



Development Charges Update Study

City of Sarnia

June 28, 2021

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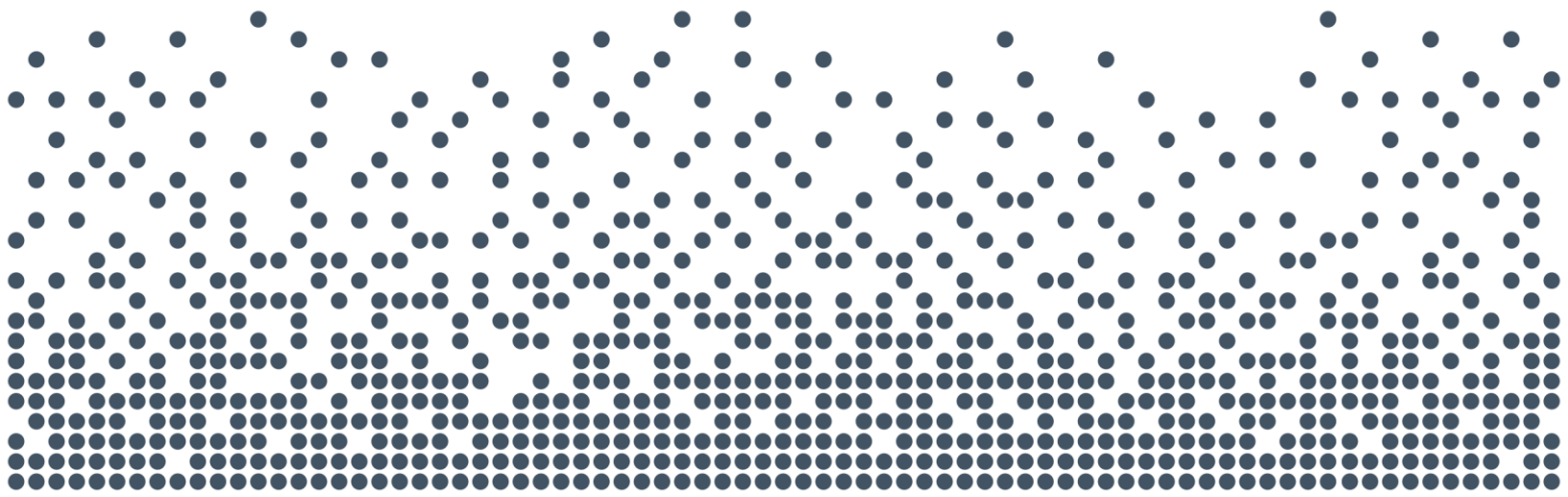
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Report



Chapter 1

Introduction



1. Introduction

1.1 Background

The City of Sarnia imposes development charges (D.C.) to recover capital costs arising from the increase in need for services related to growth. The City currently has a municipal-wide D.C. for the following services:

- Services related to a highway;
- Parking services;
- Fire protection services;
- Police services;
- Outdoor recreation services; and
- Administration studies.

In addition to the above services, the City also recovers water, wastewater, and stormwater costs through area-specific charges in Development Area 2, and stormwater and wastewater costs in all other urban areas.

The basis for these D.C.s is documented in the “City of Sarnia Development Charges Background Study” dated March 25, 2019, which provided the supporting documentation for By-law 89 of 2019. The D.C. by-law came into effect May 27, 2019.

The City’s D.C.s have been indexed (in accordance with section 10.1 of the by-law) annually on January 1st and are currently 5.69% higher than the 2019 rates implemented under By-law 89 of 2019. The 2019 D.C.s (unindexed) are presented in Figure 1-1.

The purpose of this report is to update the current D.C. by-law in order to meet the requirements of the Development Charges Act (D.C.A.), as amended by Bill 108 (*More Homes, More Choice Act, 2019*), Bill 138 (*Plan to Build Ontario Act, 2019*), Bill 197 (*COVID-19 Economic Recovery Act, 2020*), and Bill 213 (*Better for People, Smarter for Business Act, 2020*). A full discussion on the amending legislation is provided in chapter 2.



In addition, through further review of the anticipated growth and the planned capital works in Development Area 2, refinements have been provided for wastewater and stormwater to account for additional post period benefit deductions related to oversized infrastructure.

A summary of the changes contained in this D.C. Update are provided below:

- The legislation has removed the mandatory deduction for all services that remain eligible in the D.C. For the City, the 10% deduction may be removed for the following services:
 - Parking Services;
 - Outdoor Recreation Services; and
 - Administration (Studies).
- The listing of eligible services has been changed by the amending legislation. For the City, Parking Services will no longer be an eligible service as of September 18, 2022 (the end of the transition period provided by the amending legislation). The amendments to the D.C. by-law will reflect this change.
- An additional change brought forth through Bill-197 related to establishing classes of services. A class of service may be composed of any number or combination of services and may include parts or portions of each D.C.-eligible service. As a result of these changes to the D.C.A., this update report provides for Public Works and Administration (Growth Studies) as classes of services. Further discussion on classes of services is provided in chapter 2.
- The regulations have provided for the following additional mandatory D.C. exemptions to be added to the City's D.C. by-law:
 - Additional dwelling unit in new residential buildings (subject to various limitations outlined in the regulations); and
 - Development of land intended for use by a university that receives operating funds from the Government.
- Further changes related to the timing of payments for rental housing, institutional development, and non-profit development were proclaimed through Bill 108. Additionally, the D.C. for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval, shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. These changes will be addressed in the amending by-law, discussed in Chapter 5 and provided in Appendix C.



- Through further review of the planned capital works for Development Area 2, additional post period benefit deductions have been made to two wastewater projects and one stormwater project to account for oversizing of works that would benefit growth beyond the forecast period. Further discussion is provided in Chapter 4.



Figure 1-1
City of Sarnia
2019 Development Charges

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)
City-wide Services:						
Services Related to a Highway	5,894	4,300	4,047	2,670	2,396	2.66
Parking Services	70	51	48	32	28	0.03
Fire Protection Services	590	430	405	267	240	0.27
Police Services	448	327	308	203	182	0.20
Outdoor Recreation Services	1,631	1,190	1,120	739	663	0.33
Administration	147	107	101	67	60	0.07
Total City-wide Services	8,780	6,405	6,029	3,978	3,569	3.56
Urban Services - All Other Urban Areas						
Stormwater Drainage and Control Services	578	422	397	262	235	0.31
Wastewater Services	4,242	3,094	2,913	1,922	1,724	2.06
Total Urban Services - All Other Urban Areas	4,820	3,516	3,310	2,184	1,959	2.37
Urban Services - Development Area 2						
Stormwater Drainage and Control Services	-	-	-	-	-	0.00
Wastewater Services	9,441	6,887	6,482	4,277	3,838	5.68
Water Services	10,752	7,843	7,383	4,871	4,371	4.80
	99	72	68	45	40	0.04
Total Urban Services - Development Area 2	20,292	14,802	13,933	9,193	8,249	10.52
GRAND TOTAL RURAL AREA	8,780	6,405	6,029	3,978	3,569	3.56
GRAND TOTAL ALL OTHER URBAN AREAS	13,600	9,921	9,339	6,162	5,528	5.93
GRAND TOTAL DEVELOPMENT AREA 2	29,072	21,207	19,962	13,171	11,818	14.08



1.2 Existing Policies (Rules)

Appendix A of this report sets out the rules governing the calculation, payment, and collection of D.C.s as provided in By-law 89 of 2019.

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

This D.C. update study provides for an amendment to the City's current D.C. by-law (By-law 89 of 2019) based on the legislative changes to the D.C.A. These include:

- Updating the D.C. analysis to remove the 10% mandatory deduction;
- Municipal Parking will no longer be an eligible service as of September 18, 2022. Schedule B to the City's D.C. By-law will be amended to reflect this change;
- Creating a class of service for Administration (Studies), and Public Works (i.e. remove this component from Services Related to a Highway and present it as a stand alone class of service);
- Updating the D.C. policies in the by-law with respect to:
 - D.C. installment payments;
 - D.C. rate freeze;
 - Mandatory exemption for new ancillary units and universities; and
 - Updated definitions (which have been established as part of Bill 108/197); and
- In addition to the legislative-driven changes, an update to the post period benefit allocations for wastewater and stormwater projects in Development Area 2 have been made to account for benefits to growth beyond the forecast period.

Details on the changes to the calculation and by-law are presented in Chapter 4 and Chapter 5 of this report, respectively. The draft amending by-law is presented in Appendix C to this report.

1.4 Summary of the Process

The public meeting required under section 12 of the D.C.A. has been scheduled for September 13, 2021. Its purpose is to present the update study to the public and to solicit public input. The meeting is also being held to answer any questions regarding



the study's purpose, methodology and the proposed modifications to the City's D.C. by-law.

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

- Receipt of virtual public input between July 5, 2021, and August 6, 2021;
- Stakeholder engagement session to be held between July 5, 2021, and August 6, 2021;
- consideration of responses received prior to, at or immediately following the Public Meeting; and
- Council consideration of the amending by-law on October 4, 2021.

Figure 1-2 outlines the proposed schedule to be followed with respect to the D.C. by-law adoption process

Figure 1-2
Schedule of Key D.C. Process Dates for the City of Sarnia

1. Data collection, staff review, D.C. calculations and policy work	March to April 2021
2. Background study and proposed by-law available to public	June 28, 2021
3. Public meeting advertisement placed in newspaper(s)	July 3, 2021 July 10, 2021 July 17, 2021
4. Virtual public input period opens	July 5, 2021
5. Stakeholder Engagement Meeting	Date to be determined
6. Virtual public input period closes	August 6, 2021
7. Public meeting of Council	September 13, 2021
8. Council considers adoption of background study and passage of by-law	October 4, 2021
9. Newspaper notice given of by-law passage	By 20 days after passage
10. Last day for by-law appeal	40 days after passage
11. City makes pamphlet available (where by-law not appealed)	By 60 days after in force date



1.5 Policy Recommendations

It is recommended that the City's current D.C. policies, as identified in Appendix A of this report, be continued.

Additionally, the new policies as stated in Bill 108, Bill 138, Bill 197, Bill 213, and O. Reg. 454-19 are recommended to be included. This is discussed in further detail in chapter 2 of this report.



Chapter 2

Changes to the D.C.A. Legislation



2. Changes to the D.C.A. Legislation

2.1 Bill 108 – *More Homes, More Choice Act, 2019*

On May 2, 2019, the Province introduced Bill 108, which proposed changes to the D.C.A. The Bill has been 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 pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Interest may be charged on the instalments, and any unpaid amounts may be added to the property and collected as taxes.
- 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 the earlier of the date of issuance of a building permit or occupancy.

On February 28, 2020, the Province released updated draft regulations related to the D.C.A. and the Planning Act. A summary of these changes 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. Further, 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 remove 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 (as noted below), in addition to parkland dedication and other types of cost formerly recovered under Section 37 of the Planning Act.

2.2 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.

2.3 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:



2.3.1 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. However, Bill 197 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.
 - 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 amending legislation repealed and replaced 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 s. 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.

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

10-Year Planning Horizon

- The “maximum” 10-year planning horizon has been removed for all services except transit.

2.3.2 Community Benefit Charges (C.B.C.)

While a Community Benefit Charge is not being considered within this report, a summary of the legislated changes is provided herein for information purposes.

C.B.C. Eligibility

- The C.B.C. is limited to lower-tier and single tier municipalities, whereas upper-tier municipalities will not be allowed to impose this charge.
- O.Reg. 509/20 was filed on September 18, 2020. This regulation provides for the following:
 - A maximum rate will be set as a percentage of the market value of the land the day before building permit issuance. The maximum rate is set at 4%. The C.B.C. may only be imposed on developing or redeveloping buildings which have a minimum height of five stories and contain no less than 10 residential units.



- Bill 197 states that before passing a C.B.C. by-law, the municipality shall prepare a C.B.C. strategy that (a) identifies the facilities, services and matters that will be funded with C.B.C.s; and (b) complies with any prescribed requirements.
- Only one C.B.C. by-law may be in effect in a local municipality at a time.

2.3.3 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 s. 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."

Transition – D.C. and C.B.C.

- The specified date for municipalities to transition to the D.C. and C.B.C. is two years after Schedules 3 and 17 of the COVID-19 Economic Recovery Act comes into force (i.e. September 18, 2022).
- Generally, for existing reserve funds (related to D.C. services that will be ineligible):
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.
- For reserve funds established under s. 37 of the Planning Act (e.g. bonus zoning)
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose;
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.

If a municipality passes a C.B.C. by-law, any existing D.C. credits a landowner retains may be used towards payment of that landowner's C.B.C.



2.4 Bill 213 – *Better for People, Smarter for Business Act*, 2020

On December 8, 2020, Bill 213 received Royal Assent. One of the changes included in the Bill that is now in effect amends the Ministry of Training, Colleges, and Universities Act by introducing a new section that would exempt the payment of D.C.s for development of land intended for use by a university that receives operating funds from the government. This additional mandatory exemption has been included in the draft amending by-law in Appendix C.



Chapter 3

Anticipated Development



3. Anticipated Development

3.1 Growth Forecast in the 2019 D.C. Study

The 2019 D.C. study provided for the anticipated residential and non-residential growth within the City of Sarnia. The growth forecast associated with services included in the background study is provided in Figure 3-1 below:

Figure 3-1
City of Sarnia
2019 D.C. Background Study – Growth Forecast Summary

Measure	10-year	13-year	Development Area 2 Urban 13-year	All Other Urban Areas 13-year
	2019-2028	2019-2031	2019 - 2031	2019 - 2031
(Net) Population Increase	734	913	2,296	(1,082)
Residential Unit Increase	1,727	2,164	873	2,096
Non-Residential Gross Floor Area Increase (sq.ft.)	421,900	496,500	60,100	359,400

Source: Watson & Associates Economists Ltd. Forecast 2019

For the purposes of this D.C. update, the 2019 D.C. Background Study growth forecast remains unchanged as the incremental growth is anticipated to remain the same.



Chapter 4

Updates to the City's D.C. Study



4. Updates to the City's D.C. Study

As noted earlier, the City's D.C. By-law (89 of 2019) came into effect on May 27, 2019, being a by-law for the purposes of establishing and collecting D.C.s in accordance with the provisions of the D.C.A. The 2019 D.C. Background Study and by-law identified anticipated capital needs for recovery through D.C.s for municipal wide and area specific urban services.

This chapter of the report discusses the removal of the 10% mandatory deduction for parking services, outdoor recreation services, and Administration (Studies). A discussion is also provided on the categorization of Administration (Studies) and Public Works as classes of services. Further, a discussion is provided related to the additional deductions identified for stormwater and wastewater projects for Development Area 2. As this study represents an update to the 2019 D.C. Background Study, the capital costs are being presented in 2019 dollars.

As part of a D.C. amendment, consideration must be given to the historical service level calculation to ensure that the service level ceiling has not been exceeded in the updated calculations. These calculations have been undertaken and are included in Appendix B to this report. No service level has been exceeded by the calculations provided herein.

4.1 Parking Services

Given the change to the D.C.A. through Bill 197, the mandatory 10% deduction has been removed from the D.C.-eligible services. Note: although parking services will no longer be an eligible service under the D.C.A as of September 18, 2022, the City is eligible to collect D.C.s for this service until that date (this will be noted in the updated by-law).

Figure 4-1 provides the updated capital project listing with the removal of the mandatory deduction. This provides for a D.C.-eligible amount of \$140,000.

In addition, an examination of the updated service standards has been undertaken as per section 5(1)4 of the D.C.A. The service standard for parking provides a D.C. level of service ceiling of \$140,510, which is higher than the growth-related capital needs identified and hence, no further adjustments are required. The service standard calculation is provided in Appendix B.



Based on the City's 2019 D.C. study, the costs are allocated between residential and non-residential development based on the ratio of future anticipated population and employment. This results in the costs being shared 89% to residential development and 11% to non-residential development over the 10-year forecast period.



Figure 4-1
City of Sarnia
Parking Services Capital – Updated

Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Service: Parking Spaces

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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
	2019-2028									89%	11%
1	Provision for additional parking spaces	2025-2028	140,000	-		140,000	-		140,000	124,600	15,400
	Total		140,000	-	-	140,000	-	-	140,000	124,600	15,400

Note: the provision above is in addition to the reserve fund balance of \$8,166



4.2 Parks Services (Outdoor Recreation Services)

As discussed earlier, the capital costs included for outdoor recreation services have been modified to remove the mandatory 10% deduction. Figures 4-2, and 4-3 provide the updated capital project listings with the removal of the 10% deduction for parkland development and parks vehicles & equipment. The total D.C. eligible amounts being included in the calculations for parkland development and vehicles & equipment are \$2.99 million and \$288,000, respectively.

Through the updated service standard calculations provided in Appendix B, the maximum D.C.s allowed to be recovered for parkland development and parks vehicles & equipment are \$5.13 million and \$288,304. The ceiling provided through these levels of service are higher than the growth-related capital needs.

Based on the City's 2019 D.C. study, as the predominant users of parks tend to be residents of the City, the forecasted growth-related costs have been allocated 95% to residential and 5% to non-residential.

In order to remain consistent with the wording provided in the amended D.C.A., Outdoor Recreation Services will be renamed in the by-law as Parks Services.



Figure 4-2
City of Sarnia
Parks Capital – Updated Parkland Development
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Service: Parkland Development

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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%
	2019-2028										
1	Cricket Club Picnic Shelter	2019	35,000	-		35,000	17,500	10,000	7,500	7,125	375
2	Sports Field Development & Improvements (bleachers/lighting/field development/dugouts)	2019-2024	800,000	-		800,000	400,000		400,000	380,000	20,000
3	Camp Saredaca Main Building Expansion	2020-2024	1,250,000	-		1,250,000	125,000		1,125,000	1,068,750	56,250
4	Trail Development - Blackwell/Modeland	2019-2024	100,000	-		100,000	-	25,000	75,000	71,250	3,750
5	Tecumseh Spraypad Washroom/Changeroom/Concession Project	2019	75,000	-		75,000	-	50,000	25,000	23,750	1,250
6	Waterfront Improvements/Shoreline Protection	2019-2028	900,000	-		900,000	-		900,000	855,000	45,000
7	Canatara Park - LifeGuard/Washroom/Changeroom Project	2019-2021	200,000	-		200,000	-	75,000	125,000	118,750	6,250
8	Norm Perry Park - Field House/Washrooms	2021-2025	2,500,000	-		2,500,000	625,000		1,875,000	1,781,250	93,750
9	Accessible Sun Shade Shelters - Centennial Park	2019-2025	125,000	-		125,000	-	75,000	50,000	47,500	2,500
10	Trail Development - Modeland/Heritage Park	2019-2024	150,000	-		150,000	-	75,000	75,000	71,250	3,750
11	Provision for Parkland Development	2019-2024	300,000	-		300,000	-	150,000	150,000	142,500	7,500
	Reserve Fund Balance						1,816,442		(1,816,442)	(1,725,620)	(90,822)
	Total		6,435,000	-	-	6,435,000	2,983,942	460,000	2,991,058	2,841,505	149,553



Figure 4-3
City of Sarnia
Parks Capital – Updated Parks Vehicles and Equipment
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Service: Parks Vehicles and Equipment

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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%
	2019-2028										
1	Provision for additional parks vehicles and equipment	2019-2028	288,000	-		288,000	-		288,000	273,600	14,400
	Total		288,000	-	-	288,000	-	-	288,000	273,600	14,400



4.3 Growth Studies (Administration Studies)

Bill 197 introduced an amendment to the D.C.A. regarding the creation of classes of services. A class of service may be composed of any number or combination of services and may include parts or portions of each D.C.-eligible service. 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. 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.

In addition, Section 7(3) of the D.C.A. states that:

“For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3).”

As a result of these changes to the D.C.A., this update study provides for Growth Studies to be categorized as a class of services. Note that in the previous by-law, growth studies were classified under “Administration”, however, to remain consistent with the wording in the updated regulations, this class of service will be referred to as Growth Studies. Growth Studies is comprised of the following services:

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

Figure 4-4 depicts how the costs of capital projects are allocated across the services. For planning related studies, 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:

- Stormwater Drainage and Control Services – 20%
- Wastewater Services – 20%



- Water Services – 20%
- Services Related to a Highway – 25%
- Fire Protection Services – 5%
- Police Services – 5%
- Parks Services – 5%

With respect to the capital cost of D.C. background studies, they 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. background studies to each service:

- Stormwater Drainage and Control Services – 18.4%
- Wastewater Services – 35.4%
- Water Services – 0.2%
- Services Related to a Highway – 31.9%
- Fire Protection Services – 3.3%
- Police Services – 2.5%
- Parks Services – 8.3%

In addition to the categorization of growth studies as a class of service, the mandatory 10% deduction has been removed for all growth studies.

The capital costs have been allocated 89% residential and 11% non-residential based on the incremental growth in population to employment for the 10-year forecast period, consistent with the 2019 D.C. Background Study.



Figure 4-4
City of Sarnia
Growth Studies Capital – Updated Growth Studies
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Class of Service: Growth Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service	Timing (year)	Gross Capital Cost Estimate (2019\$)	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
	2019-2028										89%	11%
1	Development Charge Study											
1A	Development Charge Study	Stormwater Drainage and Control Services	2019	12,426	-		12,426	-		12,426	11,059	1,367
1B	Development Charge Study	Wastewater Services	2019	23,873	-		23,873	-		23,873	21,247	2,626
1C	Development Charge Study	Water Services	2019	150	-		150	-		150	134	17
1D	Development Charge Study	Services Related to a Highway	2019	21,526	-		21,526	-		21,526	19,158	2,368
1E	Development Charge Study	Fire Protection Services	2019	2,244	-		2,244	-		2,244	1,997	247
1F	Development Charge Study	Police Services	2019	1,702	-		1,702	-		1,702	1,514	187
1G	Development Charge Study	Parks Services	2019	5,579	-		5,579	-		5,579	4,966	614
	Subtotal			67,500	-	-	67,500	-	-	67,500	60,075	7,425
	Development Charge Study											
2A	Development Charge Study	Stormwater Drainage and Control Services	2024	12,426	-		12,426	-		12,426	11,059	1,367
2B	Development Charge Study	Wastewater Services	2024	23,873	-		23,873	-		23,873	21,247	2,626
2C	Development Charge Study	Water Services	2024	150	-		150	-		150	134	17
2D	Development Charge Study	Services Related to a Highway	2024	21,526	-		21,526	-		21,526	19,158	2,368
2E	Development Charge Study	Fire Protection Services	2024	2,244	-		2,244	-		2,244	1,997	247
2F	Development Charge Study	Police Services	2024	1,702	-		1,702	-		1,702	1,514	187
2G	Development Charge Study	Parks Services	2024	5,579	-		5,579	-		5,579	4,966	614
	Subtotal			67,500	-	-	67,500	-	-	67,500	60,075	7,425
3	Transportation Master Plan Update	Services Related to a Highway	2024	56,200	-		56,200	14,050		42,150	37,514	4,637
4	Fire Master Plan/ Station Optimization	Fire Protection Services	2019	100,000	-		100,000	25,000		75,000	66,750	8,250



Figure 4-4 (Cont'd)
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Class of Service: Growth Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service	Timing (year)	Gross Capital Cost Estimate (2019\$)	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 89%	Non-Residential Share 11%
	2019-2028											
	Official Plan Review											
5A	Official Plan Review	Stormwater Drainage and Control Services	2019	22,480	-	2,248	20,232	5,620		14,612	13,005	1,607
5B	Official Plan Review	Wastewater Services	2019	22,480	-	2,248	20,232	5,620		14,612	13,005	1,607
5C	Official Plan Review	Water Services	2019	22,480	-	2,248	20,232	5,620		14,612	13,005	1,607
5D	Official Plan Review	Services Related to a Highway	2019	28,100	-	2,810	25,290	7,025		18,265	16,256	2,009
5E	Official Plan Review	Fire Protection Services	2019	5,620	-	562	5,058	1,405		3,653	3,251	402
5F	Official Plan Review	Police Services	2019	5,620	-	562	5,058	1,405		3,653	3,251	402
5G	Official Plan Review	Parks Services	2019	5,620	-	562	5,058	1,405		3,653	3,251	402
	Subtotal			112,400	-	11,240	101,160	28,100	-	73,060	65,023	8,037
	Reserve Fund Balance							47,300		(47,300)	(42,097)	(5,203)
	Total			403,600	-	11,240	392,360	114,450	-	277,910	247,340	30,570



4.4 Public Works

Similar to Growth Studies, the changes to the D.C.A. now require the City to create a Class of Service related to Public Works Facilities, Vehicles, and Equipment. These assets provide support to various D.C. eligible services (water, wastewater, and services related to a highway). As such, a class of service is being created to ensure the continued recovery of D.C. funding towards the expansion of space, vehicles, and equipment needed to service future growth.

As a result, the former category of Services Related to a Highway – Facilities and Vehicles is not categorized as a class of services entitled “Public Works.”

Figure 4-5 provides how the costs of capital projects are allocated across the D.C. eligible services for which the facilities, vehicles, and equipment relate. Certain expenditures, such as the sidewalk plows, only relate to services related to a highway, therefore, this project is only allocated to that service. Other capital expenditures, such as the 5-ton truck, relate to all three services, and as such, have been equally allocated to each service.

There is no change to the growth-related capital costs included in the D.C. calculations, however, the service standard calculations have been updated to allocate the existing vehicles and facilities across the D.C.-eligible services. The details regarding the updated service standard calculations are provided in Appendix B. The resulting service standard calculation for Public Works provides a maximum D.C.-eligible amount of approximately \$800,000. As this amount is larger than the identified capital needs, no adjustments to the D.C. calculations are required.

Based on the City’s 2019 D.C. study, the growth-related capital costs have been allocated 90% residential and 10% non-residential based on the incremental growth in population to employment for the 13-year forecast period.



Figure 4-5
City of Sarnia
Public Works Capital – Updated Public Works
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Class of Service: Public Works

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service to Which the Project Relates to	Timing (year)	Gross Capital Cost Estimate (2019\$)	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 90%	Non-Residential Share 10%
	2019-2031											
1	Sidewalk Plow	Services Related to a Highway	2019	150,000	-		150,000	-		150,000	135,000	15,000
2	Sidewalk Plow	Services Related to a Highway	2022	150,000	-		150,000	-		150,000	135,000	15,000
3A	Pickup/Vans 1/2 Ton	Services Related to a Highway	2022	20,000	-		20,000	-		20,000	18,000	2,000
3B	Pickup/Vans 1/2 Ton	Water Services	2022	20,000	-		20,000	-		20,000	18,000	2,000
4A	Truck 5 ton	Services Related to a Highway	2023	100,000	-		100,000	-		100,000	90,000	10,000
4B	Truck 5 ton	Water Services	2023	100,000	-		100,000	-		100,000	90,000	10,000
4C	Truck 5 ton	Wastewater Services	2023	100,000	-		100,000	-		100,000	90,000	10,000
	Reserve Fund Balance							120,099		(120,099)	(108,089)	(12,010)
	Total			640,000	-	-	640,000	120,099	-	519,901	467,911	51,990



4.5 Stormwater Services – Development Area 2

Through further review of anticipated development within Development Area 2 and the associated capital works required to accommodate growth, adjustments are required to the following project:

- Project Number 10 - Area 2 S.W.M.F. 201

It has been identified that this project will entirely benefit growth outside the forecast period, therefore, the post-period benefit deduction has been increased from \$1,412,000 to \$3,371,000. As a result, this project is now excluded from the D.C. calculations to reflect its benefit to growth beyond the 13-year forecast period.

Based on the City's 2019 D.C. study, the growth-related capital costs are shared 96%/4% between residential and non-residential based on the area of benefiting lands associated with the stormwater works in Development Area 2 over the 13-year forecast period.



Figure 4-6
City of Sarnia
Updated Stormwater – Development Area 2 Capital
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia
Service: Stormwater - Development Area 2

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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
	2019-Development Area 2 Serviced Area 13-year									96%	4%
1	Blackwell (Confederation to BWC Phase 1)	2037	1,600,000	1,440,000		160,000	160,000		-	-	-
2	Confederation (Modeland to VMP)	2028	750,000	236,000		514,000	187,500		326,500	313,440	13,060
3	Confederation (VMP to Blackwell)	2034	500,000	375,000		125,000	125,000		-	-	-
4	Veterans Parkway (HPD to Confed)	2022	1,400,000	529,000		871,000	140,000		731,000	701,760	29,240
5	Veterans Parkway (HPD to Wellington)	2026	475,000	180,000		295,000	47,500		247,500	237,600	9,900
6	Wellington (Research Park to VP)	2026	1,000,000	378,000		622,000	100,000		522,000	501,120	20,880
7	Wellington (VP to Blackwell)	2030	1,400,000	529,000		871,000	140,000		731,000	701,760	29,240
8	Area 2 SWMF 203	2022	3,978,000	1,504,000		2,474,000	397,800		2,076,200	1,993,152	83,048
9	Area 2 SWMF 204	2025	3,080,000	1,164,000		1,916,000	308,000		1,608,000	1,543,680	64,320
10	Area 2 SWMF 201	2033	3,746,000	3,371,000		375,000	375,000		-	-	-
11	Area 2 SWMF 205	2033	1,000,000	900,000		100,000	100,000		-	-	-
12	Area 2 - 201 Culverts	2030	630,000	238,000		392,000	63,000		329,000	315,840	13,160
13	Area 2 - 205 Culverts	2033	1,008,000	907,200		100,800	100,800		-	-	-



4.6 Wastewater Services – Development Area 2

Similar to stormwater services, further review of the wastewater related projects in Development Area 2 provided changes to the two following projects:

- Project Number 3 - Area 2 Trunk Sewers
- Project Number 4 - Area 2 Forcemain

It was identified that these two projects will be oversized, further than originally anticipated, relative to the growth identified over the forecast period. As a result, the post period benefit deduction has been increased by \$602,000 for the trunk sewers, and \$280,000 for the forcemain. As a result of these increased deductions, the amount included in the D.C. calculations for wastewater services in Development Area 2 has decreased from \$9.61 million to \$8.73 million.

Based on the City's 2019 D.C. study, the growth-related costs have been allocated between residential and non-residential development based the incremental population and employment growth over the forecast period in Development Area 2. This results in a 97% allocation to residential development and a 3% allocation to non-residential development



Figure 4-7
City of Sarnia
Updated Wastewater – Development Area 2 Capital
Infrastructure Costs Included in the Development Charges Calculation

City of Sarnia

Service: Wastewater Services - Development Area 2

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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
2019-Development Area 2 Serviced Area 13-year									97%	3%	
1	Research Park PS Upgrades	2028	1,000,000	378,000		622,000	100,000		522,000	506,340	15,660
2	Area 2 Collection System Upgrades	2021	650,000	246,000		404,000	65,000		339,000	328,830	10,170
3	Area 2 Trunk Sewers	2021-2037	5,760,000	2,779,000		2,981,000	576,000		2,405,000	2,332,850	72,150
4	Area 2 Forcemain	2022-2035	2,680,000	1,293,000		1,387,000	268,000		1,119,000	1,085,430	33,570
5	Area 2 - Pumping Station B	2027	490,000	185,000		305,000	49,000		256,000	248,320	7,680
6	Area 2 - Pumping Station C	2023	1,790,000	677,000		1,113,000	179,000		934,000	905,980	28,020
7	Area 2 - Pumping Station A	2035	220,000	198,000		22,000	22,000		-	-	-
8	Upsize Huron Trunk from 1200 to 1500 (Wellington to Old Bedford)	2028	750,000	284,000		466,000	75,000		391,000	379,270	11,730
9	Bedford Pumping Station (Development Area 2 share)	2020-2021	13,530,000	1,421,000		12,109,000	10,147,500		1,961,500	1,902,655	58,845
10	Analysis/Stress Test to Confirm Plant Peak Flows (Development Area 2 share)	2020	16,000	5,000		11,000	4,000		7,000	6,790	210
11	Review Hydraulic Constriction (Development Area 2 share)	2021	18,000	6,000		12,000	4,500		7,500	7,275	225
12	Wet Weather Flow Management Strategy (Development Area 2 share)	2021	39,000	8,000		31,000	19,500		11,500	11,155	345
13	UV System Upgrades (Development Area 2 share)	2021	8,000	1,000		7,000	6,000		1,000	970	30
14	Secondary Treatment Upgrades (Development Area 2 share)	2023	410,000	86,000		324,000	205,000		119,000	115,430	3,570
15	UV Treatment Upgrade (Development Area 2 share)	2025	410,000	86,000		324,000	205,000		119,000	115,430	3,570
16	PCP Biosolids Upgrade (Development Area 2 share)	2020	1,845,000	387,000		1,458,000	922,500		535,500	519,435	16,065
	Total		29,616,000	8,040,000	-	21,576,000	12,848,000	-	8,728,000	8,466,160	261,840



4.7 D.C. By-law Revised Schedule of Charges

4.7.1 *Updated D.C. Calculation (2019\$)*

Figure 4-8 provides the calculations for the proposed area-specific D.C.s for Development Area 2. Figure 4-9 calculates the proposed uniform D.C.s to be imposed on development for City-wide services over a 13-year planning horizon. Figure 4-10 provides the calculations to the proposed D.C.s to be imposed on anticipated development in the City for City-wide services over the 10-year forecast period based on the changes described earlier in this chapter.

For the residential calculations, the total cost is divided by the “gross” (new resident) single-detached equivalent units to determine the per single-detached equivalent amount. The eligible D.C. cost calculations set out in Figures 4-1 to 4-7 are based on the net anticipated unit increase (the forecast new units less the anticipated decline in existing units). The cost per single-detached equivalent is then multiplied by the ratios of average occupancy of the new units (Appendix A, Schedule 5 to the 2019 D.C. background study) to calculate the charges in Figures 4-8 to 4-10.

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



Figure 4-8
City of Sarnia
Development Area 2 Services (2019-2031)

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
4. <u>Stormwater Drainage and Control Services</u>	\$	\$	\$	\$
4.1 Channels, drainage and ponds	6,308,352	262,848	7,276	4.38
	6,308,352	262,848	7,276	4.38
5. <u>Wastewater Services</u>				
5.1 Treatment plants & Sewers	8,466,160	261,840	9,765	4.35
	8,466,160	261,840	9,765	4.35
6. <u>Water Services</u>				
6.1 Treatment, storage and distribution systems	85,766	2,653	99	0.04
	85,766	2,653	99	0.04
TOTAL	\$14,860,278	\$527,341	\$17,140	\$8.77
D.C.-Eligible Capital Cost	\$14,860,278	\$527,341		
Area 2 Urban 13-year S.D.E.s/G.F.A. Growth (sq.ft.)	867	60,100		
Cost Per S.D.E./Non-Residential GFA (sq.ft.)	\$17,140	\$8.77		
<u>By Residential Unit Type</u>	<u>Ratio</u>			
Single and Semi-Detached Dwelling	100%	\$17,140		
Apartments - 2 Bedrooms +	69%	\$11,769		
Apartments - Bachelor and 1 Bedroom	45%	\$7,766		
Other Multiples	73%	\$12,503		
Special Care/Special Dwelling Units	41%	\$6,967		



Figure 4-9
City of Sarnia
City-wide Services (2019-2031)

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
7. <u>Services Related to a Highway</u>				
7.1 Roads	7,665,887	851,765	3,811	1.73
7.2 Traffic Signals and Streetlights	1,629,000	181,000	810	0.36
7.3 Sidewalks	1,278,000	142,000	636	0.29
7.4 County Roads	812,682	90,298	404	0.18
	11,385,569	1,265,063	5,661	2.56
8. <u>Public Works</u>				
8.1 Services Related to a Highway	307,067	34,119	153	0.06
8.2 Water Services	87,733	9,748	44	0.02
8.3 Wastewater Services	73,111	8,123	36	0.02
	467,911	51,990	233	0.09
9. <u>Fire Protection Services</u>				
9.1 Fire facilities	620,100	68,900	308	0.14
9.2 Fire vehicles	450,000	50,000	224	0.10
9.3 Small equipment and gear	116,640	12,960	58	0.03
	1,186,740	131,860	590	0.27
10. <u>Police Services</u>				
10.1 Police facilities, vehicles and equipment	900,000	100,000	448	0.20
	900,000	100,000	448	0.20
TOTAL	13,940,220	\$1,548,913	\$6,932	\$3.12
D.C.-Eligible Capital Cost	\$13,940,220	\$1,548,913		
13-Year Gross S.D.E.s/G.F.A. Growth (sq.ft.)	2,011	496,500		
Cost Per S.D.E./Non-Residential GFA (sq.ft.)	\$6,932	\$3.12		
By Residential Unit Type	Ratio			
Single and Semi-Detached Dwelling	100%	\$6,932		
Apartments - 2 Bedrooms +	69%	\$4,760		
Apartments - Bachelor and 1 Bedroom	45%	\$3,141		
Other Multiples	73%	\$5,057		
Special Care/Special Dwelling Units	41%	\$2,818		



Figure 4-10
City of Sarnia
City-wide Services (2019-2028)

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
11. <u>Parking Services</u>				
11.1 Municipal parking spaces	124,600	15,400	77	0.04
	124,600	15,400	77	0.04
12. <u>Parks Services</u>				
12.1 Parkland development, amenities & trails	2,841,505	149,553	1,762	0.36
12.2 Parks vehicles and equipment	273,600	14,400	170	0.03
	3,115,105	163,953	1,932	0.39
13. <u>Growth Studies</u>				
13.1 Stormwater Drainage and Control Services	30,015	3,710	19	0.01
13.2 Wastewater Services	47,427	5,862	29	0.01
13.3 Water Services	11,342	1,402	7	-
13.4 Services Related to a Highway	78,692	9,726	49	0.02
13.5 Fire Protection Services	63,233	7,815	39	0.02
13.6 Police Services	5,367	663	3	-
13.7 Parks Services	11,265	1,392	7	-
	247,340	30,570	153	0.07
TOTAL	\$3,487,045	\$209,923	\$2,162	\$0.50
D.C.-Eligible Capital Cost	\$3,487,045	\$209,923		
10-Year Gross S.D.E.s/G.F.A. Growth (sq.ft.)	1,613	421,900		
Cost Per S.D.E./Non-Residential GFA (sq.ft.)	\$2,162	\$0.50		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	100%	\$2,162		
Apartments - 2 Bedrooms +	69%	\$1,484		
Apartments - Bachelor and 1 Bedroom	45%	\$979		
Other Multiples	73%	\$1,577		
Special Care/Special Dwelling Units	41%	\$879		

Figures 4-11 and 4-12 compare the amended and existing single detached dwelling unit and non-residential per square foot D.C.s (2019 \$ values)



Figure 4-11
City of Sarnia
Comparison of Existing and Amending Residential (Single Detached Unit) D.C. (2019\$)

Service/Class of Service	Current (By-law 89 of 2019) (2019\$)	Calculated (D.C. Update) (2019\$)
City-wide Services/Class of Service:		
Services Related to a Highway	5,661	5,661
Public Works	233	233
Parking Services	70	77
Fire Protection Services	590	590
Police Services	448	448
Parks Services	1,631	1,932
Growth Studies	147	153
Total City-wide Services	8,780	9,094
All Other Urban Areas:		
Stormwater Drainage and Control Services	578	578
Wastewater Services	4,242	4,242
All Other Urban Areas	4,820	4,820
Grand Total - All Other Urban Areas	13,600	13,914
Development Area 2 Services		
Stormwater Drainage and Control Services	9,441	7,276
Wastewater Services	10,752	9,765
Water Services	99	99
Total Development Area 2 Services	20,292	17,140
Grand Total - Development Area 2	29,072	26,234



Figure 4-12
City of Sarnia
Comparison of Existing and Amending Non-Residential D.C. (2019\$)

Service	Current (By-law 89 of 2019) (2019\$)	Calculated (D.C. Update) (2019\$)
City-wide Services/Class of Service:		
Services Related to a Highway	2.56	2.56
Public Works	0.10	0.09
Parking Services	0.03	0.04
Fire Protection Services	0.27	0.27
Police Services	0.20	0.20
Parks Services	0.33	0.39
Growth Studies	0.07	0.07
Total City-wide Services	3.56	3.62
All Other Urban Areas:		
Stormwater Drainage and Control Services	0.31	0.31
Wastewater Services	2.06	2.06
All Other Urban Areas	2.37	2.37
Grand Total - All Other Urban Areas	5.93	5.99
Development Area 2 Services		
Stormwater Drainage and Control Services	5.68	4.38
Wastewater Services	4.80	4.35
Water Services	0.04	0.04
Total Development Area 2 Services	10.52	8.77
Grand Total - Development Area 2	14.08	12.38

4.7.2 Revised D.C. Rates (2019\$ and 2021\$)

Based on the calculations above, the City-wide D.C. (in 2019\$) is calculated to increase from \$8,780 to \$9,094 per single detached unit and increase from \$3.56 to \$3.62 per square foot for non-residential development.

The area-specific charges in Development Area 2 (in 2019\$) are calculated to decrease from \$20,292 to \$17,140 per single detached unit and decrease from \$10.52 to \$8.77 per square foot for non-residential development.

Figure 4-13 provides for the updated D.C.s in 2019 values, as the study was originally completed in 2019. This figure would be included as the amending schedule to the D.C. by-law. Figure 4-14 provides for the indexed 2021 values as the City's current D.C.s have been indexed by 5.69% on January 1, 2021.



Figure 4-13
City of Sarnia
Updated Development Charge Schedule (2019\$)

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	
City-wide Services/Classes:						
Services Related to a Highway	5,661	4,130	3,887	2,565	2,301	2.56
Public Works	233	170	160	106	95	0.09
Parking Services	77	56	53	35	31	0.04
Fire Protection Services	590	430	405	267	240	0.27
Police Services	448	327	308	203	182	0.20
Parks Services	1,932	1,409	1,327	875	785	0.39
Growth Studies	153	112	105	69	62	0.07
Total City-wide Services/Class of Service	9,094	6,634	6,245	4,120	3,696	3.62
Urban Services - All Other Urban Areas						
Stormwater Drainage and Control Services	578	422	397	262	235	0.31
Wastewater Services	4,242	3,094	2,913	1,922	1,724	2.06
Total Urban Services - All Other Urban Areas	4,820	3,516	3,310	2,184	1,959	2.37
Urban Services - Development Area 2						
Stormwater Drainage and Control Services	7,276	5,308	4,996	3,297	2,958	4.38
Wastewater Services	9,765	7,123	6,705	4,424	3,970	4.35
Water Services	99	72	68	45	40	0.04
Total Urban Services - Development Area 2	17,140	12,503	11,769	7,766	6,968	8.77
GRAND TOTAL RURAL AREA	9,094	6,634	6,245	4,120	3,696	3.62
GRAND TOTAL ALL OTHER URBAN AREAS	13,914	10,150	9,555	6,304	5,655	5.99
GRAND TOTAL DEVELOPMENT AREA 2	26,234	19,137	18,014	11,886	10,664	12.38



Figure 4-14
City of Sarnia
Updated Development Charge Schedule (2021\$)

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)
City-wide Services/Classes:						
Services Related to a Highway	5,983	4,365	4,108	2,711	2,432	2.71
Public Works	246	180	169	112	100	0.09
Parking Services	81	59	56	37	33	0.04
Fire Protection Services	624	454	428	282	254	0.29
Police Services	474	346	326	215	192	0.21
Parks Services	2,042	1,489	1,403	925	830	0.41
Growth Studies	162	118	111	73	66	0.07
Total City-wide Services/Class of Service	9,612	7,012	6,601	4,355	3,906	3.82
Urban Services - All Other Urban Areas						
Stormwater Drainage and Control Services	611	446	420	277	248	0.33
Wastewater Services	4,484	3,270	3,079	2,031	1,822	2.18
Total Urban Services - All Other Urban Areas	5,094	3,716	3,498	2,308	2,071	2.50
Urban Services - Development Area 2						
Stormwater Drainage and Control Services	7,690	5,610	5,281	3,485	3,126	4.62
Wastewater Services	10,321	7,529	7,087	4,676	4,196	4.60
Water Services	105	76	72	48	42	0.04
Total Urban Services - Development Area 2	18,116	13,215	12,439	8,208	7,365	9.26
GRAND TOTAL RURAL AREA	9,612	7,012	6,601	4,355	3,906	3.82
GRAND TOTAL ALL OTHER URBAN AREAS	14,706	10,728	10,099	6,663	5,977	6.33
GRAND TOTAL DEVELOPMENT AREA 2	27,728	20,227	19,040	12,563	11,271	13.09



Chapter 5

Updates to the D.C. By-law



5. Updates to the D.C. By-law

As summarized in Chapter 2, the D.C. by-law will require several updates to conform with the D.C.A., as amended.

With respect to the “Time of Calculation and Payment” section of the by-law, the following refinements are to be included:

- Six equal annual D.C. payments commencing at occupancy for rental housing and institutional developments;
- Non-profit housing developments will be allowed to pay their D.C.s in 21 equal annual payments; and
- The D.C. amount for all developments occurring within 2 years of a site plan or zoning by-law amendment planning approval (for applications submitted after January 1, 2020) shall be determined based on the D.C. in effect on the day of the site plan or zoning by-law amendment 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 setting of the interest rate has been discussed with City staff and will be calculated based on the City’s D.C. Interest Rate Policy. This will be presented to Council for consideration under a separate staff report.

For the purposes of administering the by-law, the following definitions are provided as per O. Reg. 454-19:

“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.

“Institutional development” 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 *Long-Term Care Homes Act, 2007*;
- b) as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
- 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*;
- 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.

“Non-profit housing development” means development of a building or structure intended for use as residential premises by,

- a) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
- b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing; or
- c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

In addition to the changes provided above, the following definition for “Class” will be provided:

“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 Development Charges Act.

With respect to exemptions, the following will be included as per O. Reg. 454-19:

No development charge shall be payable where the development:

- is limited to the creation of an additional dwelling unit as prescribed, in prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997; and



- is limited to the creation of an additional dwelling unit ancillary to a new dwelling unit for prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997.

The following exemption will be included as per Bill 213:

- Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

As presented earlier, the D.C. for the Parking services will cease to be recoverable as of September 18, 2022. As such, changes to Schedule B have been made to identify the charges to be imposed pre and post September 18, 2022.



Chapter 6

Recommendations



6. Recommendations

It is recommended that Council:

“Approve the Development Charges Update Study dated June 28, 2021, as amended (if applicable)”;

“Approve the updated capital projects set out in Chapter 4 of the Development Charges Update Study dated June 28, 2021”;

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

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



Appendix A

Existing Policies under By-law 89 of 2019



Appendix A: Existing Policies under By-law 89 of 2019

The following subsections set out the rules governing the calculation, payment and collection of D.C.s as provided in By-law 89 of 2019, in accordance with the D.C.A.

Payment in any Particular Case

In accordance with the D.C.A., s.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 section 50(7) of the Planning Act applies;
- d) the approval of a plan of subdivision under section 51 of the Planning Act;
- e) a consent under section 53 of the Planning Act;
- f) the approval of a description under section 50 of the Condominium Act; or
- g) the issuing of a building permit under the Building Code Act in relation to a building or structure.

Determination of the Amount of the Charge

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



detached equivalent is then multiplied by the ratios of average occupancy of the new units to calculate the charges by type of residential dwelling unit.

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

Application for Land Redevelopment

If a development involves the demolition of and replacement of a building or structure on the same site (within five years from the date of the demolition permit), 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 gross floor area of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable.

The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

Exemptions (full or partial)

The following are exempted from D.C.s:

- Statutory exemptions
 - industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, only the portion of the addition in excess of 50% is subject to D.C.s (s.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 (s.3);
 - residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s.2 of O.Reg. 82/98).
- Non-statutory exemptions



- Non-residential Farm Building;
- Use of land that does not involve a building structure;
- Sarnia 402 Business Park area;
- Sarnia Business and Research Park area;
- Western University Research and Development Park area; and
- Temporary buildings and structures, non-serviced industrial buildings and structures, and airport hangars.

Indexing

The D.C.s imposed shall be adjusted annually in accordance with the Statistics Canada Non-Residential Building Construction Price Index for the most recent year over year period, every January 1st, without amendment to the by-law.

By-law Duration

The by-law will expire on December 31, 2023, unless it is repealed by Council at an earlier date.

Timing of D.C. Payments

A D.C. that is applicable under Section 5 of the D.C.A. shall be calculated and payable:

- where a permit is required under the Building Code Act in relation to a building or structure, the owner shall pay the D.C. prior to the issuance of the first building permit prior to the commencement of development or redevelopment as the case may be; and
- despite the above, Council, from time to time and at any time, may enter into agreements providing for all or any part of a D.C. to be paid before or after it would otherwise be payable.



Appendix B

Level of Service



Appendix B: Level of Service

SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED							
Service/Class of Service Category	Sub-Component	10 Year Average Service Standard					Maximum Ceiling LOS
		Cost (per SDE)	Quantity (per SDE)		Quality (per SDE)		
Services Related to a Highway	Roads	\$9,276.48	0.0059	km of roadways	1,572,285	per lane km	16,020,481
	County Roads	\$3,719.12	0.0027	km of roadways	1,377,452	per lane km	6,422,920
	Sidewalks	\$1,720.26	0.0092	km of sidewalks	186,985	per km	2,970,889
	Traffic Signals & Streetlights	\$1,079.43	0.2478	No. of Traffic Signals	4,356	per signal	1,864,176
Public Works	Facilities	\$169.84	0.7745	sq.ft. of building area	219	per sq.ft.	293,314
	Vehicles	\$295.59	0.0030	No. of vehicles and equipment	98,530	per vehicle	510,484
Fire	Fire Facilities	\$399.17	1.3392	sq.ft. of building area	298	per sq.ft.	689,367
	Fire Vehicles	\$310.65	0.0010	No. of vehicles	310,650	per vehicle	536,493
	Fire Small Equipment and Gear	\$75.06	0.0326	No. of equipment and gear	2,302	per Firefighter	129,629
Police	Police Facilities	\$520.22	1.5997	sq.ft. of building area	325	per sq.ft.	898,420
	Police Vehicles	\$56.15	0.0015	No. of vehicles and equipment	37,433	per vehicle	96,971
	Police Small Equipment and Gear	\$74.64	0.0282	No. of equipment and gear	2,647	per officer	128,903
Parking	Parking Spaces	\$98.19	0.0269	No. of spaces	3,650	per space	140,510
Parks	Parkland Development	\$2,046.90	0.0325	Acres of Parkland	62,982	per acre	2,929,114
	Parkland Amenities	\$1,344.67	0.0962	No. of parkland amenities	13,978	per amenity	1,924,223
	Parkland Trails	\$190.21	1.4785	Linear Metres of Paths and Trails	129	per lin m.	272,191
	Parks Vehicles and Equipment	\$201.47	0.0039	No. of vehicles and equipment	51,659	per vehicle	288,304
Recreation	Indoor Recreation Facilities	\$3,620.78	13.8624	sq.ft. of building area	261	per sq.ft.	5,181,336
Library	Library Facilities	\$573.83	1.5321	sq.ft. of building area	375	per sq.ft.	821,151



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Bld'g Value (\$/sq.ft.)	Value/ft ² with land, site works, etc.
Services Related to a Highway:												
Public Works Building (Telfer & Confederation)	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	\$245	\$274
Former Day Break Restaurant	667	667	667	667	667	667	667	667	667	-	\$213	\$238
Six Bay Public Works Garage	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	\$150	\$169
Public Works Salt/Sand Dome	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	7,900	\$165	\$186
Public Works Building	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	\$213	\$238
Public Works Storage Building - Old Autobody Shop	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	-	\$232	\$259
Water Services:												
Former Day Break Restaurant	667	667	667	667	667	667	667	667	667	-	\$213	\$238
Six Bay Public Works Garage	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	\$150	\$169
Public Works Building	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	\$213	\$238
Public Works Storage Building - Old Autobody Shop	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	-	\$232	\$259
Wastewater Services:												
Storage Building (Telfer & Confederation) - 2000 Confederation Line	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	\$160	\$180
Public Works Building (Telfer & Confederation)	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	\$245	\$274
Pump Station Maintenance Building (Telfer & Confederation)	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	\$165	\$186
Former Day Break Restaurant	667	667	667	667	667	667	667	667	667	-	\$213	\$238



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Bld'g Value (\$/sq.ft.)	Value/ft ² with land, site works, etc.
Six Bay Public Works Garage	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	\$150	\$169
Public Works Building	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	7,800	\$213	\$238
Public Works Storage Building - Old Autobody Shop	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	-	\$232	\$259
Total	22,733	22,733	22,733	22,733	22,733	22,733	22,733	22,733	22,733	20,033		

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	0.7967	0.7941	0.7918	0.7894	0.7860	0.7830	0.7782	0.7751	0.7725	0.6778

10 Year Average	2011-2020
Quantity Standard	0.7745
Quality Standard	\$219
Service Standard	\$170

D.C. Amount (before deductions)	13 Year
Forecast Net SDE Growth	1,727
\$ per SDE	\$170
Eligible Amount	\$293,314



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/Vehicle)
Services Related to a Highway:											
Truck 3 Ton	4	4	4	4	4	4	4	4	6	6	\$150,000
Paint Truck	1	1	1	1	1	1	1	1	1	1	\$350,000
Sign Truck	1	1	1	1	1	1	1	1	1	1	\$125,000
Pickup/Vans 1/2 Ton	13	13	13	13	13	13	13	13	13	14	\$40,000
Street Sweeper	2	2	2	2	2	2	2	2	2	2	\$350,000
Payloaders	3	3	2	2	2	2	2	2	2	2	\$320,000
Farm Tractors/Mowers	1	1	1	1	1	1	1	1	1	1	\$140,000
Pickup/Vans 3/4 Ton	10	10	10	10	10	10	10	10	10	3	\$45,000
1 Ton Vans	1	1	1	1	1	1	1	1	1	1	\$75,000
Backhoes	3	3	3	3	3	3	3	3	3	3	\$180,000
Truck 5 ton	7	7	7	7	7	7	7	7	7	7	\$300,000
Truck Tandem	2	2	2	2	2	2	2	2	2	2	\$450,000
Sidewalk Plows	2	2	2	2	3	3	3	3	6	6	\$150,000
Cars	4	4	4	4	4	2	2	2	2	2	\$35,000
Skid Steer	1	1	1	1	1	1	1	1	-	-	\$45,000
Wastewater Services:											
Pickup/Vans 1/2 Ton	7	7	7	7	7	7	7	7	7	7	\$40,000
Sewer Flushers	2	2	2	2	2	2	2	2	2	3	\$650,000
Pickup/Vans 3/4 Ton	4	4	4	4	4	4	4	4	4	1	\$45,000
1 Ton Vans	-	-	-	-	-	-	-	-	3	3	\$75,000
Backhoes	1	1	1	1	1	1	1	1	1	1	\$180,000
Truck 5 ton	1	1	1	2	2	2	2	2	2	2	\$300,000
Cars	3	3	3	3	3	1	1	1	1	1	\$35,000
Skid Steer	-	-	-	1	1	1	1	1	-	-	\$45,000



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/Vehicle)
Water Services:											
Pickup/Vans 1/2 Ton	7	7	7	7	7	7	7	7	7	7	\$40,000
Valve Turner	1	1	1	1	1	1	1	1	1	1	\$125,000
Fork Lift	1	1	1	1	1	1	1	1	1	1	\$75,000
1 Ton Vans	-	-	-	-	-	-	-	-	2	2	\$75,000
Truck Tandem	1	1	1	1	1	1	1	1	-	1	\$450,000
Truck 5 ton	1	1	1	1	1	1	1	1	1	1	\$300,000
Cars	3	3	3	3	3	1	1	1	1	1	\$35,000
Total	87	87	86	88	89	83	83	83	90	83	

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	0.0030	0.0030	0.0030	0.0031	0.0031	0.0029	0.0028	0.0028	0.0031	0.0028

10 Year Average	2011-2020
Quantity Standard	0.0030
Quality Standard	\$98,530
Service Standard	\$296

D.C. Amount (before deductions)	13 Year
Forecast Population	1,727
\$ per Capita	\$296
Eligible Amount	\$510,484



City of Sarnia
Service Standard Calculation Sheet

Service: Parking Spaces
Unit Measure: No. of spaces

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/space)
Metered Parking Lots											
Charlotte	71	71	71	71	71	71	71	71	71	71	\$3,600
Julia	36	36	36	36	36	36	36	36	36	36	\$3,600
Lochiel	20	20	20	20	20	20	20	20	20	20	\$3,600
Pay and Display Parking Lots											
Parkway	41	41	41	41	41	41	41	41	41	41	\$3,600
Victoria	129	129	129	129	131	131	131	131	131	131	\$3,600
Vendome	70	70	70	70	70	70	70	70	70	84	\$3,600
Pay & Display Machines	6	6	6	6	6	6	6	6	6	6	\$10,000
Other Parking											
CNR	61	61	61	61	61	61	61	61	61	61	\$3,600
Bayshore	62	62	62	62	85	85	85	85	85	85	\$3,600
Mitton	35	35	35	35	49	49	49	49	49	49	\$3,600
George Street	100	100	100	100	100	100	100	100	100	100	\$3,600
Airport	125	125	125	125	125	125	125	125	125	125	\$3,600
Total	756	756	756	756	795	795	795	795	795	809	

SDE Service Standard Calculation

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	0.0265	0.0264	0.0263	0.0263	0.0275	0.0274	0.0272	0.0271	0.0270	0.0274

10 Year Average	2011-2020
Quantity Standard	0.0269
Quality Standard	\$3,650
Service Standard	\$98

D.C. Amount (before deductions)	10 Year
Forecast Net SDE Growth	1,431
\$ per SDE	\$98
Eligible Amount	\$140,510



**City of Sarnia
Service Standard Calculation Sheet**

Service: Parkland Development
Unit Measure: Acres of Parkland

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/Acre)
Natural Open Space/ Regional Parks											
Parkland Owned by City	200	200	200	200	200	200	215	222	222	222	\$12,200
City-wide Parks											
Parkland Owned by City	173	173	173	173	173	173	173	173	173	173	\$152,000
Neighbourhood Parks											
Parkland Owned by City	66	66	66	67	67	67	67	67	67	67	\$15,000
Community Parks											
Parkland Owned by City	161	161	161	161	161	161	161	161	161	161	\$152,000
Regional Parks											
Parkland Owned by City	334	334	334	334	334	334	334	334	334	334	\$15,200
Total	934	934	934	935	935	935	950	957	957	957	

SDE Service Standard Calculation

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	0.033	0.033	0.033	0.033	0.032	0.032	0.033	0.033	0.033	0.032

10 Year Average	2011-2020
Quantity Standard	0.0325
Quality Standard	\$62,982
Service Standard	\$2,047

D.C. Amount (before deductions)	10 Year
Forecast Net SDE Growth	1,431
\$ per SDE	\$2,047
Eligible Amount	\$2,929,114



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/item)
Neighborhood/Community/City Wide Parks											
Softball Diamonds (includes Regional)	11	11	11	11	7	7	7	7	7	7	\$182,400
Softball Diamonds - Lit (includes Regional)	5	5	5	5	5	5	5	5	5	5	\$462,100
Baseball Diamonds - Lit (includes Regional)	2	2	2	2	2	2	2	2	2	2	\$486,500
Practice (scrub) Diamonds	2	2	2	2	2	2	2	2	2	2	\$60,800
Soccer Pitches	16	16	16	16	16	16	16	16	16	16	\$79,100
Soccer Pitches - Mini	4	4	4	4	4	4	4	4	4	4	\$30,400
Tennis Court Surfaces (located in 5 parks/2018)	22	22	22	22	22	17	17	15	15	15	\$25,000
Pickle Ball Only Courts	-	-	-	-	-	-	-	6	6	6	\$15,000
Basketball Pads	2	2	2	2	2	2	2	2	2	2	\$30,400
Play Equipment - Individual Pieces	165	165	165	165	165	160	161	163	163	163	\$10,000
Play Units/Structures	36	36	36	36	38	38	38	43	43	43	\$150,000
Gazebo/ Picnic Shelters	1	1	1	1	1	1	1	25	25	25	\$42,600
Washrooms & Other Bldgs (m2)	620	620	620	620	620	620	620	620	620	620	\$6,100
Splash Park	1	1	1	1	1	1	1	1	1	1	\$486,500
Skate Board Park	2	2	2	2	2	2	2	2	2	2	\$243,200
									-	-	
Regional Parks									-	-	
Washrooms & Other Bldgs (m2)	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	\$6,100
Gazebos/Picnic Shelter	9	9	9	9	10	10	11	12	12	12	\$42,600
Wedding Pavilion	1	1	1	1	1	1	1	1	1	1	\$500,000
Cricket Pitch & Fieldhouse	1	1	1	1	1	1	1	1	1	1	\$121,600
Play Equipment - Individual Pieces	7	7	7	7	7	7	7	7	7	7	\$10,000
Soccer Pitches - Lit & Irg.	4	4	4	4	4	4	4	4	4	4	\$304,000
Volleyball - Canatara Park	3	3	3	3	3	3	3	3	3	3	\$24,300
Tennis Court Surfaces (located in 2 parks 2018)	6	6	6	6	6	6	6	6	6	6	\$25,000
Sarnia Bay Marina Including Docks & Shoreline	1	1	1	1	1	1	1	1	1	1	\$3,748,000



City of Sarnia
Service Standard Calculation Sheet

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/item)
Play Units/Structures	4	4	4	4	4	4	4	4	4	4	\$150,000
Centennial Park - Outdoor Stage and Gathering Centre	1	1	1	1	1	1	1		-	-	\$1,827,500
Total	2,786	2,786	2,786	2,786	2,785	2,775	2,777	2,812	2,812	2,812	

SDE Service Standard Calculation

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	0.098	0.097	0.097	0.097	0.096	0.096	0.095	0.096	0.096	0.095

10 Year Average	2011-2020
Quantity Standard	0.0962
Quality Standard	\$13,978
Service Standard	\$1,345

D.C. Amount (before deductions)	10 Year
Forecast Net SDE Growth	1,431
\$ per SDE	\$1,345
Eligible Amount	\$1,924,223



**City of Sarnia
Service Standard Calculation Sheet**

Service: Parkland Trails
Unit Measure: Linear Metres of Paths and Trails

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019 Value (\$/ Linear Metre)
Howard Watson Nature Trail	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	\$110
HWNT at Clearwater Arena	500	500	500	500	500	500	500	500	500	500	\$110
Suncor Nature Way	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	\$110
Rapid Parkway Trails	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$110
Vidal Street On-Road	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	\$190
Christina & Devine Street	500	500	500	500	500	500	500	500	500	500	\$190
Vidal Street (Suncor Development)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	\$190
Brights Grove Waterfront Trail	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	\$190
Wawanosh Wetlands Walking Trails	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	\$110
Blackwell/Modeland Trail	3,094	3,094	3,094	3,094	3,094	3,094	3,094	3,094	3,094	3,094	\$110
Total	42,894	42,894	42,894	42,894	42,894	42,894	42,894	42,894	42,894	42,894	

SDE Service Standard Calculation

SDEs	28,533	28,627	28,710	28,799	28,921	29,035	29,211	29,329	29,430	29,555
Per SDE Standard	1.50	1.50	1.49	1.49	1.48	1.48	1.47	1.46	1.46	1.45

10 Year Average	2011-2020
Quantity Standard	1.4785
Quality Standard	\$129
Service Standard	\$190

D.C. Amount (before deductions)	10 Year
Forecast Net SDE Growth	1,431
\$ per SDE	\$190
Eligible Amount	\$272,191



Appendix C

Draft Amending Development Charge By-law



The Corporation of the City of Sarnia

By-law Number ___ of 2021

Being a By-Law of The Corporation of the City of Sarnia To Amend By-Law 89 of 2019, Respecting Development Charges

Whereas the City of Sarnia enacted By-law 89 of 2019 pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass by-laws for the imposition of development charges against land;

And Whereas the City has undertaken a study pursuant to the Act which has provided an updated Schedule B to By-law 89 of 2019;

And Whereas Council has before it a report entitled “City of Sarnia 2021 Development Charge Update Study” prepared by Watson & Associates Economists Ltd., dated June 28, 2021 (the “update study”);

And Whereas the update study and proposed amending by-law were made available to the public on June 28, 2021 and Council gave notice to the public pursuant to section 12 of the Act.

And Whereas Council, on September 13, 2021, held a meeting open to the public, pursuant to section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF SARNIA HEREBY ENACTS AS FOLLOWS:

1. By-law 89 of 2019 is hereby amended as follows:

A. Addition of Accessory Dwelling to the definitions in section 1 as follows:

“Accessory Dwelling” means a self-contained residential unit that is subordinate in purpose to another residential dwelling unit upon the same lot and includes a garden suite and a mobile home.

B. Addition of Ancillary Residential Building to the definitions in section 1 as follows:



“Ancillary Residential Building” means a residential building that would be ancillary to a detached dwelling, semi-detached dwelling, or row dwelling and includes an accessory dwelling.

C. Addition of Class to the definitions in section 1 as follows:

“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 Development Charges Act;

D. Addition of Hospice to the definitions in section 1 as follows:

“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.

E. Addition of Institutional development to the definitions in section 1 as follows:

“Institutional development” 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 *Long-Term Care Homes Act, 2007*;
- b) as a retirement home within the meaning of subsection 2(1) of the *Retirement Homes Act, 2010*;
- 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*;
- 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.



- f) Addition of Interest Rate to the definitions in section 1 as follows:

"Interest rate" means the annual rate of interest identified in the City's D.C. Interest Rate Policy;

- F. Addition of Non-profit Housing Development to the definitions in section 1 as follows:

"Non-profit housing development" means development of a building or structure intended for use as residential premises by,

- a) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
- b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing; or
- c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

- G. Addition of Rental Housing to the definitions in section 1 as follows:

"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

- H. Addition of Site to the definitions in Section 1 as follows:

"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 on identical ownership.

- I. Replace section titled "Designation of Services" inclusive of Sections 2.1 and 2.2, with the following:

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:

- 1) Services Related to a Highway;



- 2) County Roads;
- 3) Fire Protection Services;
- 4) Police Services;
- 5) Parks Services;
- 6) Growth Studies;
- 7) Storm drainage and control services;
- 8) Wastewater; and
- 9) Water.

b. Components of the services/class of services designated in Subsection 2.1 are described in Schedule "A".

J. Addition of Section 3.7 (under the Exemptions heading) for "Exemptions for Intensification of Existing Housing or New Housing" with the Following:

- 3.7 (a) No Development Charge shall be imposed where the only effect of an action referred to in Section 3.4 (1) of this By-law is to:
- (i) permit an enlargement to an existing residential Dwelling Unit;
 - (ii) permit the creation of one or two additional Dwelling Units in an existing single detached dwelling or a prescribed ancillary residential dwelling structure to the existing residential building;
 - (iii) permit the creation of additional dwelling units equal to the greater of one Dwelling Unit or one percent of the existing Dwelling Units in existing Rental Housing or a prescribed ancillary residential dwelling structure to the existing residential building;
 - (iv) permit the creation of one additional dwelling unit in any other existing residential building already containing at least one Dwelling Unit or prescribed ancillary residential dwelling structure to the existing residential building; or
 - (v) permit the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including residential dwelling structures ancillary to dwellings, subject to the following restrictions:



Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	<p>The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit.</p> <p>The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.</p>

- (b) Notwithstanding (a) above, Development Charges shall be imposed if the total Gross Floor Area of the additional one or two units exceeds the Gross Floor Area of the existing Dwelling Unit.
- (c) Notwithstanding (a) above, Development Charges shall be imposed if the additional Dwelling Unit(s) has a Gross Floor Area greater than:
 - (i) in the case of a Semi-detached Dwelling Unit or Townhouse Dwelling Unit, the Gross Floor Area of the existing Dwelling Unit; and
 - (ii) in the case of any other Residential Building, the Gross Floor Area of the smallest Dwelling Unit contained in the said residential Building.
- (d) The exemption to Development Charges in (a) above shall only apply to the first instance of intensification in an existing or new dwelling.
- (e) Subject to (b), (c) and (d) above, any exemption under (a) above shall apply to the smallest Dwelling Unit, as determined by applicable rates under this By-law.

K. Sections 3.7, 3.8, 3.9, and 3.10 are renumbered to 3.8, 3.9, 3.10, and 3.11, respectively.



L. Replace Section 8 (Development Charge) with the following:

8. Timing of payment of development charges

- 8.1 Development Charges are payable at the time the first building permit is issued with respect to a development.
- 8.2. Notwithstanding Section 8.1, development charges for rental housing and institutional developments are due and payable in 6 equal annual payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest at the interest rate as provided in the City's D.C. Interest Rate Policy, as may be revised from time to time.
- 8.3 Notwithstanding Section 8.1, development charges for non-profit housing developments are due and payable in 21 equal annual payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest at the interest rate as provided in the City's D.C. Interest Rate Policy, as may be revised from time to time.
- 8.4 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 two years of building permit issuance, the development charges under Sections 3.8 and 3.9 shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply development charges under Sections 3.8 and 3.9 shall be calculated on the rates, including interest at the interest rate as provided in the City's D.C. Interest Rate Policy, as may be revised from time to time, set out in Schedule "B" on the date of the later planning application.

M. Replace Section 14 "Schedules" with the following:

The following schedules to this by-law form an integral part thereof:



Schedule “A” Components of Services/Classes of Services Designated in Subsection 2.1

Schedule “B” Residential and Non-Residential Development Charges.

Schedule “C” Urban-area Map for Urban-area Water, Wastewater, and Stormwater Services

Schedule “D” Development Area 2 Map for Area-specific Water, Wastewater, and Stormwater Services

N. Schedule “A” is deleted and the attached Schedule “A” is substituted therefore.

O. Schedule “B” is deleted and the attached Schedule “B” is substituted therefore.

2. This by-law shall come into force and effect at 12:01am on October 5, 2021.

3. Except as amended by this by-law, all provisions of By-law 89 of 2019, as amended, are and shall remain in full force and effect.

By-law read a first and second time this 4th day of October, 2021.

By-law read a third time and finally passed this 4^h day of October, 2021.

Corporation of the City of Sarnia

Mayor: _____

Clerk: _____



SCHEDULE "A"
TO BY-LAW NUMBER 89 OF 2019
DESIGNATED MUNICIPAL SERVICES/CLASS OF SERVICES UNDER THIS BY-LAW

D.C. Eligible Services

Services Related to a Highway

- Roads, Sidewalks, Signals and Streetlights
- County Roads

Fire Protection Services

- Fire Facilities
- Fire Vehicles
- Fire Equipment and Gear

Police Services

Stormwater Services

- Channels, Drainage

Wastewater Services

- Treatment
- Collection

Water Services

- Distribution

Parking Services

Parks Services

- Parkland development, amenities, and trails
- Parks Vehicles

D.C. Eligible Classes of Services

Public Works Facilities, Fleet, and Equipment

- Services Related to a Highway
- Water Services
- Wastewater Services

Growth Studies

- Stormwater Drainage and Control Services
- Wastewater Services
- Water Services
- Services Related to a Highway



- Fire Protection Services
- Police Services
- Parks Services



SCHEDULE “B”
TO BY-LAW NUMBER 89 OF 2019 OF THE CITY OF SARNIA
SCHEDULE OF DEVELOPMENT CHARGES

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	
City-wide Services/Classes:						
Services Related to a Highway	5,661	4,130	3,887	2,565	2,301	2.56
Public Works	233	170	160	106	95	0.09
Fire Protection Services	590	430	405	267	240	0.27
Police Services	448	327	308	203	182	0.20
Parks Services	1,932	1,409	1,327	875	785	0.39
Growth Studies	153	112	105	69	62	0.07
Total City-wide Services/Class of Service	9,017	6,578	6,192	4,085	3,665	3.58
Urban Services - All Other Urban Areas						
Stormwater Drainage and Control Services	578	422	397	262	235	0.31
Wastewater Services	4,242	3,094	2,913	1,922	1,724	2.06
Total Urban Services - All Other Urban Areas	4,820	3,516	3,310	2,184	1,959	2.37
Urban Services - Development Area 2						
Stormwater Drainage and Control Services	7,276	5,308	4,996	3,297	2,958	4.38
Wastewater Services	9,765	7,123	6,705	4,424	3,970	4.35
Water Services	99	72	68	45	40	0.04
Total Urban Services - Development Area 2	17,140	12,503	11,769	7,766	6,968	8.77
GRAND TOTAL RURAL AREA	9,017	6,578	6,192	4,085	3,665	3.58
GRAND TOTAL ALL OTHER URBAN AREAS	13,837	10,094	9,502	6,269	5,624	5.95
GRAND TOTAL DEVELOPMENT AREA 2	26,157	19,081	17,961	11,851	10,633	12.34

Parking Services Development Charges - Effective until September 18, 2022

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	
City-wide Services/Classes:						
Parking Services	77	56	53	35	31	0.04