	Share of Gravity Sewer (Pinkerton)	Total	Development Charge	Applicable Capital Charges
0 County Road 8 (North)	1.79	\$ 35,684	\$ 33,961	\$ -	\$ 69,645	\$ 69,645	\$ -
0 County Road 8 (South)	17.16	\$ 341,307	\$ 324,830	\$ -	\$ 666,136	\$ 666,136	\$ -
14028 Pinkerton Sideroad	3.94	\$ 78,423	\$ 74,637	\$ 63,657	\$ 216,717	\$ -	\$ 216,717
14016 Pinkerton Sideroad	6.22	\$ 123,814	\$ 117,836	\$ 100,501	\$ 342,151	\$ -	\$ 342,151
14978 14th Concession	13.53	\$ 269,197	\$ 256,201	\$ 218,510	\$ 743,908	\$ 743,908	\$ -
<b>Total</b>	<b>42.65</b>	<b>\$ 848,424</b>	<b>\$ 807,466</b>	<b>\$ 382,668</b>	<b>\$ 2,038,558</b>	<b>\$ 1,479,690</b>	<b>\$ 558,868</b>

### 9.5.2.2 Water

The Town has undertaken capital costs for water services in the amount of \$148,570. In addition, the Town anticipates capital costs for a watermain on Pinkerton Sideroad and 14<sup>th</sup> Concession in the amount of \$631,930. Similar to the above calculations for wastewater, the costs have been allocated to the benefitting properties based on ownership of parcel size for the industrial lands. The following table identifies the lands in the industrial service area as well as the capital charges applicable to each property:

**Table 9-2**  
**Part XII Capital Charges Applicable to the Industrial Service Area**  
**Water Services**

Land Parcel	Parcel Size (ha)	Proportion al Share of Flow (%)	Applicable Capital Charges
0 County Road 8 (North)	1.79	4.2%	\$ 32,827
0 County Road 8 (South)	17.16	40.2%	\$ 313,982
14028 Pinkerton Sideroad	3.94	9.2%	\$ 72,144
14016 Pinkerton Sideroad	6.22	14.6%	\$ 113,901
14978 14th Concession	13.53	31.7%	\$ 247,645
<b>Total</b>	<b>42.65</b>	<b>100%</b>	<b>\$ 780,499</b>



### **9.5.3 All Other Water and Wastewater Service Areas of the Town**

As noted in Section 9.3, *Municipal Act* capital charges may be imposed on existing properties that are connecting into the water and/or wastewater systems. As identified in Chapters 5 and 6 of this report, new development and redevelopment in the Town shall pay D.C.s for their share of wastewater capital costs. As such, for existing properties that wish to connect to the municipal wastewater systems, an equivalent capital charge will be imposed under Part XII of the *Municipal Act*.

Figure 9-2 provides for a schedule of the applicable charges.



**Figure 9-2  
Part XII Capital Charges Applicable to Wastewater Service Areas**

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
<b>Area Specific Charges - Wastewater</b>						
Ward 1 - Essex Service Area	1,136	749	692	478	389	0.48
Ward 2 - McGregor Service Area	15,144	9,984	9,230	6,372	5,188	1.37
Ward 3 - Colchester South Service Area	7,137	4,705	4,350	3,003	2,445	0.71
Ward 4 - Harrow Service Area	5,207	3,433	3,173	2,191	1,784	2.20



# Appendices



# Appendix A

## Background Information on Residential and Non- Residential Growth Forecast



## Schedule 1 Town of Essex Residential Growth Forecast Summary

Year	Population (Including Census Undercount) <sup>[1]</sup>	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings <sup>[2]</sup>	Apartments <sup>[3]</sup>	Other	Total Households	Equivalent Institutional Households		
Historical	Mid 2011	20,240	19,600	400	19,200	6,708	335	374	376	7,793	364	2.515
	Mid 2016	21,100	20,427	852	19,575	6,830	365	455	440	8,090	775	2.525
	Mid 2021	21,910	21,216	551	20,665	7,150	370	440	420	8,380	501	2.532
Forecast	Mid 2024	23,090	22,354	579	21,775	7,364	481	464	420	8,729	526	2.561
	Mid 2034	25,760	24,945	685	24,260	7,916	579	677	420	9,592	623	2.601
	Buildout <sup>[4]</sup>	34,349	33,258	809	32,449	10,533	904	1,000	420	12,857	735	2.587
Incremental	Mid 2011 - Mid 2016	860	827	452	375	122	30	81	64	297	411	
	Mid 2016 - Mid 2021	810	789	-301	1,090	320	5	-15	-20	290	-274	
	Mid 2021 - Mid 2024	1,180	1,138	28	1,110	214	111	24	0	349	25	
	Mid 2024 - Mid 2034	2,670	2,591	106	2,485	552	98	213	0	863	97	
	Mid 2024 - Buildout	11,259	10,904	230	10,674	3,169	423	536	0	4,128	209	

[1] Population includes the Census undercount estimated at approximately 3.3% and has been rounded.

[2] Includes townhouses and apartments in duplexes.

[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

[4] Buildout reflects the water and/or wastewater servicing capacity of the urban development areas.

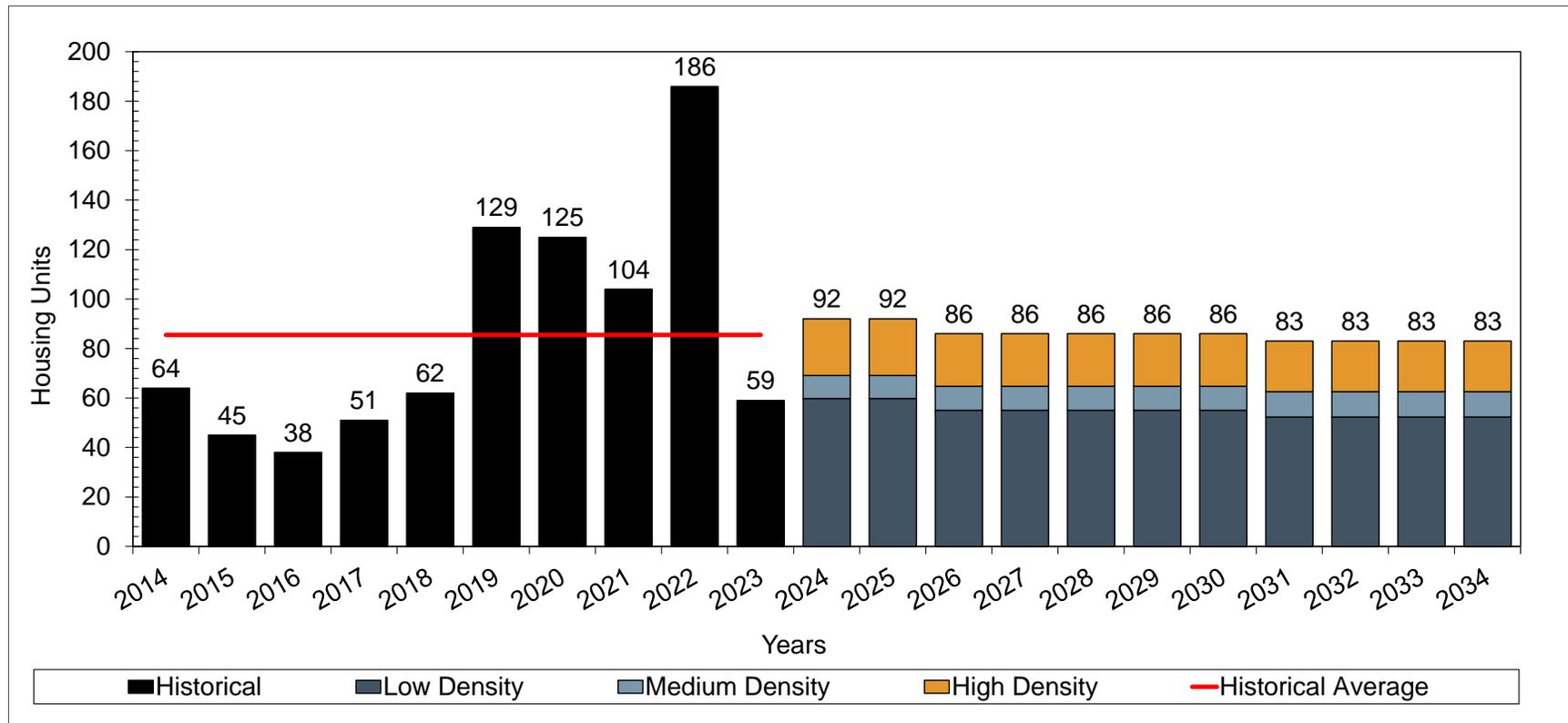
**Notes:**

Numbers may not add due to rounding.

Source: Derived from Growth Analysis Report for Essex County, October 2022, Watson & Associates Economists Ltd., and discussions with Town of Essex staff regarding water and/or wastewater servicing capacity by Watson & Associates Economists Ltd.



Figure 1  
Town of Essex  
Annual Housing Forecast [1]



[1] Growth forecast represents calendar year.

Source: Historical housing activity derived from Town of Essex building permit data, 2014 to 2023.



**Schedule 2**  
**Town of Essex**  
**Estimate of the Anticipated Amount, Type and Location of**  
**Residential Development for Which Development Charges can be Imposed**

Development Location	Timing	Single & Semi-Detached	Multiples <sup>[1]</sup>	Apartments <sup>[2]</sup>	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Essex	2024 - 2034	206	98	97	401	1,044	46	1,090	75	1,165
	2024 - Buildout	888	423	420	1,731	4,508	-532	3,977	160	4,137
McGregor	2024 - 2034	27	0	116	143	297	9	305	8	313
	2024 - Buildout	230	0	116	346	949	-99	850	17	866
Colchester	2024 - 2034	125	0	0	125	401	13	414	12	426
	2024 - Buildout	1,490	0	0	1,490	4,785	-151	4,634	25	4,660
Harrow	2024 - 2034	44	0	0	44	141	14	156	13	168
	2024 - Buildout	145	0	0	145	466	-165	300	28	328
Rural	2024 - 2034	150	0	0	150	482	36	518	0	518
	2024 - Buildout	416	0	0	416	1,336	-423	913	0	913
Town of Essex	2024 - 2034	552	98	213	863	2,366	118	2,484	107	2,591
	2024 - Buildout	3,169	423	536	4,128	12,044	-1,370	10,674	230	10,904

<sup>[1]</sup> Includes townhouses and apartments in duplexes.

<sup>[2]</sup> Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Note: Figures have been rounded and may not add up precisely.

Source: Watson & Associates Economists Ltd.



Schedule 3  
Town of Essex  
Current Year Growth Forecast  
Mid-2021 to Mid-2024

		Population
Mid 2021 Population		21,216
Occupants of New Housing Units, Mid 2021 to Mid 2024	<i>Units (2)</i>	349
	<i>multiplied by P.P.U. (3)</i>	2,633
	<i>gross population increase</i>	919
Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2024	<i>Units</i>	25
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	27
Decline in Housing Unit Occupancy, Mid 2021 to Mid 2024	<i>Units (4)</i>	8,380
	<i>multiplied by P.P.U. decline rate (5)</i>	0.023
	<i>total decline in population</i>	192
Population Estimate to Mid 2024		22,354
<i>Net Population Increase, Mid 2021 to Mid 2024</i>		1,138

- (1) 2021 population based on Statistics Canada Census unadjusted for Census undercount.  
 (2) Estimated residential units constructed, Mid-2021 to the beginning of the growth period assuming a six-month lag between construction and occupancy.  
 (3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>[1]</sup> (P.P.U.)	% Distribution of Estimated Units <sup>[2]</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.017	61%	1.850
<i>Multiples (6)</i>	2.088	32%	0.664
<i>Apartments (7)</i>	1.730	7%	0.119
<b>Total</b>		100%	2.633

<sup>[1]</sup> Based on 2021 Census custom database

<sup>[2]</sup> Based on Building permit/completion activity

- (4) 2021 households taken from Statistics Canada Census.  
 (5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.  
 (6) Includes townhouses and apartments in duplexes.  
 (7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 4  
Town of Essex  
10-Year Growth Forecast  
Mid-2024 to Mid-2034

		Population
Mid 2024 Population		22,354
Occupants of New Housing Units, Mid 2024 to Mid 2034	<i>Units (2)</i>	863
	<i>multiplied by P.P.U. (3)</i>	2,741
	<i>gross population increase</i>	2,366
Occupants of New Equivalent Institutional Units, Mid 2024 to Mid 2034	<i>Units</i>	97
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	107
Decline in Housing Unit Occupancy, Mid 2024 to Mid 2034	<i>Units (4)</i>	8,729
	<i>multiplied by P.P.U. decline rate (5)</i>	0.014
	<i>total decline in population</i>	118
Population Estimate to Mid 2034		24,945
<i>Net Population Increase, Mid 2024 to Mid 2034</i>		<i>2,591</i>

(1) Mid 2024 Population based on:

2021 Population (21,216) + Mid 2021 to Mid 2024 estimated housing units to beginning of forecast period (349 x 2.633 = 919) + (25 x 1.1 = 27) + (8,380 x 0.023 = 192) = 22,354

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>(1)</sup> (P.P.U.)	% Distribution of Estimated Units <sup>(2)</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.211	64%	2.053
<i>Multiples (6)</i>	2.117	11%	0.241
<i>Apartments (7)</i>	1.811	25%	0.448
	<i>one bedroom or less</i> 1.351		
<i>two bedrooms or more</i> 1.957			
<b>Total</b>		100%	2.741

<sup>(1)</sup> Persons per unit based on adjusted Statistics Canada Custom 2021 Census database.

<sup>(2)</sup> Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2024 households based upon 2021 Census (8,380 units) + Mid 2021 to Mid 2024 unit estimate (349 units) = 8,729 units.

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 5  
Town of Essex  
Long-Term Growth Forecast  
Mid-2024 to Buildout

		Population
Mid 2024 Population		22,354
Occupants of New Housing Units, Mid 2024 to Buildout	<i>Units (2)</i>	4,128
	<i>multiplied by P.P.U. (3)</i>	2,917
	<i>gross population increase</i>	12,044
Occupants of New Equivalent Institutional Units, Mid 2024 to Buildout	<i>Units</i>	209
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	230
Decline in Housing Unit Occupancy, Mid 2024 to Buildout	<i>Units (4)</i>	8,729
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.157
	<i>total decline in population</i>	-1,370
Population Estimate to Buildout		33,258
<i>Net Population Increase, Mid 2024 to Buildout</i>		<i>10,904</i>

(1) Mid 2024 Population based on:

2021 Population (21,216) + Mid 2021 to Mid 2024 estimated housing units to beginning of forecast period (349 x 2.633 = 919) + (25 x 1.1 = 27) + (8,380 x 0.023 = 192) = 22,354

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>[1]</sup> (P.P.U.)	% Distribution of Estimated Units <sup>[2]</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.211	77%	2.465
<i>Multiples (6)</i>	2.117	10%	0.217
<i>Apartments (7)</i>	1.811	13%	0.235
<i>one bedroom or less</i>	1.351		
<i>two bedrooms or more</i>	1.957		
<b>Total</b>		100%	2.917

<sup>[1]</sup> Persons per unit based on Statistics Canada Custom 2021 Census database.

<sup>[2]</sup> Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2024 households based upon 2021 Census (8,380 units) + Mid 2021 to Mid 2024 unit estimate (349 units) = 8,729 units.

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 6  
Town of Essex  
Historical Residential Building Permits  
Years 2014 to 2023

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples <sup>[1]</sup>	Apartments <sup>[2]</sup>	Total
2014	50	14	0	64
2015	34	11	0	45
2016	31	7	0	38
2017	45	6	0	51
2018	30	32	0	62
Sub-total	190	70	0	260
<b>Average (2014 - 2018)</b>	<b>38</b>	<b>14</b>	<b>0</b>	<b>52</b>
% Breakdown	73.1%	26.9%	0.0%	100.0%
2019	69	3	57	129
2020	125	0	0	125
2021	82	8	14	104
2022	80	103	3	186
2023	52	0	7	59
Sub-total	408	114	81	603
<b>Average (2019 - 2023)</b>	<b>82</b>	<b>23</b>	<b>16</b>	<b>121</b>
% Breakdown	67.7%	18.9%	13.4%	100.0%
2014 - 2023				
Total	598	184	81	863
<b>Average</b>	<b>60</b>	<b>18</b>	<b>8</b>	<b>86</b>
% Breakdown	69.3%	21.3%	9.4%	100.0%

<sup>[1]</sup> Includes townhouses and apartments in duplexes.

<sup>[2]</sup> Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Historical housing activity derived from Town of Essex building permit data summarized by Watson & Associates Economists Ltd.



Schedule 7a  
Town of Essex  
Person Per Unit by Age and Type of Dwelling  
(2021 Census)

Age of Dwelling	Singles and Semi-Detached						25 Year Average	25 Year Average Adjusted <sup>[1]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	2.067	3.108	-	3.017		
6-10	-	-	-	3.034	-	3.512		
11-15	-	-	-	3.179	-	3.359		
16-20	-	-	2.267	3.000	-	3.000		
20-25	-	-	1.846	3.083	-	2.972	3.172	3.211
25-35	-	-	2.091	2.714	-	2.811		
35+	-	1.600	1.807	2.562	3.745	2.417		
<b>Total</b>	-	<b>1.813</b>	<b>1.867</b>	<b>2.690</b>	<b>4.175</b>	<b>2.597</b>		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	1.962	3.077	-	2.757
6-10	-	-	-	3.034	-	3.400
11-15	-	-	-	3.032	-	3.089
16-20	-	-	2.100	2.909	-	2.871
20-25	-	-	1.875	3.023	-	2.964
25-35	-	-	2.167	2.718	-	2.787
35+	-	1.330	1.732	2.540	3.702	2.292
<b>Total</b>	-	<b>1.364</b>	<b>1.785</b>	<b>2.658</b>	<b>4.142</b>	<b>2.465</b>

<sup>[1]</sup> Adjusted based on historical trends.

Note: Does not include Statistics Canada data classified as "Other."

P.P.U. Not calculated for samples less than or equal to 50 dwelling units and does not include institutional population.



Schedule 7b  
Essex County  
Person Per Unit by Age and Type of Dwelling  
(2021 Census)

Age of Dwelling	Multiples <sup>[1]</sup>						25 Year Average	25 Year Average Adjusted <sup>[3]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.843	2.520	-	2.088		
6-10	-	-	1.787	2.353	-	2.051		
11-15	-	-	1.779	2.520	-	2.128		
16-20	-	-	1.693	2.458	-	2.105		
20-25	-	1.500	1.804	2.423	-	2.101	2.095	2.117
25-35	-	-	2.016	3.060	-	2.578		
35+	1.121	1.377	1.883	2.969	3.632	2.351		
<b>Total</b>	<b>1.333</b>	<b>1.366</b>	<b>1.850</b>	<b>2.817</b>	<b>3.556</b>	<b>2.285</b>		

Age of Dwelling	Apartments <sup>[2]</sup>						25 Year Average	25 Year Average Adjusted <sup>[3]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.410	1.772	3.273	-	1.730		
6-10	-	-	1.933	-	-	1.875		
11-15	-	1.667	1.933	2.750	-	1.992		
16-20	-	1.261	1.807	3.625	-	1.836		
20-25	-	1.416	1.676	2.905	-	1.684	1.823	1.811
25-35	-	1.226	1.815	3.476	-	1.660		
35+	1.112	1.211	1.796	2.757	-	1.512		
<b>Total</b>	<b>1.091</b>	<b>1.226</b>	<b>1.794</b>	<b>2.877</b>	<b>-</b>	<b>1.563</b>		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.516	1.914	3.225	4.465	2.927
6-10	-	1.667	1.959	3.225	4.707	3.218
11-15	-	1.625	1.931	3.170	4.443	3.023
16-20	-	1.700	1.882	3.187	4.401	3.031
20-25	-	1.537	1.812	3.025	4.257	2.874
25-35	-	1.279	2.007	2.949	3.852	2.737
35+	1.288	1.269	1.818	2.646	3.843	2.304
<b>Total</b>	<b>1.397</b>	<b>1.300</b>	<b>1.842</b>	<b>2.803</b>	<b>4.140</b>	<b>2.508</b>

[1] Includes townhouses and apartments in duplexes.

[2] Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

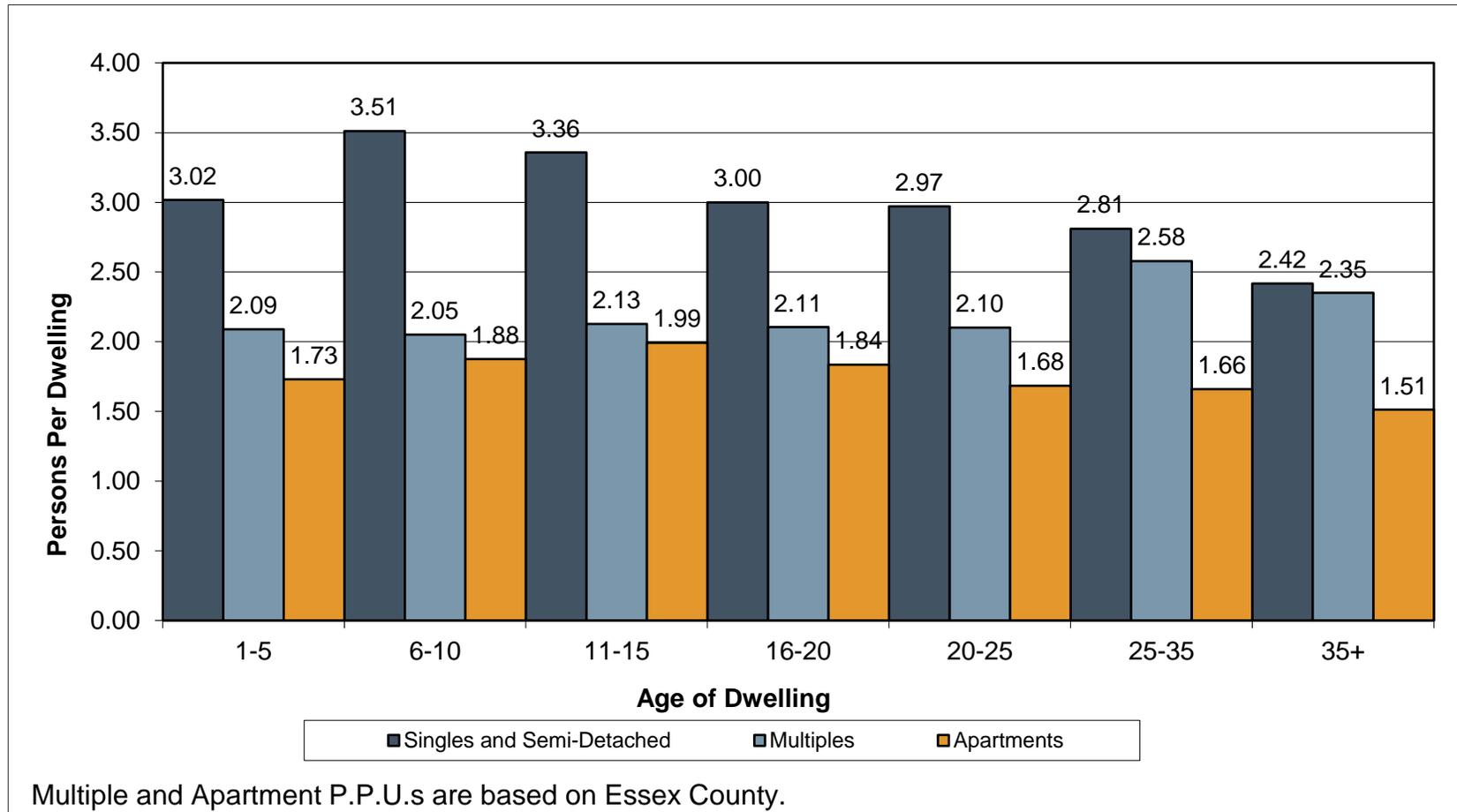
[3] Adjusted based on historical trends.

Note: Does not include Statistics Canada data classified as "Other."

P.P.U. Not calculated for samples less than or equal to 50 dwelling units and does not include institutional population.



Schedule 8  
Town of Essex  
Person Per Unit Structural Type and Age of Dwelling  
(2021 Census)





## Schedule 9a Town of Essex Employment Forecast, 2024 to Buildout

Period	Population	Activity Rate								Employment								Employment Total (Excluding Work at Home and N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. <sup>[1]</sup>	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. <sup>[1]</sup>	Total Employment (Including N.F.P.O.W.)	
Mid 2011	19,600	0.004	0.028	0.079	0.104	0.073	0.289	0.031	0.319	70	550	1,555	2,045	1,435	5,655	607	6,262	5,105
Mid 2016	20,427	0.007	0.026	0.063	0.113	0.069	0.278	0.048	0.326	135	525	1,290	2,315	1,405	5,670	980	6,650	5,145
Mid 2024	22,354	0.006	0.029	0.064	0.118	0.072	0.289	0.048	0.338	130	639	1,440	2,646	1,614	6,468	1,077	7,545	5,830
Mid 2034	24,945	0.021	0.030	0.077	0.121	0.071	0.320	0.049	0.369	515	748	1,921	3,021	1,771	7,976	1,217	9,193	7,228
Buildout	33,258	0.032	0.030	0.061	0.141	0.076	0.340	0.049	0.389	1,050	998	2,041	4,680	2,539	11,308	1,623	12,931	10,310
<b>Incremental Change</b>																		
Mid 2011 - Mid 2016	827	0.003	-0.002	-0.016	0.009	-0.004	-0.011	0.017	0.006	65	-25	-265	270	-30	15	373	388	40
Mid 2016 - Mid 2021	789	0.000	0.033	-0.004	-0.025	-0.016	-0.013	0.000	-0.012	0	710	-38	-433	-290	-50	42	-8	-760
Mid 2016 - Mid 2024	1,927	-0.001	0.003	0.001	0.005	0.003	0.012	0.000	0.012	-5	114	150	331	209	798	97	895	685
Mid 2024 - Mid 2034	2,591	0.015	0.001	0.013	0.003	-0.001	0.030	0.001	0.031	385	109	481	375	157	1,508	140	1,648	1,398
Mid 2024 - Buildout	10,904	0.0258	0.0014	-0.0031	0.0223	0.0041	0.0506	0.0006	0.0513	920	359	601	2,034	925	4,839	546	5,385	4,480
<b>Annual Average</b>																		
Mid 2011 - Mid 2016	165	0.001	0.000	-0.003	0.002	-0.001	-0.002	0.003	0.001	13	-5	-53	54	-6	3	75	78	8
Mid 2016 - Mid 2024	241	0.000	0.000	0.000	0.001	0.000	0.001	0.000	0.001	-1	14	19	41	26	100	12	112	86
Mid 2024 - Mid 2034	259	0.001	0.000	0.001	0.000	0.000	0.003	0.000	0.003	39	11	48	38	16	151	14	165	140

[1] Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

Note: Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021 to June 14, 2021.

Source: Derived from Northumberland County Municipal Comprehensive Review - Long-term Growth Forecast and Urban Land Needs Analysis by Watson & Associates Economists Ltd.



Schedule 9b  
Town of Essex  
Employment and Gross Floor Area (G.F.A.) Forecast, 2024 to Buildout

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) <sup>[1]</sup>				
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Primary <sup>[2]</sup>	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2011	19,600	70	1,555	2,045	1,435	5,105					
Mid 2016	20,427	135	1,290	2,315	1,405	5,145					
Mid 2024	22,354	130	1,440	2,646	1,614	5,830					
Mid 2034	24,945	515	1,921	3,021	1,771	7,228					
Buildout	33,258	1,050	2,041	4,680	2,539	10,310					
<b>Incremental Change</b>											
Mid 2011 - Mid 2016	827	65	-265	270	-30	40					
Mid 2016 - Mid 2024	1,927	-5	150	331	209	685					
Mid 2024 - Mid 2034	2,591	385	481	375	157	1,398	7,700,000	601,300	187,600	109,900	8,598,800
Mid 2024 - Buildout	10,904	920	601	2,034	925	4,480	18,400,000	751,300	1,016,900	647,400	20,815,600
<b>Annual Average</b>											
Mid 2006 - Mid 2011	0	0	-13	-13	0	-26					
Mid 2011 - Mid 2016	165	13	-53	54	-6	8					
Mid 2016 - Mid 2024	241	-1	19	41	26	86					
Mid 2024 - Mid 2034	259	39	48	38	16	140	770,000	60,130	18,760	10,990	859,880

<sup>[1]</sup> Square Foot Per Employee Assumptions

Primary	20,000
Industrial	1,500
Commercial/Population-Related	500
Institutional	700

Note: Numbers may not add up precisely due to rounding.  
Source: Watson & Associates Economists Ltd.



Schedule 9c  
Town of Essex  
Estimate of the Anticipated Amount, Type and Location of  
Non-Residential Development for Which Development Charges Can Be Imposed

Development Location	Timing	Primary		Industrial		Commercial		Institutional		Total Non-Residential		Employment Increase <sup>[3]</sup>
		G.F.A.	S.F. <sup>[1],[2]</sup>	G.F.A.	S.F. <sup>[1]</sup>	G.F.A.	S.F. <sup>[1]</sup>	G.F.A.	S.F. <sup>[1]</sup>	G.F.A.	S.F.	
Essex	2024 - 2034	-	-	158,800	-	75,000	-	72,100	-	305,900	-	380
	2024 - Buildout	-	-	461,300	-	184,000	-	212,800	-	858,100	-	1,041
Industrial Service Area <sup>[4]</sup>	2024 - 2034	-	-	213,800	-	9,500	-	-	-	223,300	-	190
	2024 - Buildout	-	-	788,800	-	35,000	-	-	-	823,800	-	701
McGregor <sup>[5]</sup>	2024 - 2034	-	120,000	-	-	22,500	-	7,700	-	150,200	-	62
	2024 - Buildout	-	1,020,000	-	-	62,000	-	86,800	-	1,168,800	-	299
Colchester	2024 - 2034	-	400,000	-	90,000	31,000	-	11,200	-	532,200	-	170
	2024 - Buildout	-	4,720,000	-	108,800	593,000	-	214,200	-	5,636,000	-	1,815
Harrow	2024 - 2034	-	-	126,300	-	12,000	-	13,300	-	151,600	-	144
	2024 - Buildout	-	-	158,800	-	111,900	-	124,000	-	394,700	-	528
Rural	2024 - 2034	-	7,180,000	-	12,500	37,500	-	5,600	-	7,235,600	-	452
	2024 - Buildout	-	12,660,000	-	22,500	66,000	-	9,800	-	12,758,300	-	797
Town of Essex	2024 - 2034	-	7,700,000	-	601,300	187,600	-	109,900	-	8,598,800	-	1,398
	2024 - Buildout <sup>[6]</sup>	-	18,400,000	-	1,540,200	1,051,900	-	647,600	-	21,639,700	-	5,181

<sup>[1]</sup> Square Foot Per Employee Assumptions

Primary	20,000
Industrial	1,500
Commercial/Population-Related	500
Institutional	700

<sup>[2]</sup> Primary industries include greenhouse operations.

<sup>[3]</sup> Employment increase does not include No Fixed Place of Work.

<sup>[4]</sup> Buildout refers to the water and/or wastewater servicing capacity of the urban development areas.

Note: Numbers may not add up precisely due to rounding.

Source: Watson & Associates Economists Ltd.



Schedule 11  
Town of Essex  
Employment Categories by Major Employment Sector

NAICS	Employment by industry	Comments
	<b><u>Primary Industry Employment</u></b>	
11	<i>Agriculture, forestry, fishing and hunting</i>	Categories which relate to local land-based resources
21	<i>Mining and oil and gas extraction</i>	
	<b><u>Industrial and Other Employment</u></b>	
22	<i>Utilities</i>	Categories which relate primarily to industrial land supply and demand
23	<i>Construction</i>	
31-33	<i>Manufacturing</i>	
41	<i>Wholesale trade</i>	
48-49	<i>Transportation and warehousing</i>	
56	<i>Administrative and support</i>	
	<b><u>Population Related Employment</u></b>	
44-45	<i>Retail trade</i>	Categories which relate primarily to population growth within the municipality
51	<i>Information and cultural industries</i>	
52	<i>Finance and insurance</i>	
53	<i>Real estate and rental and leasing</i>	
54	<i>Professional, scientific and technical services</i>	
55	<i>Management of companies and enterprises</i>	
56	<i>Administrative and support</i>	
71	<i>Arts, entertainment and recreation</i>	
72	<i>Accommodation and food services</i>	
81	<i>Other services (except public administration)</i>	
	<b><u>Institutional</u></b>	
61	<i>Educational services</i>	
62	<i>Health care and social assistance</i>	
91	<i>Public administration</i>	

Note: Employment is classified by North American Industry Classification System (NAICS) Code.

Source: Watson & Associates Economists Ltd.



# Appendix B

## Level of Service



## Appendix B: Level of Service

SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED							
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	\$12,382.53	0.0812	km of roadways	152,494	per km	32,083,135
	Public Works - Facilities	\$387.22	1.1862	sq.ft. of building area	326	per sq.ft.	1,003,287
	Public Works - Vehicles & Equipment	\$362.58	0.0026	No. of vehicles and equipment	139,454	per vehicle	939,445
Fire Protection	Fire Protection Services - Facilities	\$495.41	0.6623	sq.ft. of building area	748	per sq.ft.	1,283,607
	Fire Protection Services - Vehicles & Equipment	\$560.66	0.0007	No. of vehicles	800,943	per vehicle	1,452,670
	Fire Protection Services - Small Equipment and Gear	\$96.72	0.0161	No. of equipment and gear	6,007	per item	250,602
Policing Services	Policing Services - Facilities	\$589.29	0.7521	sq.ft. of building area	784	per sq.ft.	1,526,850
	Policing Services - Vehicles & Equipment	\$32.81	0.0034	No. of vehicles and equipment	9,650	per vehicle	85,011
Parks & Recreation	Parkland Development	\$808.49	0.0084	Acres of Parkland	96,249	per acre	2,094,798
	Parkland Amenities	\$954.67	0.0069	No. of parkland amenities	138,358	per amenity	2,473,550
	Recreation Facilities	\$6,511.83	9.5427	sq.ft. of building area	682	per sq.ft.	16,872,152
	Parks & Recreation Vehicles and Equipment	\$124.67	0.0033	No. of vehicles and equipment	37,779	per vehicle	323,020
Library	Library Services - Facilities	\$391.45	0.6294	sq.ft. of building area	622	per sq.ft.	1,014,247
Provincial Offences Act including By-law Enforcement	POA - Facilities	\$38.01	0.0757	sq.ft. of building area	502	per sq.ft.	98,484
	POA - Vehicles & Equipment	\$3.21	0.0000	No. of vehicles and equipment	80,250	per vehicle	8,317



**Town of Essex  
Service Standard Calculation Sheet**

Service: Fire Protection Services - Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.	
Station 1 (Essex)	4,294	4,294	4,294	4,294	4,294	7,729	7,729	7,729	7,729	7,729	7,729	7,729	7,729	7,729	7,729	\$650	\$757	
Station 2 (Gesto)	3,240	3,240	3,240	3,240	3,240	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	8,800	\$650	\$757
Station 3 (Harrow)	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	\$650	\$757	
Emergency Operations Centre	600	600	600	600	600	-	-	-	-	-	-	-	-	-	-	\$143	\$171	
<b>Total</b>	<b>11,874</b>	<b>11,874</b>	<b>11,874</b>	<b>11,874</b>	<b>11,874</b>	<b>13,807</b>	<b>20,269</b>											

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.60	0.60	0.61	0.60	0.60	0.69	0.68	0.68	0.67	0.67	0.67	0.66	0.65	0.64	0.92

15 Year Average	2009 to 2023
Quantity Standard	0.66
Quality Standard	\$748
Service Standard	\$495

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$495
Eligible Amount	\$1,283,607



**Town of Essex  
Service Standard Calculation Sheet**

Service: Fire Protection Services - Vehicles & Equipment  
Unit Measure: No. of vehicles

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Chief Vehicle	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$80,000
Deputy Vehicle	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$90,000
Asst. Deputy Chief Vehicle	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$80,000
Tanker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$786,000
Tanker / Pumper	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-	\$562,000
Engine	5	5	5	5	5	5	5	5	5	5	5	4	4	4	4	\$976,000
Rescue	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$540,000
Platform Truck	1	1	2	2	2	2	2	2	2	2	2	2	1	1	1	\$2,400,000
Squad	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$130,000
Support Vehicle	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$130,000
<b>Total</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>13</b>	<b>13</b>								

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.0007	0.0007	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0007	0.0006	0.0006	0.0006

15 Year Average	2009 to 2023
Quantity Standard	0.0007
Quality Standard	\$800,943
Service Standard	\$561

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$561
Eligible Amount	\$1,452,670



**Town of Essex  
Service Standard Calculation Sheet**

Service: Fire Protection Services - Small Equipment and Gear  
Unit Measure: No. of equipment and gear

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Equipped Firefighters (P/T)	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	\$6,700
Equipped Firefighters (F/T)	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3	\$7,600
Equipped Firefighters (Auxiliary)	15	15	15	15	15	15	15	15	15	-	-	-	-	-	-	\$3,300
Radio's and Base Station's	35	35	35	35	35	35	50	50	50	50	50	50	50	50	50	\$3,300
Portable Generators	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	\$3,300
Portable Pumps	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$3,700
SCBA	46	49	52	55	58	58	53	53	53	53	53	53	53	53	53	\$10,000
SCBA Masks	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75	\$600
Jaws & Cutters	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$35,000
Air Bag Kit	5	5	5	5	5	5	3	3	3	3	3	3	3	3	3	\$14,400
Defibrillators	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$6,300
Generators Back-Up	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	\$18,300
Thermal Imaging Camera	3	3	3	3	3	4	4	4	5	5	5	5	5	5	5	\$4,500
SCBA Filling Station	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$65,000
Compressors	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	\$19,700
Extrication Tool - Ram	-	-	-	-	-	2	2	2	2	2	2	2	2	2	2	\$16,000
Hose	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$253,700
Hurst Rescue Tool	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$6,400
Low Pressure Fog Nozzle	3	20	20	20	20	20	20	20	20	20	20	20	20	20	20	\$2,000
Max-Force Nozzle	3	20	20	20	20	20	20	20	20	20	20	20	20	20	20	\$1,600
RIT 2	-	-	1	1	1	1	3	3	3	3	3	3	3	3	3	\$2,000
RIT Bags	-	-	1	1	1	1	3	3	3	3	3	3	3	3	3	\$5,000
Trailer - Pub/Ed Ice/Water rescue	-	-	-	-	-	-	-	-	-	-	-	1	1	1	1	\$7,100
RDC- Craft	-	-	-	-	-	-	-	-	-	-	-	1	1	1	1	\$6,400
RDC- Craft	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$6,400
Dry Suits	-	-	-	-	-	-	-	-	-	4	6	8	10	10	10	\$2,100
Ice Suits	-	-	-	-	-	-	-	-	-	2	2	2	2	2	2	\$2,300
<b>Total</b>	<b>276</b>	<b>313</b>	<b>318</b>	<b>321</b>	<b>325</b>	<b>328</b>	<b>342</b>	<b>342</b>	<b>343</b>	<b>334</b>	<b>336</b>	<b>340</b>	<b>342</b>	<b>343</b>	<b>343</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02

15 Year Average	2009 to 2023
Quantity Standard	0.02
Quality Standard	\$6,007
Service Standard	\$97

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$97
Eligible Amount	\$250,602



**Town of Essex  
Service Standard Calculation Sheet**

Service: Services Related to a Highway - Roads  
Unit Measure: km of roadways

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/km)
High Class Bituminous (Ashphalt)	68	68	68	68	68	68	68	68	68	68	68	68	68	68	70	\$2,458,800
Low Class Bituminous (Tar & Chip)	181	181	181	186	191	197	197	199	201	206	206	206	206	206	209	\$337,500
Gravel	68	68	68	63	57	51	51	49	46	42	42	42	42	42	39	\$181,300
Streetlights	1,283	1,308	1,310	1,330	1,334	1,338	1,343	1,355	1,364	1,366	1,366	1,366	1,366	1,366	1,366	\$7,000
<b>Total</b>	<b>1,599</b>	<b>1,624</b>	<b>1,626</b>	<b>1,646</b>	<b>1,650</b>	<b>1,654</b>	<b>1,659</b>	<b>1,671</b>	<b>1,680</b>	<b>1,682</b>	<b>1,682</b>	<b>1,682</b>	<b>1,682</b>	<b>1,682</b>	<b>1,684</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.081	0.082	0.083	0.084	0.083	0.083	0.082	0.082	0.082	0.082	0.081	0.081	0.079	0.078	0.076

15 Year Average	2009 to 2023
Quantity Standard	0.081
Quality Standard	\$152,494
Service Standard	\$12,383

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$12,383
Eligible Amount	\$32,083,135



**Town of Essex  
Service Standard Calculation Sheet**

Class of Service: Public Works - Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Ferris Public Works Yard Shop/Garage	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	12,032	\$450	\$502
Ferris Road Shop #2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,750	\$116
Ferris Road Storage Building #1	479	479	479	479	479	957	957	957	957	957	957	957	957	957	957	\$80	\$94
Ferris Road Storage Building #2	800	800	800	800	800	800	800	800	800	800	800	800	800	-	-	\$80	\$94
Ferris Road Salt Shed	1,800	1,800	1,800	1,800	1,800	1,800	1,800	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	\$139	\$159
North Malden Road Salt Shed	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	\$139	\$159
North Malden Road PW Satellite Yard	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$150	\$171
<b>Total</b>	<b>20,811</b>	<b>20,811</b>	<b>20,811</b>	<b>20,811</b>	<b>20,811</b>	<b>21,289</b>	<b>21,289</b>	<b>26,689</b>	<b>26,689</b>	<b>26,689</b>	<b>26,689</b>	<b>26,689</b>	<b>26,689</b>	<b>25,889</b>	<b>32,639</b>		

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	1.05	1.06	1.06	1.06	1.05	1.06	1.05	1.31	1.30	1.30	1.29	1.28	1.26	1.20	1.48

15 Year Average	2009 to 2023
Quantity Standard	1,1862
Quality Standard	\$326
Service Standard	\$387

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$387
Eligible Amount	\$1,003,287



**Town of Essex  
Service Standard Calculation Sheet**

Class of Service: Public Works - Vehicles & Equipment  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
<b>Vehicles:</b>																
Pick-Up Truck	4	3	3	3	4	4	4	5	5	5	5	5	5	5	5	\$75,000
2-Ton Truck	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	\$158,700
3-Ton Truck	1	1	1	2	2	2	2	2	2	1	1	1	1	1	1	\$388,800
5-Ton Truck	6	6	6	6	6	6	6	6	6	4	4	4	4	4	4	\$388,800
15-Ton Truck	4	3	3	4	4	4	5	4	4	4	4	4	4	4	4	\$450,000
15-Ton Truck Plow	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$86,100
<b>Machinery:</b>																
Backhoe Loader [Asset ID 2742]	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	\$64,600
Tractor Loader 4x4 [Asset ID 2743]	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	\$496,000
Sweeper [Asset ID 2744]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$64,300
Grader [Asset ID 2745]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$464,600
Cat Backhoe [Asset ID 2771]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$180,100
Case Tractor [Asset ID 2772]	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	\$21,300
Champion Grader [Asset ID 2774]	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$464,600
Kubota Tractor [Asset ID 2776]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$121,500
Sweeper [Asset ID 2789]	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	\$437,400
																\$0
<b>Equipment:</b>																
2500 Gallon Tank (2)	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$7,700
Air Compressor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$9,000
Air Conditioner	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$6,600
Air Conditioning Tester [Asset ID 2752]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$8,600
Mig Welder [Asset ID 2753]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,400
Power Washer [Asset ID 2754]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$3,400
Sewer Roder [Asset ID 2769]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$107,200
Confined Space Equipment [Asset ID 2797]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$14,300
Trailer [Asset ID 2798]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,900
Cargo Trailer	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$12,900
Head Light Aligner [Asset ID 15501]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,300
AVL Guidance System [Asset ID 23266]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$6,600
Toro Riding Mower [Asset ID 24253]	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$4,600



**Town of Essex  
Service Standard Calculation Sheet**

Class of Service: Public Works - Vehicles & Equipment  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Kubota Z726X Lawn Mower	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$14,700
Land Pride Mower RC5610	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$29,400
John Deere Backhoe [Asset ID 24680]	-	-	-	-	-	1	1	1	1	1	1	1	1	1	1	\$183,000
Freightliner Street Sweeper [Asset ID 24704]	-	-	-	-	-	1	1	1	1	1	1	1	1	1	1	\$380,300
15 Ton Freightliner Plow	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$400,300
Plow Blade	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$34,300
Kubota Tractor [24948]	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$94,300
Portable Column Lift	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$80,100
Road Widener Box	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$65,800
Hot Water Power Washer [Asset ID 25297]	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$21,400
Angle Broom for Sweeper	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$10,000
Flex Wing Mower	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$27,200
Mobile Drafting Table	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$14,300
Battery Charger	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$8,100
Unit Heaters (2)	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$10,900
Bush Hog [Asset IDs 2777, 2778, 2779]	3	3	2	2	2	2	2	1	1	1	1	1	1	1	1	\$7,900
Cool Tech Unit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$43,500
Cutting/Pruning Saw [Asset ID 15498]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$9,100
Generator	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$4,900
Diesel Back-up Generator [Asset ID 2759]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$41,500
GPS Units	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$5,100
Hot Water Power Washer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,900
Traffic Counters	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$19,700
Vermeer Wood Chipper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$114,400
<b>Total</b>	<b>53</b>	<b>52</b>	<b>51</b>	<b>53</b>	<b>54</b>	<b>55</b>	<b>58</b>	<b>54</b>	<b>58</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.0027	0.0026	0.0026	0.0027	0.0027	0.0027	0.0029	0.0026	0.0028	0.0026	0.0026	0.0026	0.0025	0.0025	0.0024

15 Year Average	2009 to 2023
Quantity Standard	0.0026
Quality Standard	\$139,454
Service Standard	\$363

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$363
Eligible Amount	\$939,445



**Town of Essex  
Service Standard Calculation Sheet**

Service: Parkland Development  
Unit Measure: Acres of Parkland

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Acre)
<b>Community Parks:</b>																
Essex Outdoor Recreation Complex	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	\$86,900
Harrow Community Park	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	16.1	\$86,900
Pollard Park	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	\$86,900
CoAn Park	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	\$86,900
Colchester Park	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	\$86,900
Former Holy Name	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	\$86,900
Harrow Parkette	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	\$86,900
Harrow Soccer Park	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	\$86,900
Heritage Park Open Space	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-	-	-	-	-	\$7,100
Heritage Park	-	-	-	-	-	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	\$24,300
<b>Neighbourhood Parks:</b>																
Lions Optimist Park	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	\$129,500
Tot Park	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	-	\$129,500
Optimist Bridelwood Park	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	\$129,500
Hunter Park	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	\$129,500
Liberato Park	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	\$129,500
Bramblewood Park	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	\$129,500
Tulley's Meadow Park	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	\$129,500
Tulley Meadows Trail	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	\$7,100
McGregor Parkette	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	\$100,100
Townsvlew Park	-	-	-	-	-	-	-	-	-	-	0.8	0.8	0.8	0.8	0.8	\$129,500
Essex B.I.A. Parkette	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	\$7,100
Bell Park	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	\$129,500
Sadler's Park	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	\$129,500
Essex Sports Park	-	-	-	-	-	-	-	-	66.5	66.5	66.5	66.5	66.5	66.5	66.5	\$129,500
Harrow High School Property	-	-	-	-	-	-	-	-	-	-	-	13.0	13.0	13.0	13.0	\$129,500
<b>Total</b>	<b>137.8</b>	<b>137.8</b>	<b>137.8</b>	<b>137.8</b>	<b>137.8</b>	<b>137.8</b>	<b>139.8</b>	<b>139.9</b>	<b>206.5</b>	<b>206.5</b>	<b>207.3</b>	<b>220.3</b>	<b>220.3</b>	<b>220.3</b>	<b>219.9</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.007	0.007	0.007	0.007	0.007	0.007	0.007	0.007	0.010	0.010	0.010	0.011	0.010	0.010	0.010

15 Year Average	2009 to 2023
Quantity Standard	0.0084
Quality Standard	\$96,249
Service Standard	\$808

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$808
Eligible Amount	\$2,094,798



**Town of Essex  
Service Standard Calculation Sheet**

Service: Parkland Amenities  
Unit Measure: No. of parkland amenities

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Colchester Splash Pad	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$900,000
Harrow Splash Pad	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$500,000
Harrow Splash Pad Bathrooms															1.0	\$300,000
McGregor Parkette Gazebo	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$40,000
Essex B.I.A. Parkette Shade Sails	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$18,200
Colchester Park Peace Garden	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$138,200
Essex Dog Park	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$250,000
Heritage Park Spitfire	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$166,700
Heritage Park Monument	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$75,800
Heritage Pavilion	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	\$546,800
Power Pedestals for Events	-	-	-	-	-	-	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	\$40,300
Colchester Beach Stairs	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$18,400
Harrow Cenotaph	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$115,700
Colchester Ramp with Retaining Wall	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	\$268,500
EV Charing Station at Twin Pad	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	\$221,300
Mobi Mat for Beach	-	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0	\$24,300
McGregor Flag Poles	-	-	-	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0	\$13,300
Sertoma Shelter at Co-An Park	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	\$20,600
<b>Total</b>	<b>136.50</b>	<b>137.50</b>	<b>127.50</b>	<b>127.50</b>	<b>130.50</b>	<b>130.50</b>	<b>136.50</b>	<b>136.50</b>	<b>144.50</b>	<b>148.50</b>	<b>150.50</b>	<b>149.50</b>	<b>150.50</b>	<b>154.50</b>	<b>156.50</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01

15 Year Average	2009 to 2023
Quantity Standard	0.0069
Quality Standard	\$138,358
Service Standard	\$955

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$955
Eligible Amount	\$2,473,550



**Town of Essex  
Service Standard Calculation Sheet**

Service: Recreation Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Essex Recreation Complex	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	19,296	\$900	\$998
Essex Memorial Arena	43,664	43,664	22,705	22,705	22,705	22,705	-	-	-	-	-	-	-	-	-	\$500	\$557
Harrow/Colchester South Community Centre	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	\$500	\$557
Colchester Community Centre (1st Floor)	-	-	-	-	-	-	-	-	-	3,351	3,351	3,351	3,351	3,351	3,351	\$500	\$557
Colchester Old School House	3,979	3,979	3,979	3,979	3,979	3,979	3,979	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	\$300	\$337
Essex Community Centre	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	8,571	\$500	\$557
McGregor Community Centre	-	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	5,060	\$500	\$557
Essex Centre Sports Complex	-	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	97,000	\$700	\$778
Parks & Recreation Facility Office Space	360	360	360	360	360	360	360	360	360	150	150	150	150	150	150	\$500	\$557
Lions Hall	-	-	-	-	-	-	-	-	-	2,600	2,600	2,600	2,600	2,600	2,600	\$500	\$557
Kinsmen Field House	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	\$500	\$557
Colchester Harbour Kiosk	-	-	-	-	-	-	377	377	377	377	377	377	377	377	377	\$200	\$226
Harrow Soccer Park	-	-	-	-	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	\$400	\$441
<b>Total</b>	<b>123,900</b>	<b>225,960</b>	<b>205,001</b>	<b>205,001</b>	<b>213,001</b>	<b>213,001</b>	<b>190,673</b>	<b>189,294</b>	<b>189,294</b>	<b>195,035</b>	<b>195,035</b>	<b>195,035</b>	<b>195,035</b>	<b>195,035</b>	<b>195,035</b>		

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	6.24	11.46	10.46	10.40	10.73	10.63	9.41	9.27	9.24	9.48	9.44	9.33	9.19	9.04	8.82

15 Year Average	2009 to 2023
Quantity Standard	9,5427
Quality Standard	\$682
Service Standard	\$6,512

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$6,512
Eligible Amount	\$16,872,152



**Town of Essex  
Service Standard Calculation Sheet**

Service: Parks & Recreation Vehicles and Equipment  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
<b>Indoor Recreation Vehicles &amp;</b>																
Ice Resurfacers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$130,000
Ice Edger	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$9,000
Sporttimer	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$25,000
Lawn Tractor / Trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$6,000
John Deere Gator/Kubota ATV	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$42,000
Skate Sharpener	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$20,000
Auto Floor Scrubber	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$23,000
<b>Vehicles:</b>																
Pick-up Truck	7	10	10	10	10	9	9	9	6	7	7	7	7	7	7	\$53,000
1/2 Ton Pickup [Asset ID 24548]	-	1	1	1	2	2	2	2	2	2	2	2	2	2	2	\$39,000
3/4 Ton Pickup (Asset ID24968)	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$52,000
2-Ton Dump [Asset ID 23437]	-	1	1	1	1	1	1	1	-	-	-	-	-	-	-	\$169,000
Water Truck (Asset ID 25769)	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$60,000
Panel Van (Asset ID 25772)	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$63,000
Dump Truck (Asset ID 25774)	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$80,000
<b>Machinery:</b>																
Tractor [Asset ID 7186]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$0
Tractor [Asset ID 7188]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$51,800
4WD Kioti Tractor [Asset ID 24068]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$67,200
4WD Tractor [Asset ID 24278]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$37,700
Kubota Zero Turn Lawn Tractor	-	-	-	-	1	1	1	1	3	3	3	3	3	3	3	\$50,900
2009 Kioti [Asset ID 23191]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$85,200
Toro Mower [Asset ID 23192]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$80,100
Toro Wide Wing Mower [Asset ID]	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$81,500
Toro Rotary Mower [Asset ID 24279]	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$61,900
Toro Ground Master [Asset ID 7189]	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$75,300
Bobcat with Attachments [Asset ID]	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$110,000
Snow Blower and Salter	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$20,000
Toro Snow Blower	-	-	-	-	-	-	-	1	1	2	2	2	2	2	2	\$5,400
<b>Equipment:</b>																
Beach Groomer [Asset ID 23193]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$57,300
Power Washer	-	1	2	2	2	2	2	2	2	3	3	3	3	3	3	\$8,100
Tractor Attachment - Overseeder	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$19,700
Tractor Attachment - Spreader	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$7,900
Tractor Attachment - Top Dresser	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,500
Trailer - Low Boy Dump Trailer	-	-	-	-	-	1	1	1	1	1	1	1	1	1	1	\$12,900
Trailer - 6x10 Steel Side [Asset]	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$3,100
Power Dock Scrubber [Asset ID]	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$4,100
Diamond Groomers [Asset ID]	-	-	-	2	2	2	2	2	2	2	2	2	2	2	2	\$13,200



**Town of Essex  
Service Standard Calculation Sheet**

Service: Parks & Recreation Vehicles and Equipment  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Natural Gas Compressor	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$39,300
GPS Units	4	4	4	4	4	4	4	4	4	6	6	6	6	6	6	\$10,900
Kifco Water Reels	-	-	2	2	2	2	2	2	2	2	2	2	2	2	2	\$31,400
Field Lazer Paint Sprayer	-	-	1	1	1	1	1	1	2	2	2	2	2	2	2	\$8,100
Kubota Pump Engine	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$19,700
Aerator	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$29,100
Easy Go Electric and Gas Golf Cart (Asset ID 25569)	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$7,100
Tractor with Loader ID 24963 (Co-An Park, shared with Aburg)	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$10,200
John Deer Tractor Asset ID 25233	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$19,200
Verticutter ID 25196	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$11,000
Transportable Ceiling Lift (Asset ID	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$12,500
Turf Tiger (ID 25573) Co-An Park	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$7,900
Power Washer at ERC ID 25786	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$46,100
H2O Fit Cycle Bikes ID 25787	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$13,700
Power Washer at Harrow Arena AID	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$71,700
John Deer Tractor Asset ID 25947	-	-	-	-	-	-	-	-	-	-	1	1	1	1	1	\$32,900
Snow Plow AID 43261	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$15,300
Salter AID 43262	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$61,800
Leaf and Turf Vacuum AID 43272	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$31,100
Power Washer for Dressing Rooms	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$16,200
Skate Sharpener Essex AID 23237	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$16,200
Top Dresser AID 24064	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$6,200
<b>Total</b>	<b>39</b>	<b>45</b>	<b>55</b>	<b>59</b>	<b>61</b>	<b>61</b>	<b>64</b>	<b>66</b>	<b>68</b>	<b>80</b>	<b>81</b>	<b>81</b>	<b>84</b>	<b>84</b>	<b>84</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.0020	0.0023	0.0028	0.0030	0.0031	0.0030	0.0032	0.0032	0.0033	0.0039	0.0039	0.0039	0.0040	0.0039	0.0038

15 Year Average	2009 to 2023
Quantity Standard	0.0033
Quality Standard	\$37,779
Service Standard	\$125

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$125
Eligible Amount	\$323,020



**Town of Essex  
Service Standard Calculation Sheet**

Service: Library Services - Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Harrow Library (140 King St.)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$510	\$622
McGregor Library (9557 Walker Rd)	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	\$510	\$622
McGregor Library (New)	-	-	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	\$510	\$622
Essex Library New (Gosfield Townline)	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	\$510	\$622
<b>Total</b>	<b>11,536</b>	<b>11,536</b>	<b>13,077</b>														

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.58	0.58	0.67	0.66	0.66	0.65	0.65	0.64	0.64	0.64	0.63	0.63	0.62	0.61	0.59

15 Year Average	2009 to 2023
Quantity Standard	0.63
Quality Standard	\$622
Service Standard	\$391

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$391
Eligible Amount	\$1,014,247



**Town of Essex  
Service Standard Calculation Sheet**

Service: Provincial Offences Act including By-law Enforcement - Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Gesto	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,846	1,951	1,951	\$450	\$502
<b>Total</b>	<b>1,462</b>	<b>1,846</b>	<b>1,951</b>	<b>1,951</b>													

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.0737	0.0741	0.0746	0.0742	0.0736	0.0729	0.0721	0.0716	0.0714	0.0711	0.0708	0.0699	0.0870	0.0904	0.0882

15 Year Average	2009 to 2023
Quantity Standard	0.0757
Quality Standard	\$502
Service Standard	\$38

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$38
Eligible Amount	\$98,484



**Town of Essex**  
**Service Standard Calculation Sheet**

Service: Provincial Offences Act including By-law Enforcement - Vehicles & Equipment  
 Unit Measure: No. of Vehicles and Equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)
Pick-up Truck	-	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.50	1.50	\$105,000
SUV	-	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	\$47,705
<b>Total</b>	-	-	-	-	-	-	-	-	-	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.50</b>	<b>2.50</b>	

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	-	-	-	-	-	-	-	-	-	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001

15 Year Average	2009 to 2023
Quantity Standard	0.00004
Quality Standard	\$80,250
Service Standard	\$3

D.C. Amount (before deductions)	10 Year
Forecast Population	2,591
\$ per Capita	\$3
Eligible Amount	\$8,317



**Town of Essex  
Service Standard Calculation Sheet**

Service: Policing Services - Facilities  
Unit Measure: sq.ft. of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Headquarters	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	14,154	\$700	\$814
Storage Facility	1,152	1,152	1,152	-	-	-	-	-	-	-	-	-	-	-	-	\$100	\$121
Storage Facility (at Ferris Road Storage Building #1)	479	479	479	479	479	-	-	-	-	-	-	-	-	-	-	\$100	\$121
Community Police Centre (Essex Community Centre)	816	816	816	816	816	816	816	816	816	816	816	816	816	816	816	\$500	\$583
<b>Total</b>	<b>16,601</b>	<b>16,601</b>	<b>16,601</b>	<b>15,449</b>	<b>15,449</b>	<b>14,970</b>											

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.84	0.84	0.85	0.78	0.78	0.75	0.74	0.73	0.73	0.73	0.72	0.72	0.71	0.69	0.68

15 Year Average		2009 to 2023
Quantity Standard		0.75
Quality Standard		\$784
Service Standard		\$589

D.C. Amount (before deductions)		10 Year
Forecast Population		2,591
\$ per Capita		\$589
Eligible Amount		\$1,526,850



**Town of Essex  
Service Standard Calculation Sheet**

Service: Policing Services - Vehicles  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Equipped Officers	28.50	28.57	28.57	28.57	28.57	28.57	28.57	29.57	29.57	29.57	29.57	29.57	29.57	29.57	29.57	\$6,300
Court Officer/Prisoner Guards	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$4,600
Portable Radios	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	\$15,000
Vehicle Lights and Sirens	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	\$20,300
Mobile Radios	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	\$17,000
Vehicle Cages	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	\$2,300
Push Bumpers	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	\$1,900
Radar Equipment - Moving	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	\$13,300
Radar Equipment - Hand Held	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	\$3,000
Community Police Vehicle/Van	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$49,200
<b>Total</b>	<b>64.50</b>	<b>68.57</b>	<b>68.57</b>	<b>68.57</b>	<b>68.57</b>	<b>68.57</b>	<b>68.57</b>	<b>69.57</b>								

Population	19,849	19,722	19,600	19,711	19,855	20,047	20,266	20,427	20,476	20,564	20,657	20,903	21,216	21,577	22,112
Per Capita Standard	0.003	0.004	0.004	0.004	0.004	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003

15 Year Average		2009 to 2023
Quantity Standard		0.0034
Quality Standard		\$9,650
Service Standard		\$33

D.C. Amount (before deductions)		10 Year
Forecast Population		2,591
\$ per Capita		\$33
Eligible Amount		\$85,011



# Appendix C

## Long-Term Capital and Operating Cost Examination



# Appendix C: Long-Term Capital and Operating Cost Examination

## Town of Essex

### Annual Capital and Operating Cost Impact

As a requirement of the *Development Charges Act, 1997*, as amended, under subsection 10 (2) (c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the development charge. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost savings attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e., sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Town's approved 2022 Financial Information Return (F.I.R.).

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as lifecycle cost. By definition, lifecycle costs are all the costs which are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for lifecycle costing is the sinking fund method which provides that money will be contributed annually and invested, so that those funds will grow over time to equal the amount required for future replacement. The following factors were utilized to calculate the annual replacement cost of the capital projects (annual contribution = factor X capital asset cost) and are based on an annual growth rate of 2% (net of inflation) over the average useful life of the asset:



Table C-1  
Town of Essex  
Lifecycle Cost Factors and Average Useful Lives

Asset	Lifecycle Cost Factors	
	Average Useful Life	Factor
Water and Wastewater Infrastructure	80	0.005160705
Facilities	50	0.01182321
Services Related to a Highway	50	0.01182321
Parkland Development	40	0.016555748
Vehicles	15	0.057825472
Small Equipment & Gear	10	0.091326528
Library Materials	10	0.091326528

Table C-2 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while Town program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e., facilities) would be delayed until the time these works are in place.



**Table C-2**  
**Town of Essex**  
**Operating and Capital Expenditure Impacts for Future Capital Expenditures**

SERVICE/CLASS OF SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
<b>1. Wastewater Services</b>				
1.1 Ward 1 - Essex Service Area	2,063,938	-	468,197	468,197
<b>2. Wastewater Services</b>				
2.1 Ward 2 - McGregor Service Area	6,156,745	15,910	98,008	113,918
<b>3. Wastewater Services</b>				
3.1 Ward 3 - Colchester South Service Area	37,392,053	180,496	527,386	707,882
<b>4. Wastewater Services</b>				
4.1 Ward 4 - Harrow Service Area	1,399,783	230,625	37,121	267,746
<b>5. Services Related to a Highway</b>				
5.1 Roads and Related	10,180,352	336,927	2,328,729	2,665,656
5.2 Public Works	2,703,100	184,255	1,416,504	1,600,759
<b>6. Fire Protection Services</b>				
6.1 Fire facilities, vehicles & equipment	4,409,827	109,184	836,356	945,540
<b>7. Parks and Recreation Services</b>				
Park development, amenities, recreation facilities, vehicles, and equipment	33,313,102	1,298,587	847,553	2,146,140
<b>8. Library Services</b>				
8.1 Library facilities, materials and vehicles	500,000	11,673	2,222	13,895
<b>9. Provincial Offences Act including By-Law Enforcement</b>				
9.1 Facilities, vehicles and equipment	105,000	12,230	1,317	13,547
<b>10. Policing Services</b>				
10.1 Facilities, vehicles and equipment	1,600,000	79,560	387,765	467,325
<b>11. Growth Studies</b>				
11.1 Water Services	66,973	-	-	-
11.2 Wastewater Services	105,646	-	-	-
11.3 Services Related to a Highway	188,258	-	-	-
11.4 Public Works	3,284			
11.5 Fire Protection Services	107,537	-	-	-
11.6 Policing Services	2,320	-	-	-
11.7 Library Services	2,320	-	-	-
11.8 Parks and Recreation Services	54,196	-	-	-
11.9 P.O.A. including By-law Enforcement Services	1,678			
11.10 Stormwater Services	66,973			
<b>Total</b>	<b>100,423,086</b>	<b>2,459,447</b>	<b>6,951,159</b>	<b>9,410,606</b>



# Appendix D

## D.C. Reserve Fund Policy



# Appendix D: D.C. Reserve Fund Policy

## D.1 Legislative Requirements

The *Development Charges Act, 1997*, as amended (D.C.A.) requires development charge (D.C.) collections (and associated interest) to be placed in separate reserve funds. Sections 33 through 36 of the D.C.A. provide the following regarding reserve fund establishment and use:

- A municipality shall establish a reserve fund for each service to which the D.C. by-law relates; subsection 7 (1), however, allows services to be grouped into categories of services for reserve fund (and credit) purposes and for classes of services to be established.
- The municipality shall pay each D.C. it collects into a reserve fund or funds to which the charge relates.
- The money in a reserve fund shall be spent only for the “capital costs” determined through the legislated calculation process (as per subsection 5 (1) 2 to 8).
- Money may be borrowed from the fund but must be paid back with interest (O. Reg. 82/98, subsection 11 (1) defines this as Bank of Canada rate either on the day the by-law comes into force or, if specified in the by-law, the first business day of each quarter).
- D.C. reserve funds may not be consolidated with other municipal reserve funds for investment purposes and may only be used as an interim financing source for capital undertakings for which D.C.s may be spent (section 37).

Annually, the Treasurer of the municipality is required to provide Council with a financial statement related to the D.C. by-law(s) and reserve funds. This statement must be made available to the public and may be requested to be forwarded to the Minister of Municipal Affairs and Housing.

Subsection 43 (2) and O. Reg. 82/98 prescribe the information that must be included in the Treasurer’s statement, as follows:

- opening balance;
- closing balance;



- description of each service and/or service category for which the reserve fund was established (including a list of services within a service category);
- transactions for the year (e.g. collections, draws) including each asset's capital costs to be funded from the D.C. reserve fund and the manner for funding the capital costs not funded under the D.C. by-law (i.e. non-D.C. recoverable cost share and post-period D.C. recoverable cost share);
- for projects financed by D.C.s, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project;
- amounts borrowed, purpose of the borrowing, and interest accrued during previous year;
- amount and source of money used by the municipality to repay municipal obligations to the D.C. reserve fund;
- list of credits by service or service category (outstanding at the beginning of the year, given in the year, and outstanding at the end of the year by the holder);
- for credits granted under section 14 of the previous D.C.A., a schedule identifying the value of credits recognized by the municipality, the service to which it applies and the source of funding used to finance the credit; and
- a statement as to compliance with subsection 59 (1) of the D.C.A., whereby the municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A. or another Act.

Recent changes arising from Bill 109 (*More Homes for Everyone Act, 2022*) provide that the Council shall make the statement available to the public by posting the statement on the website or, if there is no such website, in the municipal office. In addition, Bill 109 introduced the following requirements which shall be included in the treasurer's statement.

- For each service for which a development charge is collected during the year
  - whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-law, and
  - if the answer to subparagraph i is no, the amount the municipality now expects to incur and a statement as to why this amount is expected;



- For any service for which a development charge was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year.

Additionally, as per subsection 35 (3) of the D.C.A.:

35(3) If a service is prescribed for the purposes of this subsection, beginning in the first calendar year that commences after the service is prescribed and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the prescribed service at the beginning of the year.

The services currently prescribed are water, wastewater, and services related to a highway. Therefore, as of 2023, a municipality shall spend or allocate at least 60 percent of the monies in the reserve fund at the beginning of the year. There are generally two (2) ways in which a municipality may approach this requirement:

- a) Include a schedule as part of the annual treasurer's statement; or
- b) Incorporate the information into the annual budgeting process.

Based upon the above, Figure 1 and Attachments 1 and 2, set out the format for which annual reporting to Council should be provided. Attachment 3 provides for the schedule for allocating reserve fund balances to projects.

## **D.2 D.C. Reserve Fund Application**

Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 7 of subsection 5 (1).”

This provision clearly establishes that reserve funds collected for a specific service are only to be used for that service, or to be used as a source of interim financing of capital undertakings for which a D.C. may be spent.



**Figure D-1**  
**Town of Essex**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**

Description	Services to which the Development Charge Relates											Total	
	Services Related to a Highway	Wastewater Ward 1 - Essex Service Area	Wastewater Ward 2A - Colchester North (McGregor) Service Area	Wastewater Ward 2B - Industrial Service Area	Wastewater Ward 3 - Colchester South Service Area	Wastewater Ward 4 - Harrow Service Area	Fire Protection Services	Parks and Recreation Services	Library Services	Growth Studies	Provincial Offences Act including By-Law Enforcement		Policing Services
<b>Opening Balance, January 1,</b>													0
Plus:													
Development Charge Collections													0
Accrued Interest													0
Repayment of Monies Borrowed from Fund and Associated Interest <sup>1</sup>													0
<b>Sub-Total</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
Less:													
Amount Transferred to Capital (or Other) Funds <sup>2</sup>													0
Amounts Refunded													0
Amounts Loaned to Other D.C. Service Category for Interim Financing													0
Credits <sup>3</sup>													0
<b>Sub-Total</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Closing Balance, December 31,</b>	0	0	0	0	0	0	0	0	0	0	0	0	0

<sup>1</sup> Source of funds used to repay the D.C. reserve fund

<sup>2</sup> See Attachment 1 for details

<sup>3</sup> See Attachment 2 for details

The Municipality is compliant with s.s. 59.1 (1) of the *Development Charges Act*, whereby charges are not directly or indirectly imposed on development nor has a requirement to construct a service related to development been imposed, except as permitted by the *Development Charges Act* or another Act.



Figure D-2a  
 Town of Essex  
 Attachment 1  
 Annual Treasurer's Statement of Development Charge Reserve Funds  
 Amount Transferred to Capital (or Other) Funds – Capital Fund Transactions

Capital Fund Transactions	Gross Capital Cost	D.C. Recoverable Cost Share					Non-D.C. Recoverable Cost Share				
		D.C. Forecast Period			Post D.C. Forecast Period		Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
		D.C. Reserve Fund Draw	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/Capacity Interim Financing	Grants, Subsidies Other Contributions					
<b><u>Services Related to a Highway</u></b>											
Capital Cost A											
Capital Cost B											
Capital Cost C											
<b>Sub-Total - Services Related to Highways</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Wastewater Ward 1 - Essex Service Area</u></b>											
Capital Cost D											
Capital Cost E											
Capital Cost F											
<b>Sub-Total - Water</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Water Ward 3 &amp; 4 - Colchester and Harrow Service Area</u></b>											
Capital Cost G											
Capital Cost H											
Capital Cost I											
<b>Sub-Total - Wastewater</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



Figure D-2b  
 Town of Essex  
 Attachment 1  
 Annual Treasurer's Statement of Development Charge Reserve Funds  
 Amount Transferred to Capital (or Other) Funds – Operating Fund Transactions

Operating Fund Transactions	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. Forecast Period			Non-D.C. Recoverable Cost Share		
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
<u>Services Related to a Highway</u>									
Capital Cost J									
Capital Cost K									
Capital Cost L									
<b>Sub-Total - Services Related to a Highway</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	
<u>Wastewater Ward 1 - Essex Service Area</u>									
Capital Cost M									
Capital Cost N									
Capital Cost O									
<b>Sub-Total - Water</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	
<u>Water Ward 3 &amp; 4 - Colchester and Harrow</u>									
Service Area									
Capital Cost P									
Capital Cost Q									
Capital Cost R									



Figure D-3  
Town of Essex  
Attachment 2  
Annual Treasurer's Statement of Development Charge Reserve Funds  
Statement of Credit Holder Transactions

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance Outstanding Beginning of Year _____	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of Year _____
Credit Holder A					
Credit Holder B					
Credit Holder C					
Credit Holder D					
Credit Holder E					
Credit Holder F					



**Figure D-4**  
**Town of Essex**  
**Attachment 3**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Statement of Reserve Fund Balance Allocations**

<b>Service:</b>	Water
<b>Balance in Reserve Fund at Beginning of Year:</b>	
<b>60% of Balance to be Allocated (at a minimum):</b>	

**Projects to Which Funds Will be Allocated**

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
<b>Total</b>		\$0	\$0	\$0

<b>Service:</b>	Wastewater
<b>Balance in Reserve Fund at Beginning of Year:</b>	
<b>60% of Balance to be Allocated (at a minimum):</b>	

**Projects to Which Funds Will be Allocated**

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
<b>Total</b>		\$0	\$0	\$0

<b>Service:</b>	Services Related to a Highway
<b>Balance in Reserve Fund at Beginning of Year:</b>	
<b>60% of Balance to be Allocated (at a minimum):</b>	

**Projects to Which Funds Will be Allocated**

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
<b>Total</b>		\$0	\$0	\$0



# Appendix E

## Local Service Policy



# Appendix E: Local Service Policy

## **E.1 Local Service Policy for Services Related to a Highway**

### ***E.1.1 Local, Collector, and Arterial Roads***

E.1.1.1 Local and Collector roads Internal to development, inclusive of all land and associated infrastructure - Direct developer responsibility under s. 59 of the D.C.A.

E.1.1.2 Collector and Arterial Roads external to development - Include in D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

### ***E.1.2 Traffic Signals***

E.1.2.1 Traffic signalization internal to development – Direct developer responsibility under s.59 of the D.C.A.

E.1.2.2 Traffic signalization external to development – Include in D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A.

### ***E.1.3 Intersection Improvements***

E.1.3.1 New roads (local, collector, and arterial) and road improvements (local, collector, and arterial) – Include as part of road costing noted in item E.1.1, to limits of Right-of-way.

E.1.3.2 Intersection improvements within specific developments and all works necessary to connect to entrances (private and specific subdivision) to the roadway - Direct developer responsibility under s. 59 of D.C.A.

E.1.3.3 Intersections with County roads – Include in D.C. calculation to the extent that they are Town responsibility.

E.1.3.4 Intersection improvements on other roads due to development growth increasing traffic – Include in D.C. calculation.

### ***E.1.4 Streetlights***



E.1.4.1 Streetlights on external roads – Include in area municipal D.C. (linked to collector road funding source in item 1).

E.1.4.2 Streetlights within specific developments – Direct developer responsibility under s. 59 of D.C.A.

### ***E.1.5 Sidewalks***

E.1.5.1 Sidewalks on County roads – Include in area municipal D.C. or, in exceptional circumstances, may be direct developer responsibility through local service provisions (s. 59 of D.C.A.).

E.1.5.2 Sidewalks on area municipal roads – Linked to local, collector, and arterial road funding source in item E1.1.

E.1.5.3 Other sidewalks external to development (which are a local service within the area to which the plan relates) – Direct developer responsibility as a local service provision (under s. 59 of D.C.A.)

### ***E.1.6 Bike Routes/Bike Lanes/Bike Paths/Multi-Use Trails/Naturalized Walkways***

E.1.6.1 Bike paths/multi-use trails/naturalized walkways external to development – Include in area municipal D.C.s.

E.1.6.2 Bike lanes, within road allowance, internal to development – Direct developer responsibility under s. 59 of the D.C.A.

E.1.6.3 Bike paths/multi-use trails/naturalized walkways internal to development – Direct developer responsibility under s. 59 of the D.C.A.

E.1.6.4 Trail Bridges/Underpasses and associated works – Include in area municipal D.C.s.

### ***E.1.7 Noise Abatement Measures***

E.1.7.1 Internal to Development - Direct developer responsibility though local service provisions (s. 59 of D.C.A.)

### ***E.1.8 Land Acquisition for Road Allowances***



E.1.8.1 Land Acquisition for arterial roads – Dedication under the Planning Act subdivision provisions (s. 51) through development lands; in areas with limited or no development, include in area municipal D.C. (to the extent eligible).

E.1.8.2 Land Acquisition for collector roads – Dedication under the Planning Act subdivision provision (s. 51) through development lands (up to 22 metre right-of-way); in areas with limited or no development, include in area municipal D.C. (to the extent eligible).

E.1.8.3 Land Acquisition for grade separations (beyond normal dedication requirements) – Internal to subdivision to be provided by developer, external include in the D.C. to the extent eligible.

### ***E.1.9 Land Acquisition for Easements***

E.1.9.1 Easement costs external to subdivisions shall be provided by developer.

## **E.2 Local Service Policy for Stormwater Management**

***E.2.1*** Quality and Quantity Works, direct developer responsibility through local service provisions (s. 59 of D.C.A.).

***E.2.2*** Oversizing of stormwater management works for development external to developments will be subject to best efforts clauses by area municipality.

***E.2.3*** Stormwater infrastructure included in road allowance shall follow funding approach identified in E1.1.

## **E.3 Local Service Policy for Wastewater Services**

***E.3.1*** Sanitary sewers internal to development not exceeding 375 mm: direct developer responsibility under s.59 of the D.C.A. as a local service.

***E.3.2*** Sanitary sewers internal to development exceeding 375 mm and depth of 5 metres or greater which benefit upstream developments: marginal costs included in D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

***E.3.3*** Sanitary sewers external to development not exceeding 375 mm: direct developer responsibility under s.59 of the D.C.A. as a local service.



**E.3.4** Sanitary sewers external to development exceeding 375 mm: included in D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

**E.3.5** Trunk sewers (e.g. where no direct service connections are permitted) are included in the D.C. calculation.

**E.3.6** Pumping stations serving one or more individual developments that are not identified in the Town's Water and Wastewater Master Plan: direct developer responsibility under s.59 of the D.C.A. as a local service.

**E.3.7** Pumping stations identified in the Town's Water and Wastewater Master Plan: included in D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

**E.3.8** Connections of sanitary sewers from a development to trunk sewers and pumping stations to service specific areas: to be direct developer responsibility.

#### **E.4 Local Service Policy for Water**

**E.4.1** Watermains internal to development: direct developer responsibility as a local service.

**E.4.2** Watermains external to development required for fire flows and/or looping and is required to support the development: direct developer responsibility as a local service.

**E.4.3** Pumping stations and works associated a specific development: direct developer responsibility as a local service.

**E.4.4** Connections of watermains from a development to trunk mains and pumping stations to service specific areas, to be direct developer responsibility.

#### **E.5 Local Service Policy for Parkland Development**

##### **E.5.1 Recreational Trails**

E.5.1.1 Recreational trails (Multi-use trails) that do not form part of the municipality's active transportation network, and their associated infrastructure (landscaping, bridges, trail surface, etc.), is included in area municipal parkland D.C.s.

##### **E.5.2 Parkland**



E.5.2.1 Parkland Development for Community Parks and Neighbourhood Parks: direct developer responsibility to provide at base condition, as follows:

- Clearing and grubbing. Tree removals as per the subdivision's tree preservation and removals plan.
- Topsoil Stripping, screening, and stockpiling.
- Rough grading (pre-grading) to allow for positive drainage of the Park, with minimum slopes of 2%. If necessary, this may include some minor drainage tile work and grading as per the overall subdivision grading design complete with any required swales or catch basins. Runoff from the development property shall not drain into the park unless approved by the Manager, Environment Services, Public Works.
- Spreading of topsoil to 150 mm depth (import topsoil if existing on-site is insufficient to reach required depth).
- Seeding of site with Municipality-approved seed mix. Maintenance of seed until acceptance by Municipality.
- Parks shall be free of any contaminated soil or subsoil.
- Parks shall not be mined for fill.
- Parks shall be conveyed free and clear of all encumbrances.
- 100% of 1.5 m chain link perimeter fencing to the Municipal standards to separate the development lands from the Municipal lands or lands to be dedicated to the Municipality, unless the perimeter fencing is on land that will be dedicated to the Municipality to fulfil the requirement of parkland dedication under the Planning Act, in which case the cost shall be shared 50/50.
- When Park parcels cannot be developed in a timely manner, they shall be graded to ensure positive drainage and seeded to minimize erosion and dust. These shall be maintained by the developer until construction commences thereon.
- The Park block shall not be used for topsoil or other construction material, equipment storage, or sales pavilions.
- Required heritage features within the Park as set out within the Planning approval conditions.

E.5.2.2 Program facilities, amenities, and furniture, within parkland are included in D.C.s.



***E.5.3 Landscape Buffer Blocks, Features, Cul-de-sac Islands, Berms, Grade Transition Areas, Walkway Connections to Adjacent Arterial Roads, Open Space, etc.***

E.5.3.1 The cost of developing all landscape buffer blocks, landscape features, cul-de-sac islands, berms, grade transition areas, walkway connections to adjacent arterial roads, open space and other remnant pieces of land conveyed to the municipality shall be a direct developer responsibility as a local service. Such costs include but are not limited to:

- Pre-grading, sodding or seeding, supply and installation of amended topsoil, (to the Municipality's required depth), landscape features, perimeter fencing and amenities and all planting.
- Perimeter fencing to the Municipal standard located on the public property side of the property line adjacent land uses (such as but limited to arterial roads) as directed by the Municipality.



# Appendix F

## Asset Management Plan



## Appendix F: Asset Management Plan

The recent changes to the *Development Charges Act, 1997*, as amended (D.C.A.) (new subsection 10 (2) (c.2)) require that the background study must include an asset management plan (A.M.P.) related to new infrastructure. Section 10 (3) of the D.C.A. provides:

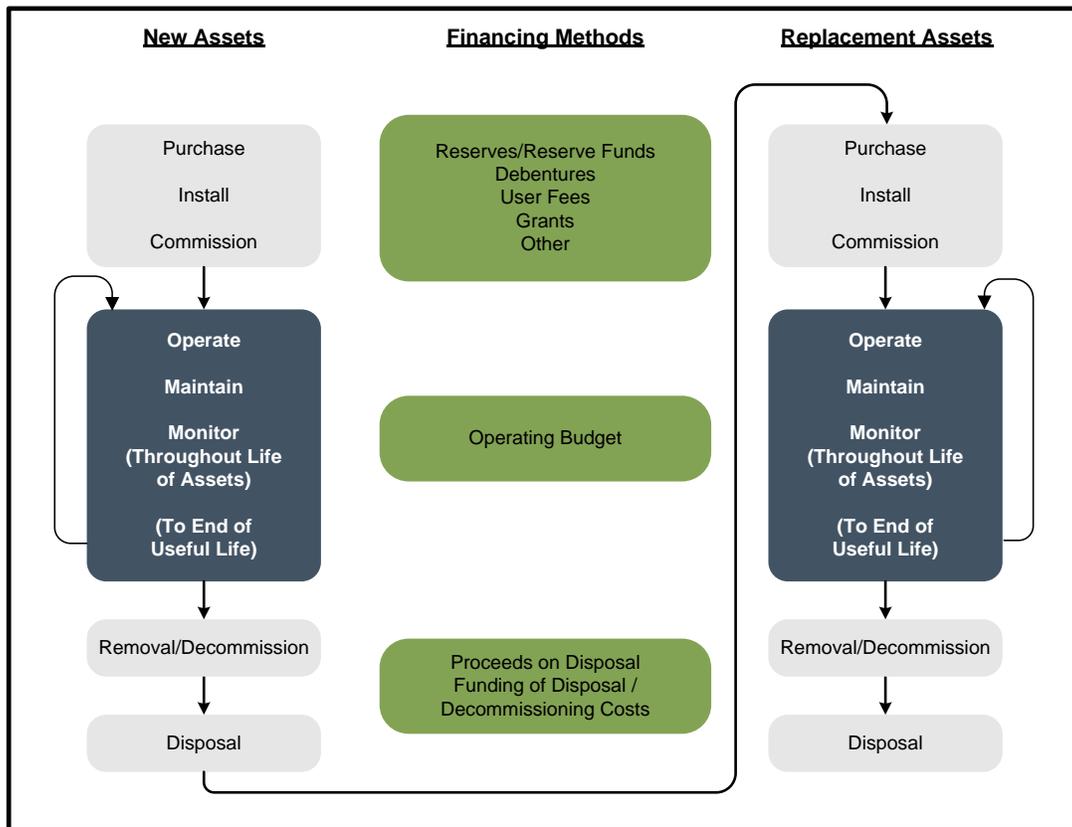
“The asset management plan shall,

- (a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;
- (b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;
- (c) contain any other information that is prescribed; and
- (d) be prepared in the prescribed manner.”

In regard to the above, section 8 of the regulations was amended to include subsections (2), (3), and (4) which set out specific detailed requirements for transit (only). For all services except transit, there are no prescribed requirements at this time, thus requiring the municipality to define the approach to include in the background study.

At a broad level, the A.M.P. provides for the long-term investment in an asset over its entire useful life along with the funding. The schematic below identifies the costs for an asset throughout its entire lifecycle. For growth-related works, the majority of capital costs will be funded by the D.C. Non-growth-related expenditures will then be funded from non-D.C. revenues as noted below. During the useful life of the asset, there will be minor maintenance costs to extend the life of the asset along with additional program-related expenditures to provide the full services to the residents. At the end of the life of the asset, it will be replaced by non-D.C. financing sources.

It should be noted that with the recent passing of the *Infrastructure for Jobs and Prosperity Act* (I.J.P.A.) municipalities are now required to complete A.M.P.s, based on certain criteria, which are to be completed by 2022 for core municipal services and 2024 for all other services. The amendments to the D.C.A. do not require municipalities to complete these A.M.P.s (required under I.J.P.A.) for the D.C. background study, rather the D.C.A. requires that the D.C. background study include information to show the assets to be funded by the D.C. are sustainable over their full lifecycle.



In 2012, the Province developed Building Together: Guide for municipal asset management plans which outlines the key elements for an A.M.P., as follows:

**State of local infrastructure:** asset types, quantities, age, condition, financial accounting valuation and replacement cost valuation.

**Desired levels of service:** defines levels of service through performance measures and discusses any external trends or issues that may affect expected levels of service or the municipality's ability to meet them (for example, new accessibility standards, climate change impacts).

**Asset management strategy:** the asset management strategy is the set of planned actions that will seek to generate the desired levels of service in a sustainable way, while managing risk, at the lowest lifecycle cost.

**Financing strategy:** having a financial plan is critical for putting an A.M.P. into action. By having a strong financial plan, municipalities can also demonstrate that they have



made a concerted effort to integrate the A.M.P. with financial planning and municipal budgeting and are making full use of all available infrastructure financing tools.

Commensurate with the above, the Town prepared an A.M.P. in 2021 for its existing assets; however, it did not take into account future growth-related assets for all services included in the D.C. calculations. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2024 \$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all capital costs included in the D.C.-eligible capital costs are not included in the Town's A.M.P.s, the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects that will require financing from municipal financial resources (i.e., taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2024 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are approximately \$12.01 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are approximately \$12.12 million. This amount, totaled with the existing operating revenues of approximately \$50.07 million, provides annual revenues of approximately \$62.19 million by the end of the period.



6. In consideration of the above, the capital plan is deemed to be financially sustainable.

Town of Essex  
Asset Management – Future Expenditures and Associated Revenues  
2024\$

<b>Expenditures (Annualized)</b>	<b>Buildout (Total)</b>
<b>Expenditures (Annualized)</b>	
Annual Debt Payment on Non-Growth Related Capital <sup>1</sup>	451,417
Annual Debt Payment on Post Period Capital <sup>2</sup>	2,015,426
<b>Sub-Total - Annual Lifecycle</b>	<b>\$2,632,997</b>
<b>Incremental Operating Costs (for D.C. Services)</b>	<b>\$6,951,159</b>
<b>Total Expenditures</b>	<b>\$12,050,999</b>
<b>Revenue (Annualized)</b>	
Total Existing Revenue <sup>4</sup>	\$50,074,831
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$12,119,090
<b>Total Revenues</b>	<b>\$62,193,921</b>

<sup>1</sup> Non-Growth Related component of Projects including 10% mandatory deduction on soft services

<sup>2</sup> Interim Debt Financing for Post Period Benefit

<sup>3</sup> All infrastructure costs included in Area Specific by-laws have



# Appendix G

## Proposed Development Charges By-law



# Appendix G: Proposed Development Charges By-law

The Corporation of the Town of Essex By-Law Number **XXXX**

Being a By-Law for the Imposition of Development Charges in the Town of Essex

**WHEREAS** the Town of Essex will experience growth through development and re-development;

**AND WHEREAS** Council desires to ensure that the capital cost of meeting growth-related demands for or burden on municipal services does not place an excessive financial burden on the Town of Essex or its existing taxpayers while at the same time ensuring new taxpayers contribute no more than the net capital cost attributable to providing the current level of municipal services;

**AND WHEREAS** the Development Charges Act, 1997 (the “Act”) provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

**AND WHEREAS** a development charge background study has been completed in accordance with the Act;

**AND WHEREAS** the Council of The Corporation of the Town of Essex has given notice of and held a public meeting on the 12th day of August 2024 in accordance with the Act and the regulations thereto;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF ESSEX ENACTS AS FOLLOWS:**

**1. INTERPRETATION**

1.1 In this By-law the following items shall have the corresponding meanings:

“accessory building” means a building that is subordinate in purpose to a residential dwelling unit upon the same lot but excludes an ancillary residential building.



“Act” means the *Development Charges Act*, as amended, or any successor thereof;

“affordable residential unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1 (2) or 4.1(3) of the Act.

“ancillary residential building” means a permanent residential building that would be ancillary to a detached dwelling, semi-detached dwelling, or row dwelling.

“apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by an interior corridor;

“attainable residential unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1(4) of the Act.

“bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;

“board of education” has the same meaning as set out in the Education Act, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“bona fide farm uses” means the proposed development will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;

“Building Code Act” means the Building Code Act, S.O. 1992, as amended, or any successor thereof;

“capital cost” means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of and as authorized by the municipality or local board as defined in Section 5(3) of the Act;

“charitable dwelling” means a residential building, a part of a residential building or the residential portion of a mixed-use building maintained and operated by a corporation approved under the Charitable Institutions Act, R.S.O. 1990, c. C.9, for persons requiring residential, specialized or group care and charitable dwelling includes a children’s residence under the Child and Family Services Act, R.S.O. 1990, c. C.11, a home or a joint home under the Homes for the Aged and



Rest Homes Act, R.S.O. 1990, c. H.13, an institution under the Mental Hospitals Act, R.S.O. 1990, c. M.8, a nursing home under the Nursing Homes Act, R.S.O., 1990, c. N.7, and a home for special care under the Homes for Special Care Act, R.S.O. 1990, c, H.12;

“class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the Act.

“commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or agricultural uses, but does include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Council of the municipality;

“detached dwelling unit” has the same meaning as a “single detached dwelling unit” for the purposes of this by-law.

“development” means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that the effect of increasing the size of usability thereof, and includes redevelopment;

“development charge” means a charge imposed with respect to this By-law;

“dwelling unit” means either (1) a room or suite of rooms used, or designed or intended for use, by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons, or (2) in the case of a special care/special need dwelling, a room or suite of rooms used, or designed or intended for use, by one person with or without exclusive sanitary and/or culinary facilities, or more than one person in sanitary facilities are directly connected and exclusively accessible to more than one room or suite of rooms;

“existing” means the number, use and size that existed as of the date this by-law was passed;



“farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;

“garden suite” means a building containing one (1) dwelling unit where the garden suite is detached from and ancillary to an existing single detached dwelling or semi-detached dwelling on the lands and such building is designed to be portable.

“gross floor area” means:

- (a) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
- (b) in the case of a non-residential building or structure, or in the case of a mixed- use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
  - (i) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
  - (ii) loading facilities above or below grade; and
  - (iii) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

“group home” means a residential building or the residential portion of a mixed-use building containing a single housekeeping unit which may or may not be supervised on a 24-hour basis on site by agency staff on a shift rotation basis, and funded wholly or in part by any government or its agency, or by public



subscription or donation, or by any combination thereof and licensed, approved or supervised by the Province of Ontario for the accommodation of persons under any general or special act and amendments or replacements thereto. A group home may contain an office provided that the office is used only for the operation of the group home in which it is located;

“hospice” means a building or portion of a mixed-use building designed and intended to provide palliative care and emotional support to the terminally ill in a home or homelike setting so that quality of life is maintained, and family members may be active participants in care;

“industrial” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

“institutional” means land, buildings, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain;

“Institutional use” means development of a building or structure intended for use:

(a) as a long-term care home within the meaning of subsection 2(1) of the Fixing Long-Term Care Act, 2021, S.O. 2021, c. 39, Sched. 1 (“Fixing Long-Term Care Act”);

(b) as a retirement home within the meaning of subsection 2(1) of the *Retirement Homes Act, 2010, S.O. 2010, c. 11*

(c) by any of the following post-secondary institutions for the objects of the institution:

(i) a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,

(ii) a college or university federated or affiliated with a university described in subclause (i), or



(iii) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017, S.O. 2017, c. 34, Sched. 20*;

(d) as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or

(e) as a hospice to provide end of life care.

“local board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the Town of Essex or any part or parts thereof;

“local services” means those services, facilities or things which are under the jurisdiction of the municipality and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under Sections 51 or 53 of the *Planning Act, R.S.O. 1990, Chap. P.13*, as amended, or any successor thereof;

“mobile home” means any dwelling that is designed to be made mobile and constructed or manufactured to provide a permanent residence for one or more persons but does not include a travel trailer or tent trailer.

“multiple dwellings” means all dwellings other than single-detached, semi-detached and apartment unit dwellings;

“municipality” means the Corporation of the Town of Essex;

“non-profit housing development” means Development of a building or structure that meets the criteria set out in section 4.2 of the Act.

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“nursing home” means a residential building or the residential portion of a mixed-use building licensed as a nursing home by the Province of Ontario;



“Official Plan” means the Official Plan adopted for the Town, as amended and approved;

“owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

“place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act, R.S.O. 1990, Chap. A.31*, as amended, or any successor thereof;

“rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;

“regulation” means any regulation made pursuant to the Act;

“rental housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

“residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more Dwelling Units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more Dwelling Units. This also includes a Dwelling Unit on land that is used for an Agricultural Use;

“retirement home or lodge” means a residential building or the residential portion of a mixed-use building which provides accommodation primarily for retired persons or couples where each private bedroom or living accommodation has a separate private bathroom and separate entrance from a common hall but where common facilities for the preparation and consumption of food are provided, and common lounges, recreation rooms and medical care facilities may also be provided;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;



“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential unit are not connected by an interior corridor;

“service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;

“servicing agreement” means an agreement between a landowner and the municipality relative to the provision of municipal services to specified land within the municipality;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“site” means a parcel of land which can be legally conveyed pursuant to Section 50 of the *Planning Act* and includes a development having two or more lots consolidated under identical ownership.

“solar farm” means any solar energy system comprised of one or more solar panels and associated control or conversion electronics that converts sunlight into electricity. A solar farm may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary;

“special care/special need dwelling” means a building containing two or more dwelling units, which units have a common entrance from street level;

- (a) Where the occupants have the right to use in common, halls, stairs, yards, common rooms and accessory buildings;
- (b) Which may or may not have exclusive sanitary and/or culinary facilities;
- (c) That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements; and
- (d) Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services are provided at various levels,



and includes, but is not limited to, a retirement home or lodge, nursing home, charitable dwelling, group home and hospice.

“telecommunications tower” – means any tower, apparatus, structure or other thing that is used or is capable of being used for telecommunications of for any operation directly connected with telecommunications, and includes a transmission facility, as define in the Telecommunications Act.

“town” means the area within the geographic limits of the Town of Essex;

“wind turbine” means any wind energy system, comprising one or more turbines, that converts energy into electricity, with a combined nameplate generating capacity greater than 500 kilowatts and a height greater than 100 metres, that converts energy into electricity, and consists of a wind turbine, a tower, and associated control or conversion electronics. A wind turbine and energy system may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary; and

“zoning by-law” means the zoning by-law of the Town of Essex, including the former Village of Essex, the former Township of Essex or any successor thereof passed pursuant to Section 34 of the *Planning Act*.

## **2. DESIGNATION OF SERVICES/ CLASS OF SERVICES**

2.1 The categories of services/class of services for which development charges are imposed under this By-law are as follows:

- (a) Services Related to a Highway
- (b) Fire Protection Services
- (c) Policing Services
- (d) Parks and Recreation Services
- (e) Library Services
- (f) Growth Studies
- (g) Wastewater Services (urban serviced areas)



2.2 The components of the services / class of services designated in section 2.1 are described in Schedule A.

### **3. APPLICATION OF BY-LAW RULES**

3.1 Development charges shall be payable in the amounts set out in this By-law where:

- (a) the lands are located in the area described in section 3.2; and
- (b) the development of the lands requires any of the approvals set out in subsection 3.4(a).

#### Area to Which By-law Applies

3.2 Subject to section 3.3, this By-law applies to all lands in the Town of Essex whether or not the land or use thereof is exempt from taxation under s. 13 or the *Assessment Act*.

3.3 Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:

- (a) the municipality or a local board thereof;
- (b) a board of education; or
- (c) the Corporation of the County of Essex or a local board thereof.

#### Approvals for Development

3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:

- (i) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the Planning Act;
- (ii) the approval of a minor variance under section 45 of the Planning Act;



- (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the Planning Act applies;
  - (iv) the approval of a plan of subdivision under section 51 of the Planning Act;
  - (v) a consent under section 53 of the Planning Act;
  - (vi) the approval of a description under section 50 of the Condominium Act, R.S.O. 1990, Chap. C.26, as amended, or any successor thereof; or
  - (vii) the issuing of a permit under the Building Code Act in relation to a building or structure.
- (b) No more than one development charge for each service / class of services designated in subsection 2.1 shall be imposed upon any lands, buildings or structures to which this By-law applies even though two or more of the actions described in subsection 3.4(a) are required before the lands, buildings or structures can be developed.
- (c) Despite subsection 3.4(b), if two or more of the actions described in subsection 3.4(a) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

### Exemptions

- 3.5 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to developments or portions of developments as follows:
- i. an enlargement to an existing Dwelling Unit;
  - ii. the creation of additional Dwelling Units equal to the greater of one (1) or 1% of the existing Dwelling Units in an existing Residential rental building containing four (4) or more Dwelling Units or prescribed ancillary structure to the existing Residential building;

Notwithstanding any other provision of this By-law, Development Charges shall not be imposed with respect to the creation of any of the following in existing or



new Single Detached Dwellings, Semi-Detached Dwellings, Back-to-back Townhouse Dwellings or Stacked Townhouse Dwellings:

- iii. A second Dwelling Unit on a parcel of land on which Residential Use, other than ancillary Residential Use, is permitted, if all buildings and structures ancillary to the existing Residential structure cumulatively contain no more than one (1) Dwelling Unit.
- iv. A third Dwelling Unit on a parcel of land on which Residential Use, other than ancillary Residential Use, is permitted, if no building or structure ancillary to the existing Residential structure contains any Dwelling Units.
- v. One Dwelling Unit on a parcel of urban Residential land, if the existing structure contains no more than two (2) Dwelling Units and no other building or structure ancillary to the existing Residential structure contains any Dwelling Units.

#### Rules with Respect to an Industrial Expansion Exemption

3.6 If a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable in respect of the enlargement is determined in accordance with the following:

- (a) Subject to subsection 3.6(c), if the gross floor area is enlarged by 50 per cent or less of the lesser of:
  - (i) the gross floor area of the existing industrial building, or
  - (ii) the gross floor area of the existing industrial building before the first enlargement for which an exemption from the payment of development charges was granted, or
  - (iii) a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, the amount of the development charge in respect of the enlargement is zero;

- (b) Subject to subsection 3.6(c), if the gross floor area is enlarged by more than 50 per cent or less of the lesser of:



- (i) the gross floor area of the existing industrial building, or
- (ii) the gross floor area of the existing industrial building before the first enlargement for which:
  - (A) an exemption from the payment of development charges was granted, or
  - (B) a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, the amount of the development charge in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:

- (i) determine the amount by which the enlargement exceeds 50 per cent of the gross floor area before the first enlargement, and
  - (ii) divide the amount determined under subsection (A) by the amount of the enlargement.
- (c) For the purposes of calculating the extent to which the gross floor area of an existing industrial building is enlarged in subsection 3.6 (b), the cumulative gross floor area of any previous enlargements for which:
- (i) An exemption from the payment of development charges was granted, or
  - (ii) A lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, shall be added to the calculation of the gross floor area of the proposed enlargement.

- (d) For the purposes of this subsection, the enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility.



3.7 For the purpose of section 3.6 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

3.8 Other Exemptions and Discounts:

Notwithstanding the provision of this by-law, development charges shall not be imposed with respect to:

- (a) lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the Assessment Act;
- (b) a public hospital receiving aid under the Public Hospitals Act, R.S.O. 1990, Chap. P.40, as amended, or any successor thereof;
- (c) the development of non-residential farm buildings constructed for bona fide farm uses, which qualify as a farm business, being that which operates with a valid Farm Business Registration Number and is assessed in the Farmland Realty Tax Class;
- (d) Non-profit Residential Development;
- (e) Affordable Residential Units required pursuant to section 34 and 16(4) of the *Planning Act* (Inclusionary Zoning).
- (f) Affordable Residential Units; and
- (g) Attainable Residential Units

Notwithstanding any other provision of this By-law, the Development Charges payable for Residential Developments, where the Dwelling Units are intended as Rental Housing, will be reduced based on the number of bedrooms in each Dwelling Unit in accordance with section 26.2(1.1) of the Act, as follows:

- (i) Three (3) or more Bedrooms – 25% reduction;
- (ii) Two (2) Bedrooms – 20% reduction; and
- (iii) Fewer than two (2) Bedrooms – 15% reduction.



## Amount of Charges

### Residential

3.9 The development charges set out in Schedule B-1 shall be imposed on residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed-use building or structure, on the residential uses in the mixed use building or structure, according to the type of residential unit, and calculated with respect to each of the services according to the type of residential use.

### Non-Residential

3.10 The development charges described in Schedule B-1 to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed-use building or structure, on the non-residential uses in the mixed-use building or structure, and calculated with respect to each of the services according to the total floor area of the non-residential use.

3.11 The development charges described in Schedule B-2 to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed-use building or structure, on the non-residential uses in the mixed-use building or structure, and calculated with respect to each of the services according to the total site area of the property.

### Wind Turbines and Telecommunication Towers

3.12 The development charges described in Schedule B-1 to this by-law shall be imposed on wind turbines and telecommunication towers with respect to services related to a highway and fire protection services on a per structure basis.

### Solar Farm

3.13 The development charges described in Schedule B-1 to this by-law shall be imposed on solar farms with respect to services related to a highway and fire protection services on a per square foot of the panel surface.



### Reduction of Development Charges for Redevelopment

3.14 Despite any other provisions of this By-law, where, 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 subsection 3.9 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 3.12, 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.

### Time of Payment of Development Charges

3.15 Development charges imposed under this By-law as calculated, payable, and collected upon issuance of the first building permit for the development.

3.16 Despite section 3.15, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.

3.17 Notwithstanding Section 3.15, Development Charges for Rental Housing and Institutional Developments are due and payable in six equal annual instalment



payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest in accordance with Section 26.3 of the Act.

- 3.18 Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within 18 months of building permit issuance, the development charges under subsections 3.9 through 3.13 shall be calculated on the rates set out in Schedules "B-1" and "B-2" on the date of the planning application, including interest in accordance with Section 26.3 of the Act. Where both planning applications apply development charges under subsections 3.9 through 3.13 shall be calculated on the rates set out in Schedules "B-1" and "B-2", on the date of the later planning application, including interest in accordance with Section 26.3 of the Act.

#### **4. PAYMENT BY SERVICES**

- 4.1 Despite the payment required under subsections 3.9 through 3.13, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service to which a development charge relates under this By-law.

#### **5. INDEXING**

- 5.1 Development charges imposed pursuant to this By-law as set out in Schedules "B-1" and "B-2" shall be adjusted annually, without amendment to this By-law, in accordance with the prescribed index in the Act as follows:

- (a) The initial adjustment shall be January 1, 2025, and
- (b) Thereafter, adjustment shall be made on January 1 of each year.

#### **6. SCHEDULES**

- 6.1 The following schedules shall form part of this By-law:

Schedule A - Components of Services / Classes of Services Designated in section 2.1



Schedule B-1 - Residential and Non-Residential Development Charges for all Services/Classes of Services.

Schedule B-2 - Industrial Service Area Lands Development Charges.

Schedule C-1 - Map of Ward 1 – Essex Service Area (Wastewater)

Schedule C-2 - Map of Ward 2 – McGregor Service Area (Wastewater)

Schedule C-3 - Map of Ward 3 – Colchester Service Area (Wastewater)

Schedule C-4 - Map of Ward 4 – Harrow Service Area (Wastewater)

Schedule C-5 - Map of Industrial Service Area (Wastewater)

## **7. CONFLICTS**

7.1 Where the Town and an owner or former owner have entered into an agreement with respect to land within the area to which this By-law applies, and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.

7.2 Notwithstanding section 7.1, where a development which is the subject of an agreement to which section 7.1 applies, is subsequently the subject of one or more of the actions described in subsection 3.4(a), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

## **8. SEVERABILITY**

8.1 If, for any reason, any provision of this By-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

## **9. DATE BY-LAW IN FORCE**

9.1 This By-law shall come into effect at 12:01 AM on October 8, 2024.



**10. EXISTING BY-LAW REPEALED**

10.1 By-law Number 1850, as amended is hereby repealed as of the date and time of this By-law coming into effect.

**11. Read a first, second, and third time and finally passed this 7th day of October 2024.**

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Mayor

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Clerk



SCHEDULE "A"  
TO BY-LAW NO. XXXX COMPONENTS OF SERVICES/CLASSES OF SERVICES  
DESIGNATED IN SUBSECTION 2.1

**TOWN-WIDE SERVICES**

**Services Related to a Highway**

Roads and Related  
Public Works

**Fire Protection Services**

Fire Facilities  
Fire Vehicles  
Fire Small Equipment & Gear

**Provincial Offences Act including By-law (P.O.A)**

P.O.A. Facilities  
P.O.A Vehicles

**Library Services**

Library Facilities

**Parks and Recreation Services**

Park Development  
Amenities  
Vehicles and Equipment

**Growth Studies**

**URBAN SERVICED AREA SERVICES**

Wastewater Works

Wastewater Treatment, Pumping and Collection System



SCHEDULE "B-1" TO BY-LAW NO. XXXX  
Applicable Development Charges

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Wind turbines and telecommunications towers	Solar farms (per sq.ft.)	(per sq.ft. of Gross Floor Area)
<b>Town-wide Services/Class of Service:</b>								
Services Related to a Highway	7,696	5,074	4,690	3,238	2,636	7,696	0.37	0.37
Fire Protection Services	2,526	1,665	1,540	1,063	865	2,526	0.12	0.12
Parks and Recreation Services	7,194	4,743	4,385	3,027	2,464	-	-	0.03
Library Services	617	407	376	260	211	-	-	0.01
Provincial Offences Act including By-Law Enforcement	89	59	54	37	30	-	-	0.01
Policing Services	1,350	890	823	568	462	-	-	0.07
Growth Studies	499	329	304	210	171	-	-	0.01
<b>Total Town-wide Services/Class of Services</b>	<b>19,971</b>	<b>13,167</b>	<b>12,172</b>	<b>8,403</b>	<b>6,839</b>	<b>10,222</b>	<b>0.49</b>	<b>0.62</b>
<b>Area Specific Charges - Wastewater</b>								
Ward 1 - Essex Service Area	1,136	749	692	478	389	-	-	0.48
Ward 2 - McGregor Service Area	15,144	9,984	9,230	6,372	5,188	-	-	1.37
Ward 3 - Colchester South Service Area	7,137	4,705	4,350	3,003	2,445	-	-	0.71
Ward 4 - Harrow Service Area	5,207	3,433	3,173	2,191	1,784	-	-	2.20

**Note:** Wastewater development charges for the industrial service area lands and water capital charges are excluded from the above table.



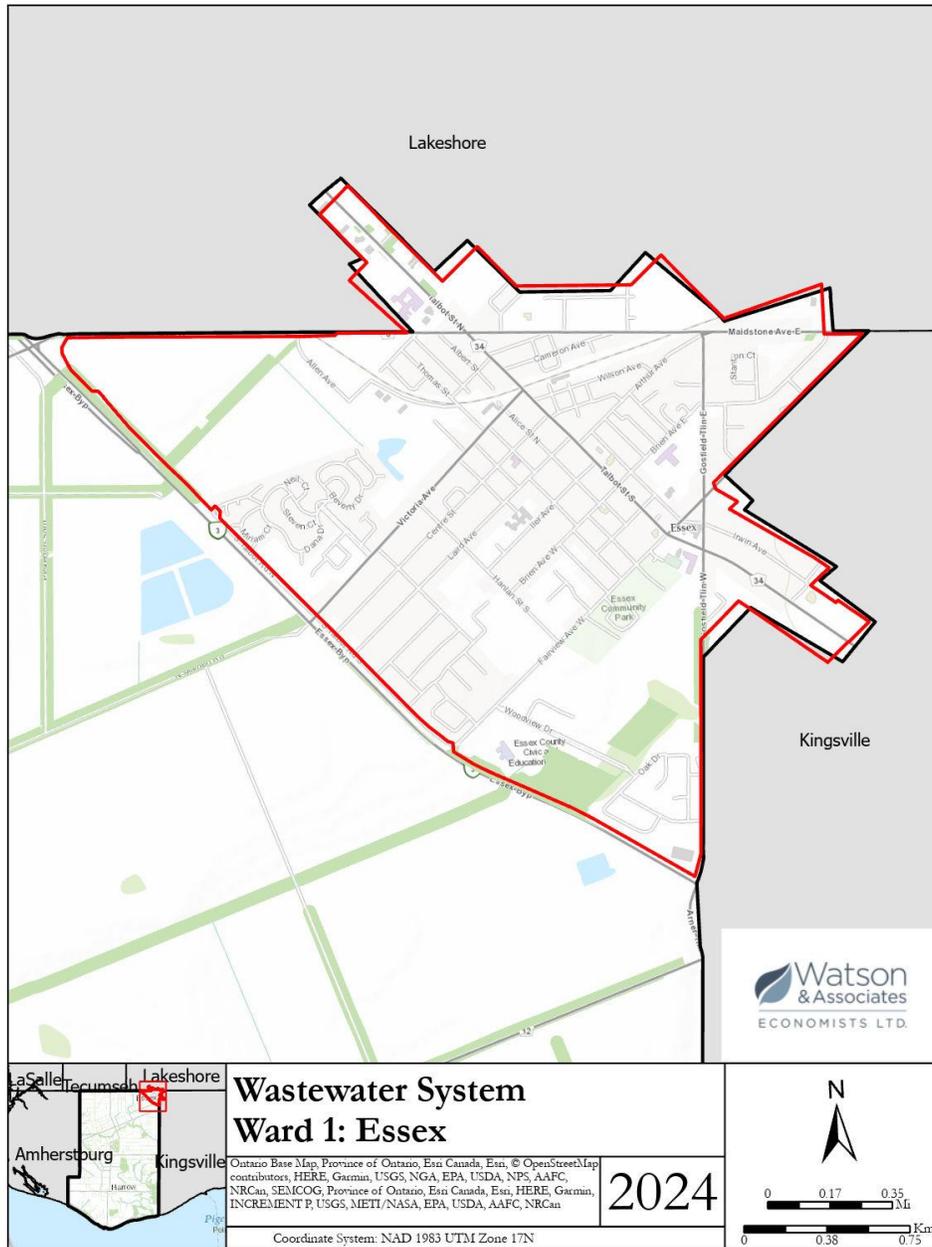
SCHEDULE "B-2" TO BY-LAW NO. XXXX  
INDUSTRIAL SERVICE AREA LANDS DEVELOPMENT CHARGES

Land Parcel	Parcel Size (ha)	Development Charge
0 County Road 8 (North)	1.79	\$ 69,645
0 County Road 8 (South)	17.16	\$ 666,136
14028 Pinkerton Sideroad	3.94	\$ -
14016 Pinkerton Sideroad	6.22	\$ -
14978 14th Concession	13.53	\$ 743,908
<b>Total</b>	<b>42.65</b>	<b>\$ 1,479,690</b>

**Note:** Water capital charges are not included in the table above



SCHEDULE "C-1"  
TO BY-LAW NO. XXX  
Map of Ward 1 – Essex Service Area (Wastewater)



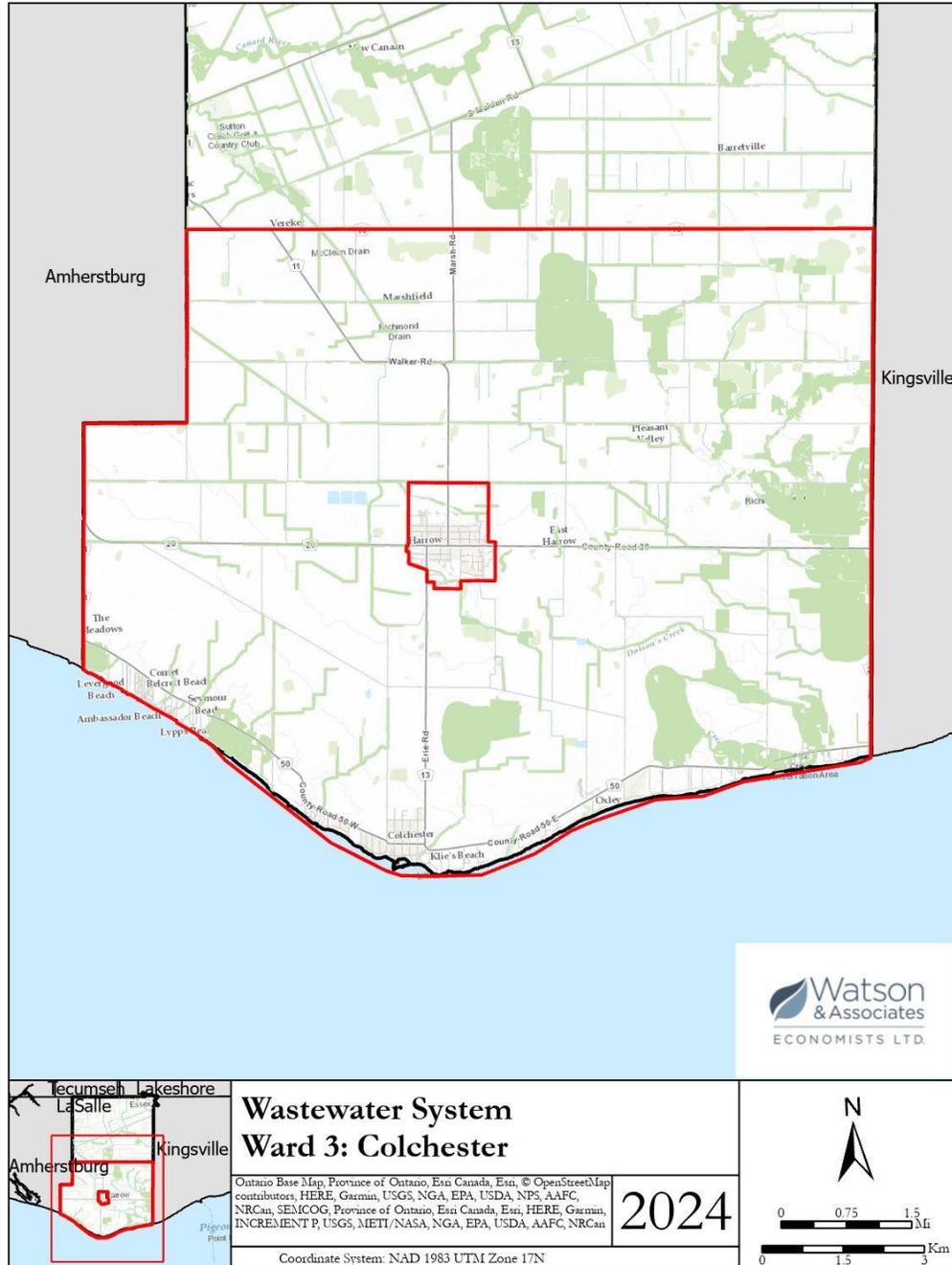


SCHEDULE "C-2"  
TO BY-LAW NO. XXX  
Map of Ward 2 – McGregor Service Area (Wastewater)



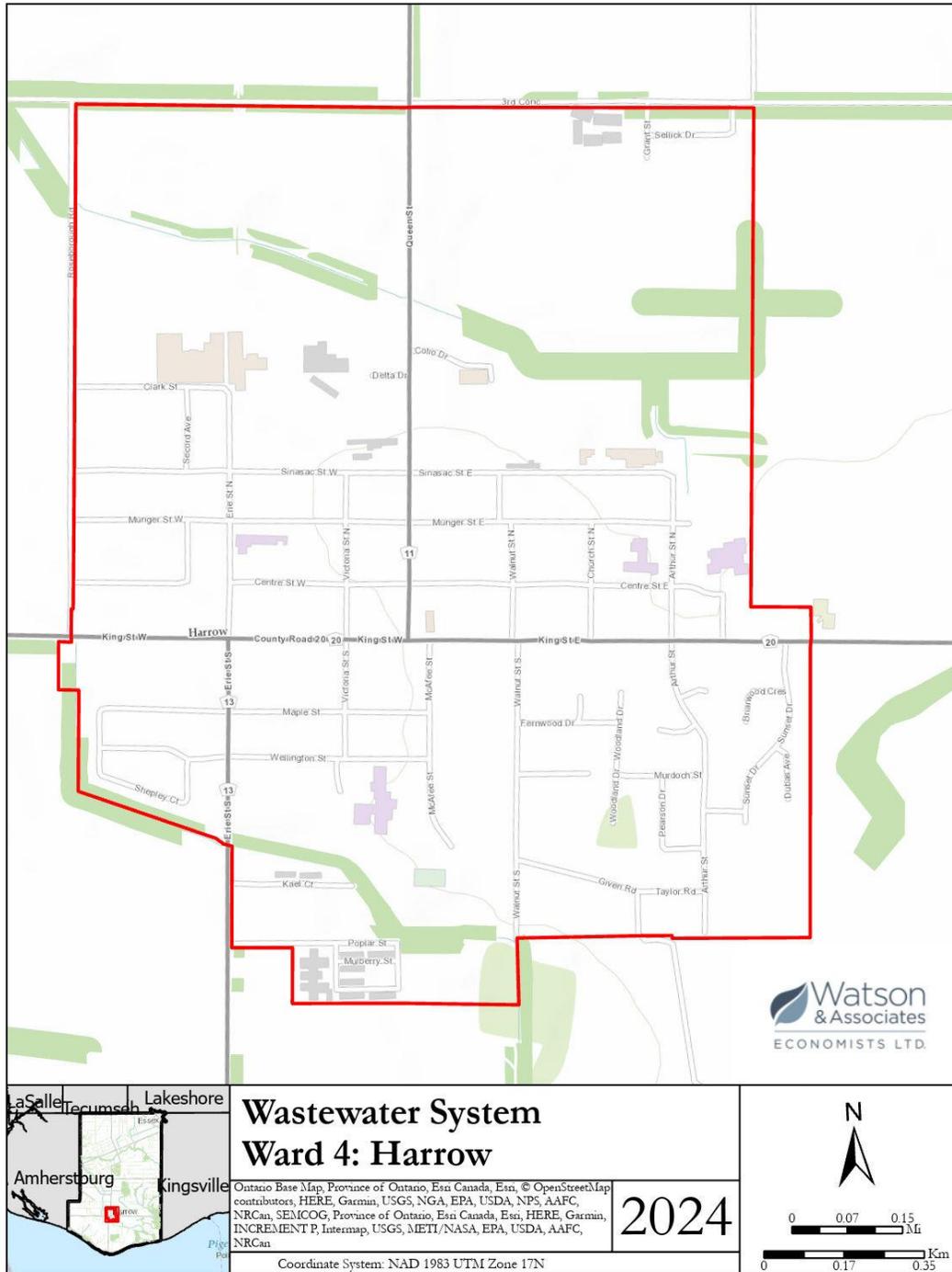


SCHEDULE "C-3"  
TO BY-LAW NO. XXX  
Map of Ward 3 – Colchester Service Area (Wastewater)





SCHEDULE "C-4"  
TO BY-LAW NO. XXX  
Map of Ward 4 – Harrow Service Area (Wastewater)





SCHEDULE "C-5"  
TO BY-LAW NO. XXX  
Map of Industrial Service Area (Wastewater)





# Appendix H

## Proposed Municipal Act, 2001, Part XII By-law



# Appendix H: Proposed Municipal Act, 2001, Part XII By-law

## The Corporation of the Town of Essex By-Law Number **XXXX**

**Being a By-Law to impose water and wastewater charges to recover capital cost of installing water and wastewater services necessary to service new users to the system.**

**WHEREAS** the Town of Essex (the “Town”) has determined to construct certain water and sewage works to service and benefit new users connecting to the system pursuant to its powers under Part 12 of the *Municipal Act, 2001*, as amended (the “*Municipal Act*”);

**AND WHEREAS** the Council of the Town is authorized by Part 12 of the *Municipal Act* to impose a water and/or sewer rate upon owners or occupants of land who derive or will or may derive a benefit from the construction of water and wastewater works sufficient to pay all or such portion of the capital costs of the works as Council deems appropriate;

**AND WHEREAS** the lands to be benefited and charged with the water and wastewater charges are the water and wastewater servicing areas indicated in Schedule “A”;

**AND WHEREAS** the Town has determined that the capital costs of such water and wastewater works shall be rated against the servicing areas and shall be borne by the new users connecting to the systems from time to time of said lands;

**NOW THEREFORE THE COUNCIL OF THE TOWN OF ESSEX ENACTS AS FOLLOWS:**

### 1. **INTERPRETATION**

1.1 In this By-law the following items shall have the corresponding meanings:

“apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by an interior corridor;



“bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;

“bona fide farm uses” means the proposed development will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;

“Council” means the Council of the municipality;

“detached dwelling unit” has the same meaning as a “single detached dwelling unit” for the purposes of this by-law.

“dwelling unit” means either (1) a room or suite of rooms used, or designed or intended for use, by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons, or (2) in the case of a special care/special need dwelling, a room or suite of rooms used, or designed or intended for use, by one person with or without exclusive sanitary and/or culinary facilities, or more than one person in sanitary facilities are directly connected and exclusively accessible to more than one room or suite of rooms;

“existing” means the number, use and size that existed as of the date this by-law was passed and for which development charges for water and/or wastewater services were not imposed;

“farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;

“gross floor area” means:

- (a) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and



- (b) in the case of a non-residential building or structure, or in the case of a mixed- use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
- (i) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
  - (ii) loading facilities above or below grade; and
  - (iii) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

“local board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the Town of Essex or any part or parts thereof;

“multiple dwellings” means all dwellings other than single-detached, semi-detached and apartment unit dwellings;

“municipality” means the Corporation of the Town of Essex;

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“Official Plan” means the Official Plan adopted for the Town, as amended and approved;

“owner” means the owner of land or a person who has made application for a connection to water and/or wastewater services for an existing property;



“place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act, R.S.O. 1990, Chap. A.31*, as amended, or any successor thereof;

“residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more Dwelling Units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more Dwelling Units. This also includes a Dwelling Unit on land that is used for an Agricultural Use;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;

“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential unit are not connected by an interior corridor;

“servicing agreement” means an agreement between a landowner and the municipality relative to the provision of municipal services to specified land within the municipality;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“special care/special need dwelling” means a building containing two or more dwelling units, which units have a common entrance from street level;

- (a) Where the occupants have the right to use in common, halls, stairs, yards, common rooms and accessory buildings;
- (b) Which may or may not have exclusive sanitary and/or culinary facilities;
- (c) That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements; and



- (d) Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services are provided at various levels,

and includes, but is not limited to, a retirement home or lodge, nursing home, charitable dwelling, group home and hospice.

“town” means the area within the geographic limits of the Town of Essex;

“zoning by-law” means the zoning by-law of the Town of Essex, including the former Village of Essex, the former Township of Essex or any successor thereof passed pursuant to Section 34 of the *Planning Act*.

2. The capital cost of the wastewater works shall be as described in the “Town of Essex Development Charge Background Study” report, dated July 26, 2024, subject to annual review by the Town.
3. The water and wastewater charges provided in this by-law shall represent a capital charge or “buy-in” fee to provide for the capital costs related to water and wastewater services to service existing properties.
4. The water and wastewater charge shall be imposed in the servicing areas identified in Schedule A, within the Town of Essex, as amended from time to time. These areas are deemed as the benefiting areas as provided by Part 12 of the *Municipal Act*.
5. The wastewater charges are set forth in Schedules B-1 and B-2 and shall be imposed against all new connections to wastewater services for existing properties.
6. Notwithstanding clause 5, if a development charge for wastewater services has been paid, no further charge for wastewater services will be imposed under this by-law.
7. The water charges are set forth in Schedules B-3 and shall be imposed against all new connections to water services for new and existing properties.
8. Water and wastewater charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this By-law in accordance with the prescribed index in the *Development Charges Act*.



9. Water and Wastewater charges imposed pursuant to this by-law with respect to the industrial service area in Ward 2 shall be adjusted based on the actual capital cost of the works undertaken.

10. The following schedules to this by-law form an integral part thereof:

Schedule A: Areas Subject to Water and Wastewater Charges

Schedule B-1: Schedule of Wastewater Charges for Urban Service Areas of the Town

Schedule B-2: Schedule of Wastewater Charges for the Industrial Service Area

Schedule B-3: Schedule of Water Charges for the Industrial Service Area

Schedule C-1 - Map of Ward 1 – Essex Service Area (Wastewater)

Schedule C-2 - Map of Ward 2 – McGregor Service Area (Wastewater)

Schedule C-3 - Map of Ward 3 – Colchester South Service Area (Wastewater)

Schedule C-4 - Map of Ward 4 – Harrow Service Area (Wastewater)

Schedule C-5 - Map of Industrial Service Area (Wastewater)

11. If any court of competent jurisdiction finds that any provision of this By-law is invalid or is ultra vires of the jurisdiction of the Town, such provision shall be deemed to be severable and shall not invalidate any of the other provisions of this By-law.

12. This by-law shall come into force on the \_\_\_ day \_\_\_\_\_, 2024.

ENACTED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_

Mayor

\_\_\_\_\_

Clerk



**Schedule “A” to By-law No. XXXX**  
**Areas Subject to Water and Wastewater Charge**

**Wastewater**

Ward 1 – Essex Service Area

Ward 2 – McGregor Service Area

Ward 3 – Colchester South Service Area

Ward 4 – Harrow Service Area

Industrial Service Area

**Water**

Industrial Service Area



**Schedule “B-1” to By-law No. XXXX**  
**Schedule of Charges for Urban Service Areas of the Town**

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Ward 1 - Essex Service Area	1,136	749	692	478	389	0.48
Ward 2 - McGregor Service Area	15,144	9,984	9,230	6,372	5,188	1.37
Ward 3 - Colchester South Service Area	7,137	4,705	4,350	3,003	2,445	0.71
Ward 4 - Harrow Service Area	5,207	3,433	3,173	2,191	1,784	2.20

**Schedule “B-2” to By-law No. XXXX**  
**Schedule of Wastewater Charges for Industrial Service Area**

Land Parcel	Parcel Size (ha)	Applicable Capital Charges
14028 Pinkerton Sideroad	3.94	\$ 216,717
14016 Pinkerton Sideroad	6.22	\$ 342,151

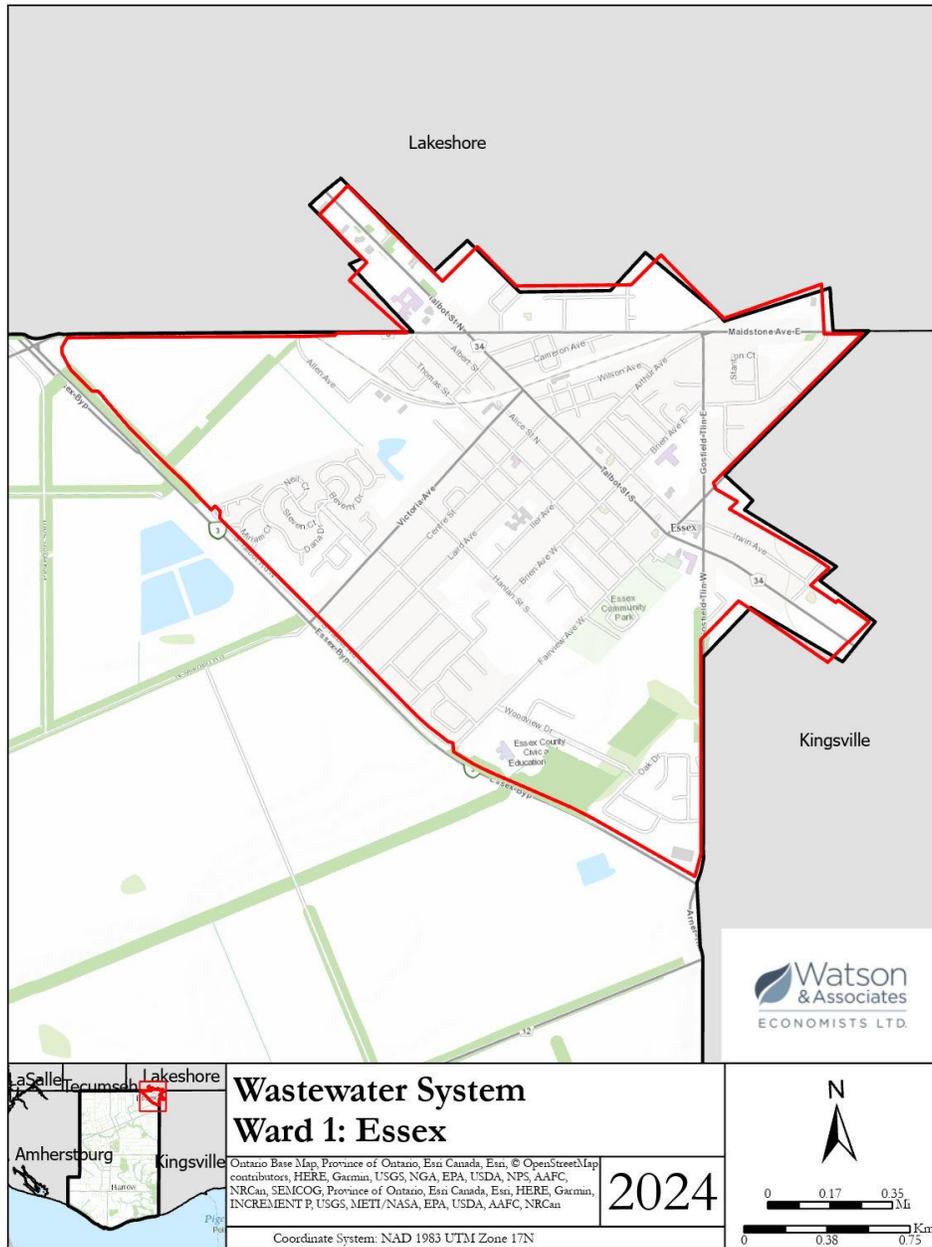


**Schedule “B-3” to By-law No. XXXX**  
**Schedule of Water Charges for Industrial Service Area**

<b>Land Parcel</b>	<b>Parcel Size (ha)</b>	<b>Proportional Share of Flow (%)</b>	<b>Applicable Capital Charges</b>
0 County Road 8 (North)	1.79	4.2%	\$ 32,827
0 County Road 8 (South)	17.16	40.2%	\$ 313,982
14028 Pinkerton Sideroad	3.94	9.2%	\$ 72,144
14016 Pinkerton Sideroad	6.22	14.6%	\$ 113,901
14978 14th Concession	13.53	31.7%	\$ 247,645
<b>Total</b>	<b>42.65</b>	<b>100%</b>	<b>\$ 780,499</b>



SCHEDULE "C-1"  
TO BY-LAW NO. XXX  
MAP OF WASTEWATER SYSTEM WARD 1: ESSEX



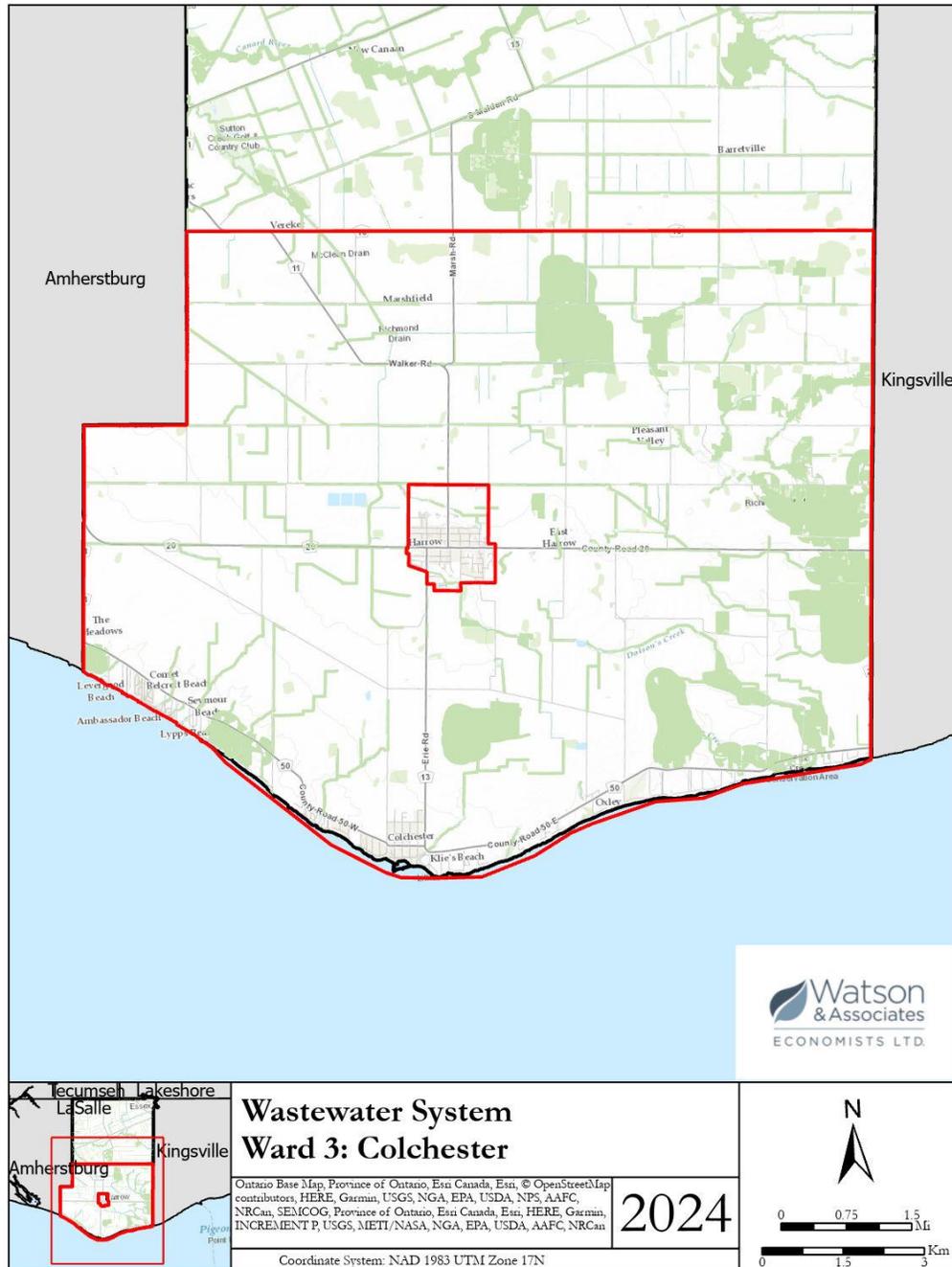


SCHEDULE "C-2"  
TO BY-LAW NO. XXX  
MAP OF WASTEWATER SYSTEM WARD 2: MCGREGOR



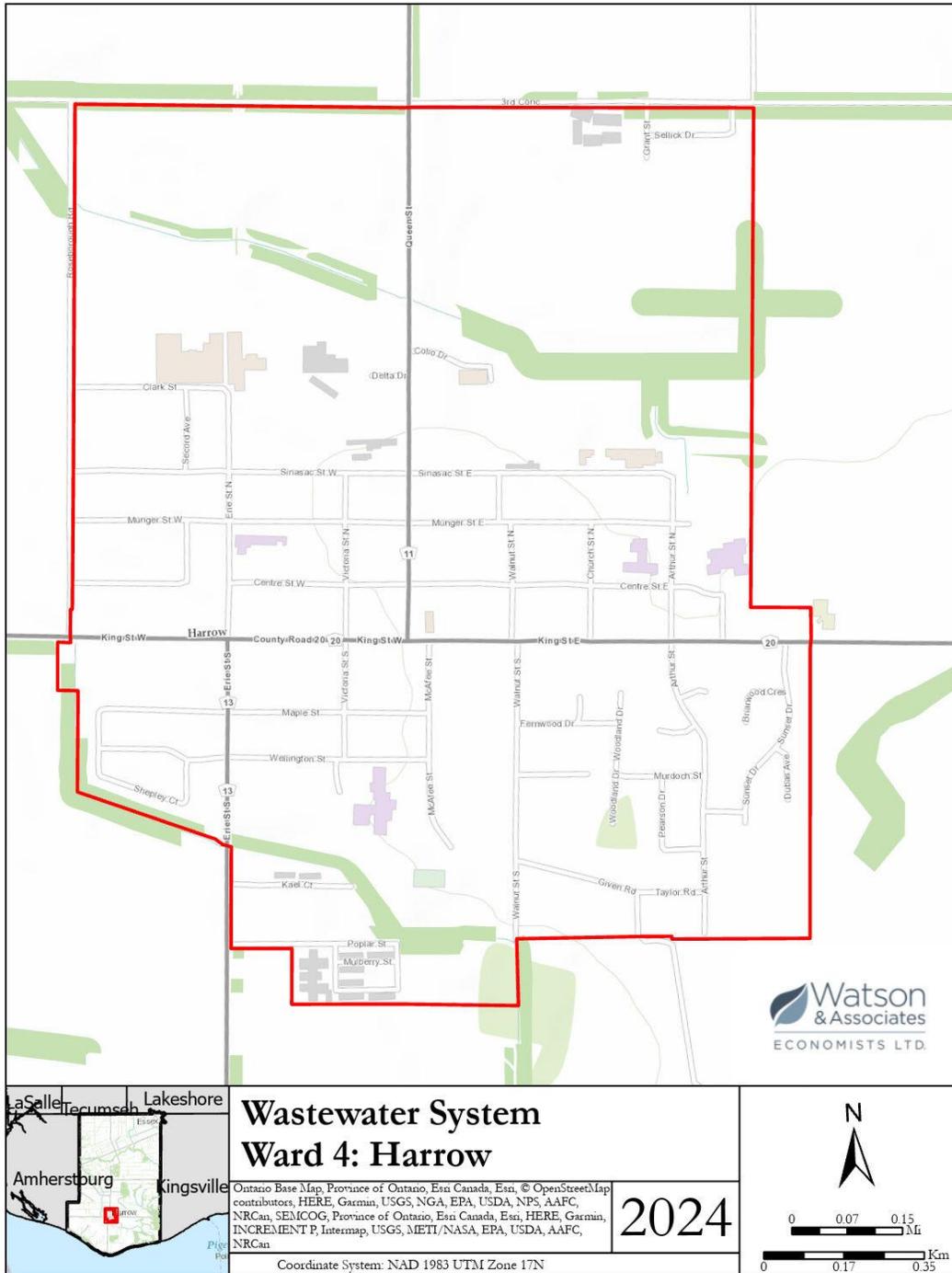


SCHEDULE "C-3"  
TO BY-LAW NO. XXX  
MAP OF WASTEWATER SYSTEM WARD 3: COLCHESTER





SCHEDULE "C-4"  
TO BY-LAW NO. XXX  
MAP OF WASTEWATER SYSTEM WARD 4: HARROW





SCHEDULE "C-5"  
TO BY-LAW NO. XXX  
MAP OF INDUSTRIAL SERVICE AREA

