The Regional Municipality of Halton

Report To:	Regional Chair and Members of Regional Council
From:	Cyndy Winslow, Commissioner, Finance and Regional Treasurer
Date:	April 20, 2022
Report No:	FN-12-22
Re:	Final 2022 Water, Wastewater, Roads and General Services Development Charges (DC) Proposals

RECOMMENDATION

1. THAT the Halton 2022 Development Charge Background Study for Water, Wastewater, Roads and General Services Development Charges dated December 15, 2021 (the Background Study) as amended by Report No. FN-12-22 re: "Final 2022 Water, Wastewater, Roads and General Services Development Charge (DC) Proposals", be approved under section 10 of the *Development Charges Act, 1997* (the DCA).

2. THAT Regional Council express its intention that the development-related cost of post 2031 capacity for Water, Wastewater, Roads and General Services identified in the Background Study as amended by Report No. FN-12-22 shall be paid for subsequently by development charges and other similar charges.

3. THAT Council determine that no further public meetings are required under section 12 of the DCA.

4. THAT Council enact the necessary development charges By-law to repeal By-law No. 36-17 (Halton Built Boundary and Greenfield Area Water, Wastewater, Roads and General Services Development Charges By-law, 2017) and replace it with the updated water, wastewater, roads and general services development charge included herein as Attachment #4.

5. THAT the Director of Legal Services be directed to prepare the necessary by-law.

Executive Summary

- This report presents the final proposal for repeal of development charge (DC) By-law No. 36-17 and the enactment of a new development charge by-law.

- The 2022 DC Background Study was released to the public on December 15, 2021 and the Statutory Public Meeting was held February 16, 2022.
- Since the release of the 2022 DC Background Study there has been one adjustment made to the Roads DC, which has resulted in a small reduction to the residential and non-residential DC Rates.

Background

The purpose of this report is to present the final proposal for repeal of development charges (DC) By-law No. 36-17 and the enactment of a new DC by-law. The repeal of By-law No. 36-17 and the implementation of the new DC By-law will come into force on September 1, 2022.

The Region began the 2022 DC update process in early 2021 as set out in Report No. FN-04-21/LPS14-21 (re: 2022 Development Charges (DC) Update Development Charges Advisory Committee Work Plan). The 2022 DC Background Study was prepared based on the 2011 Best Planning Estimate (BPEs) approved by Council in 2011 and the Water/Wastewater and Transportation Technical Reports set out in Report No. PW-32-21/FN-31-21 (re: 2022 Development Charges Update – Water, Wastewater and Transportation Technical Studies). The Technical Reports are based on the 2011 Water, Wastewater and Transportation Infrastructure Master Plans and incorporate updated infrastructure cost estimates and the results of other infrastructure studies completed since the 2017 Development Charges Update.

For the 2022 DC update, the Region engaged in extensive consultation, which included discussions with the Development Charges Advisory Committee (DCAC) process and a public consultation process. Attachment #1 of this report summarizes the meetings held and subjects discussed during the DC public consultation process. In the fall of 2021, the Region held 4 DCAC meetings, the discussions of which were presented to Council under Report No. FN-36-21 (re: Update on the Activity of the Development Charges Advisory Committee (DCAC)) in November 2021 and Region staff presented to the Halton Developers Liaison Meeting on November 26, 2021. Subsequently, the 2022 DC Background Study (the Background Study) was released to the public on December 15, 2021 and a Public Meeting (required under the *DCA)* was held by Regional Council on February 16, 2022. Staff also had a series of technical meetings with the representatives from the Building Industry and Land Development Association (BILD) and Mattamy Homes Canada to discuss their submissions. The submissions and responses provided at the technical meetings are included as Attachment #2a and #2b to this report.

This report provides an overview of the public consultation process, issues raised, staff responses and sets out the Region’s final proposed DC policies and by-law.

Discussion

Updated DC Calculations

Since the release of the 2022 DC Background Study in December 2021, the roads DC rates have been adjusted based on revised allocation of post period benefit (PPB) to account for a post-report calculation adjustment to ID6821 Steeles Avenue- Widening from 4 to 6 lanes from Regional Road 25 to Trafalgar Road) as shown in Attachment #3. As summarized below, the analysis increased the PPB allocation by $6.6 million and decreased the growth shares by $5.8 million ($3.7 million for residential and $2.1 million for non-residential) and non-growth share by $0.8 million.

Roads Capital Program (2023-2031), ($millions)

	Per 2022 DC Study	Adjustments	Revised
Total 2023-2031	$ 2,441.1	$ -	$ 2,441.1
Less:			
Post-Period Capacity	238.0	6.6	244.6
Non-Growth Share	400.0	(0.8)	399.2
Net Growth Cost	$ 1,803.0	$ (5.8)	$ 1,797.2
Residential	$ 1,153.9	$ (3.7)	$ 1,150.2
Non-Residential	$ 649.1	$ (2.1)	$ 647.0

The adjustment resulted in a $91.98 per Single Detached Equivalent (SDE) reduction to the Roads Residential DC Rate, a $0.093 per square foot reduction to the Roads Non-Residential Retail DC Rate and a $0.017 per square foot reduction to the Roads Non-Residential Non-Retail DC Rate.

Proposed DC Rate

As required by the DCA, staff considered Area Specific charges. The current by-law structure of area specific (i.e. Greenfield/Built Boundary) for water and wastewater will continue given that there has not been a change to the planning horizon nor have new infrastructure Master Plans been developed. The remaining services (Police, Paramedic Services, Social Housing, Facilities, Growth Studies, Waste Diversion and Waterfront Parks) will continue to be calculated on a Region-wide basis. The proposed by-law is included in Attachment #4. This approach will be reviewed as part of the next DC update when incorporating growth beyond 2031.

Residential DCs

The following table provides the proposed area specific DC rates per SDE in comparison to the current DC rates as of April 1, 2022.

Service	April 1, 2022		New Proposed	
	Area Specific		Area Specific	
	Greenfield	Built-Bndry	Greenfield	Built-Bndry
Water & Wastewater	$ 21,791	$ 8,823	$ 29,537	$ 10,221
Roads	22,158	22,158	30,274	30,274
General Services				
Growth Studies	301	301	151	151
Police	712	712	604	604
Paramedics	195	195	287	287
Facilities	168	168	98	98
Social Housing	1,081	1,081	986	986
Waste Diversion	74	74	96	96
Waterfront Parks	232	232	219	219
Subtotal DC Update	**$ 46,713**	**$ 33,744**	**$ 62,250**	**$ 42,934**
GO Transit [1]	1,344	1,344	1,344	1,344
Recovery [1]	3,679	N/A	3,679	N/A
A) Total	**$ 51,736**	**$ 35,089**	**$ 67,273**	**$ 44,278**
Front-end Recovery Charge				
Water & Wastewater [1]	$ 8,325	$ 8,325	$ 8,325	$ 8,325
Roads [1]	1,175	1,175	1,175	1,175
B) Total	**$ 9,500**	**$ 9,500**	**$ 9,500**	**$ 9,500**
Total (A + B)	**$ 61,236**	**$ 44,589**	**$ 76,773**	**$ 53,778**

1. GO Transit, Recovery and Front-end Recovery are beyond the scope of this study. However, shown in this table for the purposes of presenting a total quantum of DCs

The new calculated DCs are compared to the current rates as follows:

- **Greenfield Area –** The water, wastewater, roads and general services (excluding Go Transit) result in the rate increasing from $46,713 per SDE to $62,250, representing a $15,537 (33%) increase per SDE. When comparing the total payment (including GO Transit, Front-end Recovery Payment and Recovery DC) it results in an increase of 25%.

- **Built Boundary -** The water, wastewater, roads and general services (excluding GO Transit) result in the rate increasing from $33,744 per SDE to $42,934, representing a $9,190 (27%) increase per SDE. When comparing the total payment (including GO Transit and Front-end Recovery Payment) it results in an increase of 21%.

Non-Residential DCs

The proposed new Non-Residential DCs per square foot is summarized in the following table.

Services	April 1, 2022				New Proposed			
	Greenfield		Built-Bndry		Greenfield		Built-Bndry	
	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail
Water/Wastewater	$ 8.301	$ 8.301	$ 3.712	$ 3.712	$ 9.142	$ 9.142	$ 3.393	$ 3.393
Roads	6.869	34.790	6.869	34.790	8.568	45.955	8.568	45.955
General Services								
Growth Studies	$ 0.167	$ 0.167	$ 0.167	$ 0.167	$ 0.060	$ 0.060	$ 0.060	$ 0.060
Police	0.209	0.209	0.209	0.209	0.189	0.189	0.189	0.189
Paramedics	0.032	0.032	0.032	0.032	0.025	0.025	0.025	0.025
Facilities	0.026	0.026	0.026	0.026	0.014	0.014	0.014	0.014
Waste Diversion	0.004	0.004	0.004	0.004	0.003	0.003	0.003	0.003
Waterfront Parks	0.013	0.013	0.013	0.013	0.008	0.008	0.008	0.008
Total	$ 15.621	$ 43.542	$ 11.032	$ 38.953	**$ 18.009**	**$ 55.396**	**$ 12.260**	**$ 49.647**

As outlined in the Background Study, it is recommended to continue with the non-residential roads DC structure being differentiated between retail and non-retail development in the interest of continued economic development in the employment areas. The new calculated DCs are compared to the current rates as follows:

- **Non-Residential, Retail DC**
  - Greenfield Retail calculation - The Area Specific rate for the Greenfield Area results in the rate increasing from $43.542 to $55.396 representing a $11.854 (27%) increase per square foot.
  - Built Boundary Retail calculation - The Area Specific rate for the Built Boundary Area results in the rate increasing from $38.953 to $49.647 representing a $10.694 (27%) increase per square foot.

- **Non-Residential, Non-Retail DC**
  - Greenfield Non-Retail calculation - The Area Specific rate for the Greenfield Area results in the rate increasing from $15.621 to $18.009 representing a $2.388 (15%) increase per square foot.
  - Built Boundary Non-Retail calculation - The Area Specific rate for the Built Boundary Area results in the rate increasing from $11.032 to $12.260 representing a $1.228 (11%) increase per square foot.

Attachment #5, compares the proposed Regional Residential and Non-residential DCs to neighbouring municipalities as of September 1, 2021 (prior to indexing). The analysis observed that Halton (including the local municipalities) is on the higher-end for all Residential Greenfield DCs as well as for Built Boundary in Oakville. However, for Non-residential development, Halton municipalities are in the middle of the range for both retail and non-retail with the exception of the Greenfield rate for Oakville and Burlington. It should be noted that many municipalities are currently in the process of updating their DC by-laws and Halton's newly calculated rates in this analysis may be compared to rates that have not been updated for 2, 3 or even 4 years.

<u>By-law Updates</u>

Adjustments to Proposed DC Policies

The Background Study proposes two changes to the existing DC policies. These changes were highlighted in Report No. FN-36-21 (Re: Update on the Activity of the Development Charges Advisory Committee (DCAC)) as follows:

- Agricultural exemption - Expand the Agricultural exemption to allow the first 3,000 sq.ft of on-farm diversification (i.e. related commercial/retail/industrial) to be exempt from DCs as long as 6 months has elapsed since the last building permit and the owner provides written confirmation that the farming operation is continuing.
- Industrial expansion - Amend the expansion of existing industrial building exemption to allow up to 3,000 sq. ft. to be located in a separate building. This exemption can be used at the same time as the mandatory expansion however the overall DC exemption will be capped at 50% of existing industrial total floor area.

The revised proposed DC policies, in comparison to existing DC policies, are included in Attachment #6.

Issues Raised by Submissions

The Region received six submissions in regard to the 2022 DC Background Study and these are included in Attachment #2a. Staff held a series of technical meetings with the representatives from BILD and Mattamy Homes Canada to discuss the submissions provided by their respective consultants. The responses provided at the technical meeting are also included in Attachment #2b and address the concerns raised in all of the submissions except the ones being dealt with outside the DC process as they did not relate specifically to the DC by-law update. The following summarizes the key DC issues raised in the submissions.

a. Overall cost increase

Comments were raised about the quantum of the increase for water, wastewater and roads compared to the April 1, 2021 DC rates given that both the 2017 and 2022 DC background studies used a 2031 planning horizon.

The purpose of the DCs is to finance capital projects required to meet the increased need for services resulting from growth and development. The 2017 and 2022 DC Background Studies used the same costing methodologies which were developed as part of the 2012 DC study, or earlier. These methodologies are set out in the responses to the specific questions in Attachment #2b.

As outlined in Report No. PW-32-21/FN-31-21 (re: 2022 Development Charges Update – Water, Wastewater and Transportation Technical Studies), the technical studies focused on updating infrastructure costs based on a review of unit costs, and data from recently completed and on-going Municipal Class Environmental Assessment Studies and detailed design and relevant construction tenders. Costs were also updated for annual programs and studies.

As noted in the 2021 and 2022 Budget and Business Plan, since the approval of the 2020 Allocation Program, a number of projects have advanced through the design stage and are projecting an increase in costs. These cost increases are predominantly driven by land acquisition, higher than anticipated construction estimates and the construction of deeper wastewater mains.

Upon review of the current status, delays due to current circumstances, stage of project development (e.g. EA, design), lower average water usage and project coordination (e.g. local coordination, road corridor conflicts) there were a number of projects that would not proceed in the near-term. Projects where it was not practical or possible to deliver within the 2020 Allocation Program were reprogrammed post 2022 based on their current stage of delivery and have been included in this DC Update planning horizon.

Attachment #5 compares the Region's Residential and Non-residential DCs to neighbouring municipalities as of September 1, 2021 (prior to indexing). In the next DC study, a more fulsome competiveness analysis will be undertaken.

b. Growth

A question was raised about how the Municipal Comprehensive Review currently being undertaken will be reflected in the 2022 DC Background Study. A request was also made for explanation of whether or not the Region will be incorporating the new released population data from the 2021 Census.

As part of the Official Plan process, the Region provides Best Planning Estimates (BPEs) that indicates the timing and location of planned growth. These estimates are key inputs into the infrastructure Master Plans that provide infrastructure requirements needed to service this growth. The amendment to the Regional Official Plan Review, which provides growth beyond 2031 was anticipated to be completed prior to the current DC by-law(s) expiry in 2022, however due to various delays in the process which were outside the control of the Region, the 2022 DC update had to proceed prior to approval of updated Water, Wastewater and Transportation Master Plans that will integrate the updated Official Plan growth projections. The current DC update incorporated the changes to the DCA, which came into effect in 2020, however only represents the growth to 2031 based on the current Regional Official Plan and corresponding BPEs. Once the new BPEs are approved, the Region will undertake an update to the infrastructure Master Plans, which will inform the capital needs forecast. The next DC Background Study can commence once the master planning work is complete.

The 2022 DC Background Study made adjustments to account for the shortfall of residential and non-residential growth between the Halton Region 2011 BPE and actual development activity in accordance with population, household and employment figures derived from the Halton Integrated Growth Management Strategy 2021 base year estimates.

c. Land

Through the consultation process a request was made to provide the assumptions regarding land acquisitions. Staff can advise that the updated land unit rates (per acre) were established using market-based information.

d. Benefit to Existing (BTE)

Questions were raised about the BTE methodology for the water, wastewater and roads programs. The methodology used to determine the BTE in the 2022 Water, Wastewater and Transportation Technical Studies is consistent with the approach used in the 2012 and 2017 Technical Studies. For Transportation related projects this methodology defines the growth and non-growth (i.e. Benefit to Existing) splits based on cost allocation for the project.

Specific concerns were raised regarding the BTE calculation for projects impacted by the proposed decommissioning of the Georgetown Wastewater Treatment Plant.

A detailed analysis was undertaken for the Georgetown Wastewater Treatment Plant decommissioning and the associated BTE.

As discussed in PW-32-21/FN-31-21 (Re: 2022 Development Charges Update – Water, Wastewater, and Transportation Technical Studies), in 2011, the Water and Wastewater Master Plan endorsed a lake-based transfer of service in Georgetown to facilitate planned growth in the Town of Halton Hills to 2031. The Wastewater Transfer Strategy included a partial diversion of flow from the Georgetown Wastewater Treatment Plant to the Mid-Halton Wastewater Treatment Plant.

In 2019, a detailed assessment was undertaken to evaluate post-transfer operation of the Georgetown Wastewater Treatment Plant. The outcome of the study highlighted several potential risks associated with post-transfer operation including consideration of impacts to Silver Creek and increased probability of odour complaints due to a change in flow conditions.

The 2019 study further noted benefits of transferring all flow from the Georgetown Wastewater Treatment Plant for treatment at the Mid-Halton Wastewater Treatment Plant where near –term capacity has been made available through Regional investment in programs which have reduced per capita average wastewater generation.

The Georgetown Wastewater Treatment Plant transfer strategy will be further validated through the upcoming Master Plan. The associated modifications to infrastructure costs have been incorporated in the 2022 Development Charges Water and Wastewater Technical Report for planning purposes. BTE percentages have been allocated to the impacted infrastructure accordingly in the 2023 to 2031 capital program. Further explanation is provided in attachment #2b.

The 2022 DC update did not include funding requirements or re-calculation of projects outside of the 2022 Development Charges Program.

e. Post Period Benefit (PPB)/Post Period Planning (PPP)

Questions were raised about the PPB calculation for the water, wastewater and roads programs.

The 2022 DC Water and Wastewater Technical Report reviewed the current program to determine any PPB. For projects that were previously identified in the 2017 DC Program and did not undergo any update or scope change, the same PPB percentage was applied in the 2022 DC.

The 2022 DC Transportation Technical Report used the same methodology and is consistent with the approach used in the previous DC background studies. The PPB (which is referred to as Post Period Planning in the Transportation technical report) capacity for major transportation infrastructure improvements is calculated only for projects with the last five years (2027 to 2031, inclusive) of the capital improvement plan. This calculation is proportional to the degree to which the volume over capacity (v/c) on the major improvement in 2031 is less than the average v/c on the associated screen line.

Next Steps for the 2022 DC Process

If approved by Council on May 25, 2022, the new DC by-law for Water, Wastewater, Roads and General Services will come into effect on September 1, 2022. The following process remains in the 2022 DC Update:

2022 DC Update Process Next Steps	Date
1. Final DC Proposals to Council	April 20, 2022
2. Passing of DC By-law(s) by Council	May 25, 2022
3. Advertise Notice of passage of DC By-law(s)	Within 20 days of passage
4. Last day for DC By-law(s) Appeal	July 4, 2022
5. By-law Effective Date	September 1, 2022

FINANCIAL/PROGRAM IMPLICATIONS

The 2022 DC process is to update the Region's DC rates based on the infrastructure needed to service growth within the 2031 planning horizon. As part of the 2022 DC update process, staff have identified and updated the capital costs that are not being recovered from growth based on the principle of growth pays for growth. Under the current DCA, Halton Region's DC revenues are estimated to be $15.2 million per year lower than a calculation based on a growth pays for growth principle. The costs of servicing growth that cannot be recovered through DCs will need to be funded by Halton taxpayers, which will be addressed as part of the next development financing plan.

Respectfully submitted,

Matthew Buist
Director, Capital and Development Financing

Cyndy Winslow
Commissioner, Finance and Regional Treasurer

Approved by

Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report, please contact: Matthew Buist Tel. # 7873

Attachments:
Attachment #1 – Public Consultation
Attachment #2a – Submissions
Attachment #2b – Responses provided at Technical Meetings
Attachment #3 – Adjustment to ID6821
Attachment #4 – Proposed By-law
Attachment #5 – Competitiveness – DC rate compare
Attachment #6 – Proposed DC policies

Attachment #1 to
Report No. FN-12-22

Public Consultation Process for 2022 DC Update	Date
1. DC Advisory Committee Meeting. #1 – DC “101” and Growth Assumptions	September 24, 2021
2. DC Advisory Committee – Meeting #2 – DC Policies, Adjusted Growth and General Services Calculation	October 8, 2021
3. DC Advisory Committee – Meeting #3 – Water, Wastewater and Roads Capital Costs and Calculations	October 21, 2021
4. DC Advisory Committee – Meeting #4 – Cost of Growth, DC Rate Review and Policy Review	October 29, 2021
5. DCAC Activity Update Report FN-36-21 to Council	November 24, 2021
6. 2022 DC Update Presentation to Halton Developers Liaison Committee (HDLC)	November 26, 2021
7. Release 2022 DC Background Study to Public	December 15, 2021
8. Public Meeting for 2022 DC Study under the DC Act (Council)	February 16, 2022
9. Technical Meeting – Transportation (BILD, Mattamy Homes)	March 10, 2022
10. Technical Meeting – Water, Wastewater (BILD, Mattamy Homes)	March 11, 2022
11. Technical Meeting – Growth, General Services (BILD, Mattamy Homes)	March 11, 2022
12. Final 2022 DC Proposals to Council	April 20, 2022
13. Proposed Passing of 2022 DC By-law by Council	May 25, 2022
14. Advertise Notice of Passage of 2022 DC By-law	Within 20 days of passage
15. Last day for 2022 DC By-law Appeal	July 4, 2022

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February 11, 2022

Mr. Matthew Buist
Director, Capital Development Financing
Regional Municipality of Halton
1151 Bronte Rd,
Oakville, ON L6M 3L1

Dear Mr. Buist:

BILD COMMENTS ON THE DRAFT HALTON REGION 2022 DEVELOPMENT CHARGES BACKGROUND STUDY

IBI Group, Altus Group and DSEL have been retained by BILD to conduct a review of the Halton Region 2022 Development Charges Review process, which includes a review of the 2022 Development Charges Background Study (DCBS) and the update to the Development Charges By-law. The following provides an overview of the comments/questions that we have with Region's proposed program, with a specific focus on the water, wastewater and general service programs. Additional comments/questions on the roads program will be submitted to the Region at a later date.

Technical questions from the consulting team are provided in Appendix A of this letter.

Substantial Increases to the DC Rates

Figure 1 displays the proposed residential rates for single detached units. As per the 2022 DCBS, DC's for single/semi-detached units are expected to increase by $21,690 (53%) in the Greenfield Area and $13,657 (47%) in the Built Boundary. Non-residential rates have increased between 33% and 47% in both the Greenfield Areas and the Built Boundary. See Figure 2.

Figure 1: Single and Semi Detached Proposed Rates

	Greenfield				Built Boundary			
	Current 1)	Proposed	Difference	% Change	Current 1)	Proposed	Difference	% Change
Water & Wastewater	$ 18,965	$ 29,537	$ 10,572	56%	$ 7,679	$ 10,221	$ 2,542	33%
Roads	$ 19,284	$ 30,366	$ 11,082	57%	$ 19,284	$ 20,366	$ 1,082	6%
Growth Studies	$ 262	$ 151	$ (111)	-42%	$ 262	$ 151	$ (111)	-42%
Police	$ 620	$ 604	$ (16)	-3%	$ 620	$ 604	$ (16)	-3%
Paramedics	$ 169	$ 287	$ 118	70%	$ 169	$ 287	$ 118	70%
Facilities	$ 146	$ 98	$ (48)	-33%	$ 146	$ 98	$ (48)	-33%
Social Housing	$ 941	$ 986	$ 45	5%	$ 941	$ 986	$ 45	5%
Waste Diversion	$ 65	$ 96	$ 31	48%	$ 65	$ 96	$ 31	48%
Waterfront Parks	$ 202	$ 219	$ 17	8%	$ 202	$ 219	$ 17	8%
Total	**$ 40,655**	**$ 62,344**	**$ 21,690**	**53%**	**$ 29,369**	**$ 43,026**	**$ 13,657**	**47%**

Source: 2022 Halton Region Development Charges Background Study
1) As of April 21, 2021

Attachment #2a to
Report No. FN-12-22

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Figure 2: Non-Residential Proposed Rates

	Greenfield						Built Boundary					
	Current (Retail) [1]	Proposed (Retail)	% Change	Current (Non-Retail) [1]	Proposed (Non-Retail	% Change	Current (Retail) [1]	Proposed (Retail)	% Change	Current (Retail) [1]	Proposed (Non-Retail	% Change
Water & Wastewater	$ 7.23	$ 9.14	27%	$ 7.23	$ 9.14	27%	$ 3.23	$ 3.39	5%	$ 3.23	$ 3.39	5%
Roads	$ 30.28	$ 46.05	52%	$ 5.98	$ 8.59	44%	$ 30.28	$ 46.05	52%	$ 5.98	$ 8.59	44%
Growth Studies	$ 0.15	$ 0.06	-59%	$ 0.15	$ 0.06	-59%	$ 0.15	$ 0.06	-59%	$ 0.15	$ 0.06	-59%
Police	$ 0.18	$ 0.19	4%	$ 0.18	$ 0.19	4%	$ 0.18	$ 0.19	4%	$ 0.18	$ 0.19	4%
Paramedics	$ 0.03	$ 0.03	-11%	$ 0.03	$ 0.03	-11%	$ 0.03	$ 0.03	-11%	$ 0.03	$ 0.03	-11%
Facilities	$ 0.02	$ 0.01	-39%	$ 0.02	$ 0.01	-39%	$ 0.02	$ 0.01	-39%	$ 0.02	$ 0.01	-39%
Waste Diversion	$ 0.00	$ 0.00	0%	$ 0.00	$ 0.00	0%	$ 0.00	$ 0.00	0%	$ 0.00	$ 0.00	0%
Waterfront Parks	$ 0.01	$ 0.01	-27%	$ 0.01	$ 0.01	-27%	$ 0.01	$ 0.01	-27%	$ 0.01	$ 0.01	-27%
Total	**$ 37.90**	**$ 55.49**	**47%**	**$ 13.60**	**$ 18.03**	**33%**	**$ 33.91**	**$ 49.74**	**47%**	**$ 9.60**	**$ 12.28**	**28%**

Source: 2022 Halton Region Development Charges Background Study
1) As of April 21, 2021

Large Increases to the Water, Wastewater and Road Capital Program

The substantial increases in the rates are largely driven by changes to capital costs for the water, wastewater and roads programs. Gross capital costs have increased by $551 million for water & wastewater services and $1.17 billion for road services when compared to the 2017 DCBS. It is unclear as to why the capital costs have increased so significantly considering both the 2017 and 2022 DCBS programs use a 2031 planning horizon.

<u>In order to better understand the rationale underpinning the increased costs of the capital programs, the consulting team has provided technical questions for Halton Region staff. More specifically, the team has questions around the Benefit to Existing, Post Period Benefit, and land acquisition costs for various projects in the capital programs. Please refer to Appendix A.</u>

Population Underestimates Forecasted Growth through the ongoing MCR Process

The 2022 DCBS uses the Region's Best Planning Estimates (BPE's) to inform the growth forecasts to 2031. While it is understood that these numbers represent Council approved forecasts for the Region, an issue arises when these forecasts are compared to the numbers from the Region's ongoing Municipal Comprehensive Review (MCR), which forecasts greater growth between 2021 and 2031.

As illustrated in Figure 3, the Region's MCR is forecasting an additional 17,977 residents, 6,283 jobs and 900 units to 2031 when compared to the BPE forecasts. The Region has also re-allocated growth within the 2021 to 2031 horizon through the MCR process, adding substantial population growth to Burlington (+15,508) and Oakville (+33,856) while removing growth from Halton Hills (-13,703) and Milton (-17,684).

<u>Can the Region please provide additional details on how it intends to update the DCBS with the new MCR forecasts, once approved? It is unclear what potential impacts this additional growth could have on the capital needs for each area and its ultimate impacts on the development charge. By underestimating the amount of growth, the Region may be overstating the cost per unit.</u>

Mr. Matthew Buist – February 11, 2022

Figure 3: BPE's vs. MCR Forecasts

Population

	BPE			MCR [1]			Difference BPE v MCR		
	2021	2031	Growth 21-31	2021	2031	Growth 21-31	2021	2031	Growth 21-31
Burlington	178,847	186,169	7,322	195,000	217,830	22,830	16,153	31,661	15,508
Halton Hills	61,672	91,885	30,213	66,000	82,510	16,510	4,328	-9,375	-13,703
Milton	161,750	228,084	66,334	138,000	186,650	48,650	-23,750	-41,434	-17,684
Oakville	221,826	246,400	24,574	222,000	280,430	58,430	174	34,030	33,856
Halton Region	**624,095**	**752,538**	**128,443**	**621,000**	**767,420**	**146,420**	**-3,095**	**14,882**	**17,977**

Employment

	BPE			MCR [1]			Difference BPE v MCR		
	2021	2031	Growth 21-31	2021	2031	Growth 21-31	2021	2031	Growth 21-31
Burlington	102,846	105,349	2,503	100,600	106,400	5,800	-2,246	1,051	3,297
Halton Hills	22,936	41,962	19,026	24,400	37,700	13,300	1,464	-4,262	-5,726
Milton	81,106	114,330	33,224	44,200	75,600	31,400	-36,906	-38,730	-1,824
Oakville	120,795	128,359	7,564	112,100	130,200	18,100	-8,695	1,841	10,536
Halton Region	**327,683**	**390,000**	**62,317**	**281,300**	**349,900**	**68,600**	**-46,383**	**-40,100**	**6,283**

Housing

	BPE			MCR [1]			Difference BPE v MCR		
	2021	2031	Growth 21-31	2021	2031	Growth 21-31	2021	2031	Growth 21-31
Burlington	74,880	80,572	5,692	74,200	85,000	10,800	-680	4,428	5,108
Halton Hills	22,284	34,141	11,857	21,900	27,500	5,600	-384	-6,641	-6,257
Milton	55,711	80,293	24,582	40,400	56,200	15,800	-15,311	-24,093	-8,782
Oakville	81,580	93,549	11,969	74,600	97,400	22,800	-6,980	3,851	10,831
Halton Region	**234,455**	**288,555**	**54,100**	**211,100**	**266,100**	**55,000**	**-23,355**	**-22,455**	**900**

1) From Halton Region Draft Land Needs Assessment, November 2021 by Hemson Consulting

We would appreciate the opportunity to work with the Region and would like to request a meeting with staff and the consulting team to discuss our comments and questions. Should you have any questions or concerns, please do not hesitate to contact BILD and its consulting team.

Yours truly,

IBI Group

Cc: Paula Kobli, Halton Region
Paula Tenuta, BILD
Daryl Keleher, Altus Group
Ryan Kerr, DSEL
Deanna Green, BA Group
Denise Baker, WeirFoulds LLP
BILD Halton Chapter

Appendix A – Technical Questions

Population, Household and Employment Forecasts

1) Can the Region please provide additional details on how it intends to update the DCBS with the new MCR forecasts, once approved? It is unclear what potential impacts this additional growth could have on the capital needs for each area and its ultimate impacts on the development charge. By underestimating the amount of growth, the Region may be overstating the cost per unit.

2) Will the Region be incorporating the new released population data from the 2021 Census in its analysis?

3) Has the population from approved secondary plans (i.e. Georgetown although still under appeal, Milton, etc.) been reflected in the Region's growth forecasts and considered in the capacity investigation for the supporting W/WW and Transportation Technical Reports?

4) Person per unit (PPU's) assumptions used in the DCBS are higher than that of the Nov 2021 Draft Land Needs Assessment by Hemson. How will the Region coordinate these assumptions?

5) Table A-6a takes the units in the 2022-2031 forecast as expressed in Single-Detached Equivalent (SDE), with the 54,102 incremental new units converted to 40,864 SDE. The table then adds the unit shortfall relative to BPE to-date, and then deducts for "Prepaid" units and "Over Allocated" units.

   However, it appears that the "Unit Shortfall", "Prepaid" and "Over Allocated" are expressed in units, not SDE, making the calculated "Adjusted for SDE Units" a mix-and-match of units/SDE. If the three categories of adjustments are measured in units and not SDE, a change may be necessary to ensure all are in units of SDE. A similar issue appears in Tables A-6b and A-6c.

6) Why are the FSW Factors for retail different in the Built Boundary (586 sf/job) and Greenfield areas (441 sf/job)?

7) The allocation of retail and non-retail GFA to the Built Boundary and Greenfield areas is roughly 18% for built boundary for each sector, and 82% to the Greenfield for each sector. What is the breakdown for the Non-Retail sector between office and industrial development, and if it is heavily skewed towards industrial development, what assumptions have been made for net new industrial development in the built boundary?

8) What is the basis for the 746,564 square foot deduction to the non-residential GFA denominator in the tables on Page A-30? If the GFA incorporated into the deduction is to reflect non-statutory exemptions, removal of this GFA would result in higher DC rates for other non-exempt types of development, which would not be allowed under the DC Act.

Reserve Funds

9) The DC revenues and Expenditure draws for the Roads -Residential DC reserve fund continuity table (page 5-10) shows $328 million in DC revenues projected for 2021, and $328 million in DC expenditures/draws projected for 2021, each of which would be 4-5x times the highest amount seen in the prior four years. By comparison the Non-

Residential Roads DC continuity table (page 5-13) shows only $11.5 million in DC revenues and expenditures for 2021.

a. Are the amounts shown for residential DC expenditures accurate, and is there a reason why expenditures appear to exactly match DC revenues?

b. If so, to ensure no double counting with the projects in the rest of the DC calculation, what projects are included in the $328 million in anticipated DC expenditures?

Cash Flow Tables

10) The Water Capacity and Wastewater Capacity cash flow tables have amounts under the column "2012 Allocation Front End Interim Payback", but the amounts included have declined drastically since the 2017 DC Study. Can details and background information be provided to show how these numbers were reached, and why the amounts are significantly lower in the 2022 DC Study than the 2017 DC Study?

	2012 Allocation Front-End Interim Payback – Amounts Included in DC Cash Flow Tables	
	2017 DC Study	2022 DC Study
Water – Capacity	$141.5 million	$10.0 million
Wastewater – Capacity	$231.0 million	$21.6 million

Water and Wastewater

11) The Region of Halton is allocating Development Charge funded wastewater capacity to existing residents (inside the 2006 Built Boundary), without Benefit to Existing (BTE) funding, to support decommissioning the Georgetown WWTP. This is not in keeping with the Region of Halton's principle of "growth pays for growth".

- The Region of Halton determined in the 2022 W/WW Technical Report there is sufficient available capacity in existing infrastructure to decommission the Georgetown WWTP, and direct all wastewater flows to Mid-Halton WWTP and ultimately Lake Ontario.
- The available capacity to convey Georgetown WWTP to Mid-Halton WWTP, and the outfall to Lake Ontario has been funded by growth DCs in the 2008/2012/2017 DC programs.
- The capacity is being allocated to existing residents without BTE funding by Region of Halton. DC funded projects should not be used to subsidize the existing tax base
- This will reduce the available capacity for future growth
- The decision to allow capacity to be allocated to existing residents inside 2006 built boundary should not be made until the appropriate study of post-2031 growth capacity requirements has been considered.
- Future growth should be afforded the opportunity to use capacity that is funded by growth, in keeping with the "growth pays for growth" principle

- For example, the 2400 mm wastewater sewer on Regional Road 25 (2012 DC program, Project ID 6380/6381/6382) will convey significant flows from existing residents within the 2006 Built Boundary of Georgetown and Milton as a result of the WWTP decommissioning. The WWTP decommissioning is a result of wastewater servicing strategy changes initiated by the Region of Halton through 2022 W/WW Technical Report, after the 2400 mm sewer project was funded under the premise it was just for growth related flows. The 2400 mm wastewater sewer cost $72M and the funding does not consider BTE or PPB considerations in the 2011 W/WW Master Plan. *This sewer will now have a significant amount capacity used by existing residents, and will reduce available capacity for future growth flows. Is this appropriate to allocate this capacity to existing residents without consideration for future growth, or without appropriate BTE funding?* This same comment and situation apply to many other funded wastewater DC projects from 2012/2017 DC program.

12) Notwithstanding Question 11, the 2022 BTE calculation should include infrastructure completed through 2012/2017 DC programs that provide capacity for Georgetown WWTP decommissioning contemplated in 2022 Technical Report.

- The BTE calculations in the 2022 DC program should reflect the changes to wastewater strategy (Georgetown WWTP decommissioning), initiated by Halton Region through 2022 W/WW Technical Report, that results in existing residents within the 2006 Built Boundary deriving a benefit from infrastructure funded by development charges in 2012/2017 DC programs without BTE considerations.
- The Mid-Halton WWTP plant upgrade (Project ID 8159) BTE calculation in Appendix B of 2022 W/WW Technical Report recognizes the derived benefit to existing residents from past treatment plant upgrades to Mid-Halton WWTP. Milton WWTP Decommissioning initiated by Halton Region through 2017 W/WW Technical Report is currently utilizing capacity in the Mid-Halton WWTP, and the 2022 W/WW Technical report BTE calculated applies a pro-rata BTE share to the next Mid-Halton upgrade to have existing residents fairly share in the cost. This BTE calculation effectively recognizes capacity was paid for in past program by DCs, and the existing residents are deriving a benefit from this capacity from past program, and as a result the Region of Halton is paying a share of next upgrade to fairly recognize benefit to existing residents.
- This same approach should be applied to all DC funded projects in 2012/2017 DC programs that provide capacity to allow for Georgetown WWTP and Milton WWTP decommissioning, that have not been shared in by Region of Halton tax base per BTE calculations.
- **"Figure 1_Wastewater Capital BTE Projects – 2012/2017/2022"** illustrates at a high-level the infrastructure that provides conveyance, pumping, and treatment capacity for existing residents of Georgetown and Milton that have been funded by DCs in 2012/2017 DC Programs. These projects provide a BTE that has not been accounted for in past programs and directly result from Region of Halton initiated changes to servicing strategy for existing residents in Georgetown and Milton.
- It is clear that the Region of Halton has a history of consistently oversizing infrastructure, and then applying the surplus capacity to the existing tax base.

This is evidenced through the Milton WWTP decommissioning completed through the 2017 DC Program, and the planned Georgetown WWTP decommissioning.

- The surplus capacity (sized by Region of Halton) but not recognized as such, that has been applied to the existing tax base, should pay their pro-rata share of the cost. Future growth should pay for the balance of the surplus capacity based on incremental cost of infrastructure.
- We estimate the total approximate construction value of infrastructure that is being allocated to existing residents, to accommodate the Georgetown WWTP and Milton WWTP decommissioning, is in the order of magnitude of **$125M to $150M** (net of BTE funding in 2022 program, which is approximately $135M). This BTE amount was not reflected in the 2012/2017/2022 allocation programs, but directly supports decommissioning of the Georgetown WWTP and Milton WWTP.

13) The 2012 W/WW Master Plan indicated that in order to convert existing residents in Georgetown (southwest of Silver Creek) to lake-based water servicing that these same areas be converted to lake-based wastewater discharge system (i.e. diverted to Mid-Halton WWTP from Georgetown WWTP) to maintain water collection and discharge from the same catchment/watershed. This was a goal to maintain water balance within watersheds.

    - Decommissioning of the Milton WWTP and Georgetown WWTP does not follow this direction. *Is the Region of Halton planning on converting Milton and Georgetown to fully lake-based water servicing?*
    - If it is anticipated that existing residents inside the 2006 Built Boundary of Milton and Georgetown will ultimately be transitioned to lake-based water services, this conversion should be accounted for in the BTE calculations in the current program, and rectified retroactively from previous programs.
    - There are many water projects from 2008/2012/2017/2022 DC programs that should have BTE funding associated to support lake-based water supply to these communities if they are fully converted to lake-based in the future.

14) Are the BTE calculation principles in the 2022 DC Background Study appropriate and consistent?

    - The BTE calculation for Project 6581/6582 is based on incremental upsizing cost from a 1350 mm diameter to 1500 mm diameter (or 5% of total cost), and not based on flow contribution being shared on a pro-rata basis.
    - Using the Region of Halton's approach to BTE calculations for Project 6581/6582, and other projects, the development industry could take the positions that the existing tax base requires the capital project and the development industry should only be required to fund the incremental costs. Clearly, this position is unreasonable and is why pro-rata share in flows is more appropriate.
    - The BTE calculation for Project 6581/6582 is not consistent with the approach for Project 7528 and Project 8159 which are based on pro-rata share of flow.
    - Project 6581/6582 BTE calculations should be based on pro-rata flow, as the infrastructure is needed by existing residents and by growth. Note, the BTE

calculations in the 2017 W/WW Technical Report are based on pro-rata share of flows.

- Similarly, the twin 900 mm diameter forcemains (Project 8035) has a nominal 5% BTE share based on the principle of incremental upsizing, and not a 23% BTE share if pro-rata flows were considered. BTE calculation for Project 8035 should be revised to reflect pro-rata flow share.
- BTE calculations should be revised to reflect pro-rata shares based on flow, not on incremental upsizing, and apply a consistent approach for all projects.
- We estimate the BTE reflecting pro-rata share of the linear infrastructure projects in 2022 DC program would increase Region of Halton contributions by approximately **$25M**. This does not include the additional Georgetown existing resident flows that we believe should be included, as identified in Item #6.

15) The 2017 DC Program funded the 900 mm diameter wastewater sewer on Trafalgar Road from HWY 401 to Georgetown. A significant change to the sewer size and depth occurred post-2017 DC Program, as part of detailed design in 2020/2021. The increased funding requirements of the sewer upsize are not reflected in the 2022 W/WW Technical Report – how is the additional cost of sewer upsizing being funded?

    - The 2017 DC program funded a 900 mm diameter trunk wastewater sewer on Trafalgar Road from Steeles Road to 10th Sideroad (Project IDs 7549/7550).
    - The 900 mm diameter sewer was upsized to a 1200 mm diameter sewer, and deepened through the detailed design process in 2020/2021, following the 2017 DC program.
    - There was no BTE component to the 900 mm wastewater sewer in the 2017 DC program, and it was fully funded by growth DCs (~ $35M).
    - *Has the Region of Halton revised this project funding (Project ID: 7549, 7550, 7552) outside the 2017 and 2022 DC program to include BTE?*
    - *If so, was the BTE calculation to fund sewer upsizing from 900 mm diameter to 1200 mm diameter based on pro-rata share of flow and subject to the same public input as a Development Charge update?*
    - *If the BTE calculation was not updated for this sewer upsizing, how is the sewer upsizing and deepening being funded?*
    - If the upsized sewer is still fully funded by growth, the capacity created by the upsizing should be available for more growth, not existing residents tributary to the Georgetown WWTP.
    - To be clear, DSEL is not suggesting infrastructure should have been sized smaller in past DC programs, but instead suggesting it should be funded appropriately

16) Additional clarity needed for Benefit to Existing (BTE) calculation in the 2022 W/WW Technical Report for Mid-Halton WWTP Upgrade.

- The 2022 W/WW Technical Report based the Mid-Halton WWTP Expansion (Project 8159) BTE calculations on 8.2 ML/D. *Can additional information on what area and population is accounted for in these flows?*
- The Region of Halton wastewater strategy for Georgetown in the 2012 Master Plan included a wastewater "peel off" area, wherein existing residents would be directed to Mid-Halton WWTP, effectively freeing up additional treatment capacity in Georgetown WWTP for future intensification growth.
- With the Region of Halton's proposed change in wastewater strategy, all growth and existing residents in Georgetown will be directed to Mid-Halton WWTP.
- The entire existing Georgetown built boundary population will now drain to this sewer along with green field and intensification growth, and the BTE calculations should be revised to reflect the total existing population flow of Georgetown; not just the Georgetown WWTP reaming flows after the "peel off" area is redirected.
- We estimate the appropriate flows are closer to 16 MLD that should be accounted for in the BTE calculation for Georgetown.
- We estimate that using the appropriate flows from Georgetown will increase the Region of Halton BTE funding for this project by approximately **$15M**.

17) Has post-period benefit been appropriately calculated in 2022 DC Background Study, and/or in previous DC programs?
    - Significant capacity is being utilized by existing residents in infrastructure that has been funded by development charges in 2008/2012/2017 DC programs
    - This capacity would otherwise be available and un-used at the end of 2031 horizon.
    - There is post period benefit of this available capacity that has not been reflected in past DC programs, that is being allocated to existing residents as part of 2022 DC program.
    - The available capacity funded by DCs has not been characterized, or funded with consideration for PPB in the 2008/2012/2017/2022 Development Charge programs. This capacity that would have been available post-2031 is being allocated to existing residents free of charge in advance of the 2031 horizon.
    - The available post period capacity should have been recognized as post period benefit and funded as such in past DC programs, and the available capacity reserved for future growth post-2031. Instead, it appears that in the 2017 and 2022 DC programs that some of this post period capacity has been allocated to existing residents for free.
18) Has the Region evaluated the Integrated Growth Management Strategy (IGMS) scenarios against the existing infrastructure capacity?
    - Existing wastewater system capacity afforded by previous DC programs, and the current DC program, is being allocated to existing residents as part of the 2022 DC Program.

- Growth has paid for growth, and the post period benefit of available capacity created by DC funded infrastructure should be realized by future growth, not existing residents.
- *Has the Region of Halton assessed whether available capacity being allocated to existing residents is not required for the IGMS scenarios?*
- The concern is that insufficient capacity for post-2031 growth may be determined through future studies considering the IGMS scenarios, and development charges will have to cover new infrastructure that otherwise is not required if capacity was not allocated to existing residents pre-2031.

19) Need additional information on the Cost Estimates for Water and Wastewater capital projects. There is approximately $148M of $551M increase to cost estimates (from 2017 to 2022) is allocated to updated unit rates and land acquisition (DCAC October 2021 Presentation), with no information on location or value assigned to land. *We request additional information on value of land and where property is required be provided.*

20) Newly added projects in the water capital program total $58.7 million, which represents approximately 12% of the overall capital costs. Why were these projects not included in the 2017 DCBS which had the same planning horizon?

21) Newly added projects in the wastewater capital program total $193.4 million, which represents approximately 47% of the overall capital costs. Why were these projects not included in the 2017 DCBS which had the same planning horizon?

22) Can the Region please provide details explaining the reason for capital cost increase for the below projects.

Project Cost Increases, Halton Region DC Study, Water Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars		*Percent*
6615	MAIN	600mm WM - Guelph Street - from Adamson to Bovaird	1,971,000	6,884,000	249%
6642	MAIN	400mm WM - 401 Corridor (north of Steeles) - Hornby to Trafalgar	1,810,000	5,995,000	231%
6624	MAIN	400mm WM - 4th Line - Brittannia to 650m South	724,000	2,207,000	205%
6643	MAIN	400mm WM - 401 Corridor (north of Steeles) - Trafalgar to 400m east of 8th	2,640,000	4,979,000	89%
6629	MAIN	600mm WM - LSL from 5th to 6th	2,651,000	4,409,000	66%
6697	RESERVOIR	15 ML storage expansion at Zone M4 Reservoir	16,609,000	25,174,000	52%
5627	MAIN	600mm WM - through North Oakville Lands - Tremaine to Bronte	7,739,000	11,326,000	46%
6694	RESERVOIR	10 ML Zone G6L Storage at 22nd Side Road	11,660,000	16,783,000	44%
6666	MAIN	750mm WM - Neyagawa - Burnhamthorpe to LBL	8,699,000	12,505,000	44%
6368	MAIN	1050mm WM - Burloak - QEW to UMR	9,766,000	13,975,000	43%
5850	MAIN	1050 WM - UMR - Burloak to Appleby	10,283,000	14,546,000	41%

Source: Altus Group Economic Consulting

Project Cost Increases, Halton Region DC Study, Wastewater Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars (000)		*Percent*
6589	PUMPING STATION	35 L/s WWPS on 10th SR in Norval	731,000	4,550,000	522%
7528	PUMPING STATION	North WWPS of 2000 L/s at Mid-Halton WWTP	22,564,000	69,782,000	209%
5907	MAIN	300mm WWM North Aldershot Servicing	4,563,000	11,800,000	159%
6557	MAIN	600mm WWM - Tremaine - 1500m N of S Tremaine Rd WWPS...	6,583,000	12,847,000	95%
6581	MAIN	1500mm WWM - 5th Line from Brittannia to LBL	15,678,000	29,962,000	91%
6537	MAIN	675mm WWM - Trafalgar - through GO lot, Argus from Spruce to N of Cross	3,503,000	6,327,000	81%
6500	MAIN	600mm WWM - 4th Line from New Road to Lower Base Line WWPS	4,632,000	8,253,000	78%
6582	MAIN	1500mm WWM - LBL from 5th to 4th Line	10,003,000	17,650,000	76%
6502	MAIN	525mm WWM - Thompson Rd and new internal road - S of Britt. To 4th Line	2,520,000	4,374,000	74%

Source: Altus Group Economic Consulting

23) The unit rates used in the W/WW Technical Study, do these reflect cost increases due to COVID-19 pandemic (i.e. supply chain, manufacturing, etc.)? If so, it is

recommended that more regular reporting and updates to unit rates be tracked and reflected in DCs going forward.

24) Page 9 of 2022 W/WW Technical Report notes that the cost estimate methodology yields an accuracy range from +40%/-20%. How does that compare to the final (actual) project costs built in the 2017 DC Program, given the same methodology was used?

Roads

Please note that additional technical analysis will be provided at a later date to the Region

25) Compared to the similar table in the 2017 DC Study, the table on page D-13 in the 2022 DC Study eliminates some of the BTE deductions previously used:

    a. Table D-3 no longer shows a "50% deduction for engineering and contingency costs" for Road Widening without Reconstruction projects – why is this deduction no longer being made?

    a. Table D-3 reduces the deduction for instances where non-Master Plan costing is used from 25% in the 2017 DC Study to 13% in the 2022 DC Study. What is the rationale for this change?

26) What assumptions regarding land acquisition, and costs of land are incorporated into the road projects in the 2022 DC Study? Can the Region's recent history of land acquisitions for road works be provided to ensure that the land acquisition assumptions in the DC Study are reasonable?

27) We have questions associated with the $183 million "5 ½ Line" project which is a 6-lane road between Britannia and Steeles, with an interchange at Highway 401:

    a. Is there any expectation that the MTO will provide funding for the interchange?

    b. What is the basis for the minimal "Beyond 2031" allocation of 2%

28) The James Snow Parkway project, from Britannia to Highway 407 has a gross cost of $86.3 million, with just $6 million allocated for post-2031, and no BTE share.

    a. Can a rationale for the PPB be provided, as it seems low given the timing and amount of development likely in the Town of Milton south of Britannia. Will this road be sized to accommodate post-2031 development in the lands south of Britannia? If so, the road works should have a significant PPB.

    b. The lack of any BTE allocation seems completely unreasonable, given that this roadway would provide for greater access between Milton and Oakville (particularly for Milton residents who use the Lakeshore West GO line or shopping areas in Oakville), and would alleviate significant existing rush hour traffic congestion issues along Trafalgar Road (as well as Britannia Road) in particular. What is the rationale for no BTE being allocated for this project? As shown below, the net number of persons commuting from Milton to Oakville per day has increased significantly over the 2006-2016 period alone.

Commuting Direction	2006	2016	Change
Milton to Oakville	1,615 persons	3,080 persons	+1,465 persons
Oakville to Milton	1,045 persons	1,310 persons	+265 persons
Net Flow	+570 net persons per day from Milton to Oakville	+1,770 net persons per day from Milton to Oakville	+1,220 additional net persons per day
Source: Statistics Canada			

29) Please provide the rationale for the cost increases of the following projects:

Project Cost Increases, Halton Region DC Study, Roads Capital Projects

Prj #	Project Type	Description	2017 DC Study Dollars (000)	2022 DC Study Dollars (000)	%Change Percent
6810	New Road	North Service Road - New 4 lanes from Burloak Drive to Bronte Road	25,305	93,411	269%
6819	Road Widening	Steeles Avenue - Widening from 2 to 4 lanes from Tremaine Road to Industrial Drive	16,390	52,420	220%
2659	Road Widening	Guelph Line - Widening from 4 to 6 lanes from Mainway to UMR	10,649	30,126	183%
7338	Road Widening	Upper Middle Road - Widening from 4 to 6 lanes from Neyagawa to Trafalgar	15,552	37,198	139%
6824	Road Widening	Brant Street Widening from 4 to 6 lanes from North Service to Dundas Street	27,681	59,804	116%
6806	New Road	James Snow Parkway - New 6 lane road from Highway 407 to Britannia	46,145	86,273	87%
6807	Road Widening	James Snow Parkway - Widening from 4 to 6 lanes from Highway 401 to Tremaine	59,450	110,538	86%
6758	Road Widening	10 Side Road - Widening from 2 to 4 lanes from Trafalgar to Winston Churchill	36,185	65,032	80%
5181	Grade Separation	Steeles Avenue - Grade Separation at CN crossing west of Bronte	11,273	20,219	79%
6817	Road Widening	Regional Road 25 - Widening from 4 to 6 lanes from Steeles to 5 Side Road	32,031	52,686	64%
6757	New Road	5 1/2 Line - New 6 lane road from Britannia to Steeles & Interchange at Highway 401	112,014	182,811	63%

Source: Altus Group, IBI Group

General Services

30) Studies - please provide the rationale for the cost increases for the following:
    a. There is an increase in the cost of the Regional OP update in 2025 (471% increase or $816,750). Can you please provide the rationale for this increase?

31) Police – please provide the rationale for the cost increases for the following:
    a. 2022 additional vehicle cost increased by 173% or $479,000 when compared to the 2017 DCBS
    b. 2024 equipment cost increased by 104% or $89,300 when compared to the 2017 DCBS 2025 equipment cost increased by 96% or $82,800 when compared to the 2017 DCBS

32) Paramedic - please provide the rationale for the cost increases for the following:
    a. Level of service for facilities ($/sf including land) increased by 22% to 190% when compared to the 2017 DCBS. Please provide the rationale for this increase
    b. The maximum funding calculation for vehicles is based on a per cap rate of $20.60 per cap instead of $20.64. Therefore, the max funding envelope should increase by $5,065 to $2,613,540. This would increase the total cap to $12,810,863.

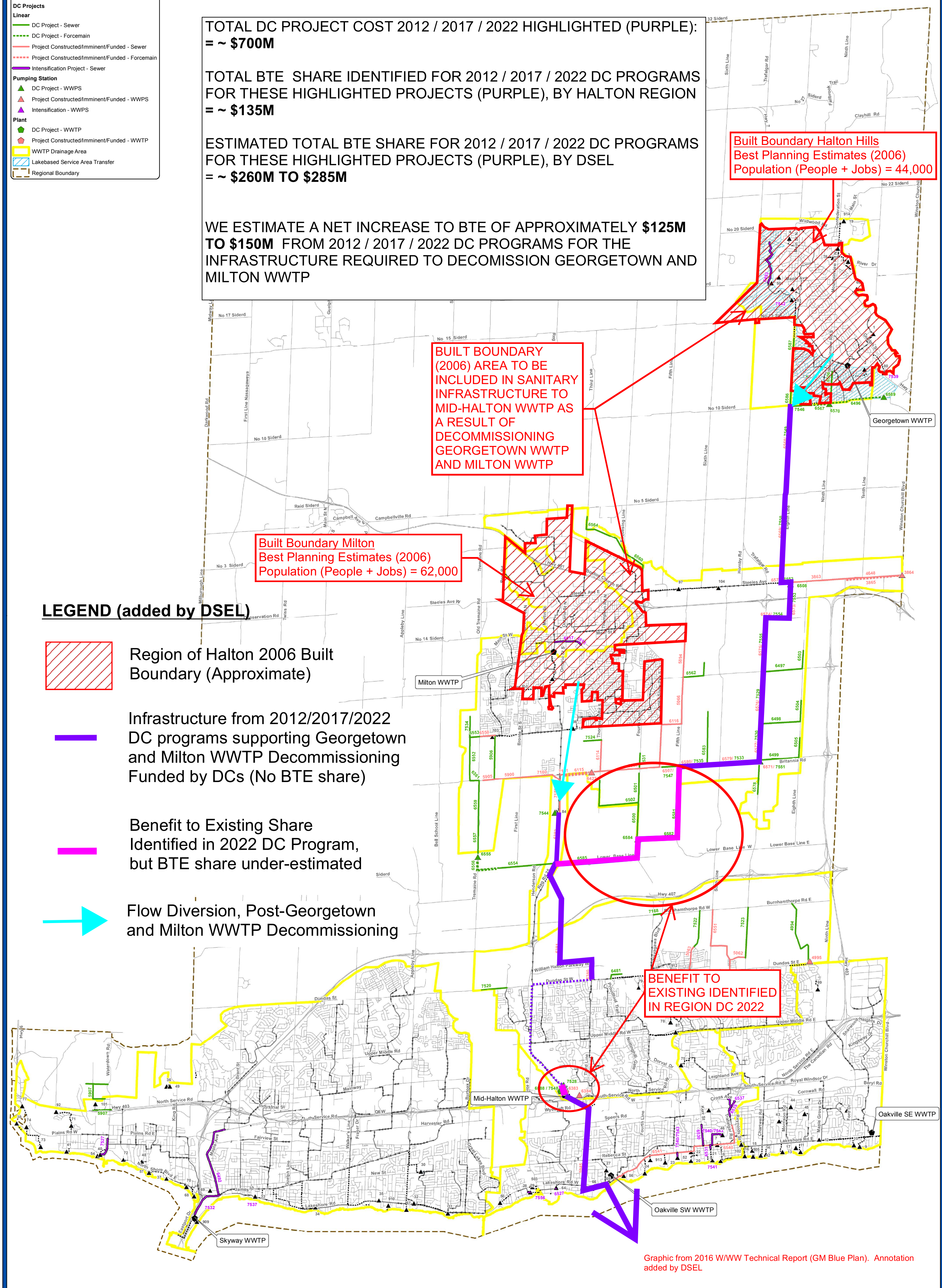
33) Social Housing:

a. Why has the assumed cost per unit increased by 56% from $160,327 in the 2017 DCBS to $250,000 in the 2022 DCBS?

34) Waste Diversion:

a. The “Transfer Station – Organics – Study” increased in from a cost of $67,500 in 2017 to $588,000 in 2022. What is the difference in the studies that would cause the increase in cost?

FIGURE 1_WASTEWATER CAPITAL BTE PROJECTS - 2012 / 2017 / 2022



Barristers & Solicitors

WeirFoulds LLP

February 14, 2022

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*Partner through a professional corporation

VIA E-MAIL: REGIONALCLERK@HALTON.CA

Graham Milne, Regional Clerk
Region of Halton
1151 Bronte Road
Oakville, ON L6M 3L1

Attention: Regional Chair and Members of Regional Council

Dear Mr. Milne:

Re: Proposed Amendment to Development Charges By-law

We are legal counsel to the Building Industry and Land Development Association ("BILD") with respect to their interest in the Region of Halton's Development Charge ("DC") By-law review.

Together with IBI Group, Altus Group, and DSEL, we have been retained by BILD to conduct a review of the Halton Region 2022 Development Charge Background Study (DCBS) and the update to the Development Charges By-law.

While we continue to work with the consultant team regarding the material that has been released publicly, we wanted to identify some of our initial concerns with respect to the proposed DC increases.

As per the 2022 DCBS, DCs for single/semi-detached units are expected to increase by $21,690 (53%) in the Greenfield Area and $13,657 (47%) in the Built Boundary. Non-residential rates have increased between 33% and 47% in both the Greenfield Areas and the Built Boundary. As we continue to work our way through the materials, we have some questions and concerns with respect to the source of these significant increases.

<u>Large Increase to the Water, Wastewater and Road Capital Program</u>

The substantial increases in the rates are largely driven by changes to capital costs for the water, wastewater and roads programs. Gross capital costs have increased by $551 million for water and wastewater services and $1.17 billion for road services when compared to the 2017 DCBS. It is unclear as to why the capital costs have increased so significantly considering both the 2017 and 2022 DCBS programs used a 2031 planning horizon.

In order to better understand the rationale underpinning the increased costs of the capital programs, the consulting team has recently provided a number of technical questions to Halton Region staff that we are looking for responses to. More specifically, the team has questions around the Benefit to Existing, Post Period Benefit, and land acquisition costs for various projects within the Region's capital programs.

Population Underestimates Forecasted Growth through the ongoing MCR Process

The 2022 DCBS uses the Region's Best Planning Estimates (BPE's) to inform the growth forecasts to 2031. While it is understood that these numbers represent Council approved forecasts for the Region, an issue arises when these forecasts are compared to the numbers from the Region's ongoing Municipal Comprehensive Review (MCR), which forecasts greater growth between 2021 and 2031 than the BPE's. Specifically, the Region's MCR is forecasting an additional 17,977 residents, 6,283 jobs, and 900 units to 2031 when compared to the BPE forecasts. This potential under forecasting will impact the DC rates.

Reserve Funds

The DC revenues and Expenditure draws for the Roads-Residential DC reserve fund continuity table shows $328 million in DC revenues projected for 2021, and $328 million in DC expenditures/draws projected for 2021, each of which would be between four and five times the highest amount seen in the prior four years. By comparison the Non-Residential Roads DC continuity table shows only $11.5 million in DC revenues and expenditures for 2021. We have concerns with this and need to understand the cause of this.

Cash Flow Tables

The Water Capacity and Wastewater Capacity cash flow tables have amounts under the column "2012 Allocation Front End Interim Payback", but the amount included have declined drastically since the 2017 DC Study. We are seeking details to show how these numbers were reached, and why the amounts are significantly lower in the 2022 DC Study than the 2017 DC Study.

Water and Wastewater

The Region is allocating DC funded wastewater capacity to existing residents (inside the 2006 Built Boundary), without an associated Benefit to Existing (BTE) funding, to support decommissioning the Georgetown WWTP. This is not in keeping with the Region's principle of "growth pays for growth". DC funded projects should not be used to subsidize the existing tax base. There are a number of Projects in this regard that BILD seeks further information on.

Roads

Compared to the similar table in the 2017 DC Study, the table on page D-13 in the 2022 DC Study eliminates some of the BTE deductions previously used and, as a result, we have a number of questions regarding the assumptions around land acquisition and land costs that are incorporated into the roads projects in the DC Study. We would like to review the Region's recent history of land acquisitions for road works to ensure that the land acquisition assumptions in the DC Study are reasonable.

In addition, our transportation consultant continues to review in detail the material provided and will be providing additional comments to Region staff to aid in our understanding of how the Region has arrived at these significant increases.

General Services

General Services including Studies, Police, Paramedic, Social Housing, and Waste Diversion have all had significant cost increases and additional information is needed in this regard.

BILD has a long working relationship with Halton Region to ensure that growth properly pays its fair share. It is our desire to continue to work with Region staff to ensure that we have obtained the necessary information and to have our issues addressed prior to the DC By-law being passed. To that end we are requesting that Regional staff meet with BILD's consulting team in an expeditious fashion so that we can obtain the necessary information and responses to the inquiries made to date.

We look forward to continuing to work with the Region in this regard.

Yours truly,

WeirFoulds LLP

Denise Baker
Partner

DB/mw
17302768.1

February 15, 2022

VIA EMAIL TO: RegionalClerk@halton.ca and Graham.Milne@halton.ca

Region of Halton
Office of the Regional Clerk
Regional Clerk, Graham Milne
1151 Bronte Rd, Level 3
Oakville, ON L6M 3L1

Attention: Regional Chair and Members of Regional Council

Dear Mr. Milne,

Re: 2022 Halton Development Charges Background Study
Proposed Development Charges By-Law
Comments on Behalf of Mattamy Homes

As you know, Mattamy Homes ("Mattamy") has had a long and constructive relationship with the Region of Halton (the "Region") and has supported the Region's efforts to fairly fund and allocate the municipal services required to grow the communities in the Region. We intend to continue that relationship.

A part of this cooperation includes carefully reviewing the Region's 2022 Halton Development Charges Background Study (the "DCBS") and raising questions and issues to ensure that the Region's development charges continue to be fair, reasonable and consistent with the principles that underlie the development charges regime. To that end, Mattamy is a member of the Building Industry and Land Development Association ("BILD"). BILD is filing a separate submission. Mattamy has also retained Altus Group Economic Consulting ("Altus") to review the DCBS on Mattamy's behalf. Altus has identified a number of issues and questions that require attention.

We are writing to request that Council direct staff to meet with representatives of Mattamy to continue the necessary dialogue in relation to the DCBS. In our view, it is necessary to get answers to these questions before any decision can me made on the proposed DC By-Law. Mattamy is ready, willing and able to meet whenever staff are ready to do so.

We are requesting notice of all future meetings, decisions, reports and consultation activities related to the development charges background study and by-law. Please provide notice directly to Mattamy c/o karen.ford@mattamycorp.com.

Yours truly,

MATTAMY HOMES CANADA

Jason Suddergaard
Sr. Vice President Land Development
GTA Low Rise Division

February 15, 2022

Memorandum to: Jason Suddergaard
Mattamy Homes

From: Daryl Keleher, Senior Director
Altus Group Economic Consulting

Subject: Halton Region DC Review
Our File: P-6588

Altus Group Economic Consulting was retained by Mattamy Homes to review the Region of Halton's 2021 Development Charges Background Study, dated December 15, 2021 ("2021 DC Study"). This memorandum presents our questions and comments from our review of the 2021 DC Study:

CHANGES TO DC RATES

Figure 1 shows the proposed changes to DC rates – the DC rate for single-detached units (SDU) in the Region's greenfield area is proposed to increase by 53%, from $40,654 per SDU to $62,344 per SDU. The DC rates for the built boundary area are proposed to increase by a similar percentage (+47%).

Figure 1 **Current and Proposed DC Rates, Halton Region, per Single-Detached Unit**

	Greenfield				Built Boundary			
	Current	Proposed	Change	% Change	Current	Proposed	Change	% Change
Service		*Dollars per Unit*		*Percent*		*Dollars per Unit*		*Percent*
Water&WW	18,965	29,537	10,572	56%	7,679	10,221	2,542	33%
Roads	19,284	30,366	11,082	57%	19,284	30,366	11,082	57%
Studies	262	151	(111)	-42%	262	151	(111)	-42%
Police	620	604	(16)	-3%	620	604	(16)	-3%
Paramedics	169	287	118	70%	169	287	118	70%
Facilities	146	98	(48)	-33%	146	98	(48)	-33%
Social Housing	941	986	45	5%	941	986	45	5%
Waste Diversion	65	96	31	48%	65	96	31	48%
Waterfront Parks	202	219	17	8%	202	219	17	8%
Total	40,654	62,344	21,690	53%	29,368	43,028	13,660	47%

Source: Halton Region 2021 DC Study

QUESTIONS AND COMMENTS

Population, Household and Employment Forecasts

1) Table A-6a takes the units in the 2022-2031 forecast as expressed in Single-Detached Equivalent (SDE), with the 54,102 incremental new units converted to 40,864 SDE. The table then adds the unit shortfall relative to BPE to-date, and then deducts for "Prepaid" units and "Over Allocated" units.

   However, it appears that the "Unit Shortfall", "Prepaid" and "Over Allocated" are expressed in **units, not SDE**, making the calculated "Adjusted for SDE Units" a mix-and-match of units/SDE. If the three categories of adjustment are measured in units and not SDE, a change may be necessary to ensure all are in units of SDE. A similar issue appears in Tables A-6b and A-6c.
2) Why are the FSW Factors for retail different in the Built Boundary (586 sf/job) and Greenfield areas (441 sf/job)?
3) The allocation of retail and non-retail GFA to the Built Boundary and Greenfield areas is roughly 18% for built boundary for each sector, and 82% to the Greenfield for each sector. What is the breakdown for the Non-Retail sector between office and industrial development, and if it is heavily skewed towards industrial development, what assumptions have been made for net new industrial development in the built boundary?
4) What is the basis for the 746,564 square foot deduction to the non-residential GFA denominator in the tables on Page A-30? If the GFA incorporated into the deduction is to reflect non-statutory exemptions, removal of this GFA would result in higher DC rates for other non-exempt types of development, which would not be allowed under the DC Act.

Reserve Funds

5) The DC revenues and Expenditure draws for the Roads -Residential DC reserve fund continuity table (page 5-10) shows $328 million in DC revenues projected for 2021, and $328 million in DC expenditures/draws projected for 2021, each of which would be 4-5x times the highest amount seen in the prior four years. By comparison the Non-Residential Roads DC continuity table (page 5-13) shows only $11.5 million in DC revenues and expenditures for 2021.
   a. Are the amounts shown for residential DC expenditures accurate, and is there a reason why expenditures appear to exactly match DC revenues?
   b. If so, to ensure no double counting with the projects in the rest of the DC calculation, what projects are included in the $328 million in anticipated DC expenditures?

Roads

6) Compared to the similar table in the 2017 DC Study, the table on page D-13 in the 2022 DC Study eliminates some of the BTE deductions previously used:
   a. Table D-3 no longer shows a "50% deduction for engineering and contingency costs" for Road Widening with Reconstruction projects – why is this deduction no longer being made?

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b. Table D-3 reduces the deduction for instances where non-Master Plan costing is used from 25% in the 2017 DC Study to 13% in the 2022 DC Study. What is the rationale for this change?

7) What assumptions regarding land acquisition, and costs of land are incorporated into the road projects in the 2022 DC Study? Can the Region's recent history of land acquisitions for road works be provided to ensure that the land acquisition assumptions in the DC Study are reasonable?

8) We have questions associated with the $183 million "5 ½ Line" project which is a 6-lane road between Britannia and Steeles, with an interchange at Highway 401:

   a. Is there any expectation that the MTO will provide funding for the interchange?

   b. What is the basis for the minimal "Beyond 2031" allocation of 2%

9) The James Snow Parkway project, from Britannia to Highway 407 has a gross cost of $86.3 million, with just $6 million allocated for post-2031, and no BTE share.

   a. Can a rationale for the PPB be provided, as it seems low given the timing and amount of development likely in the Town of Milton south of Britannia. Will this road be sized to accommodate post-2031 development in the lands south of Britannia? If so, the road works should have a significant PPB.

   b. The lack of any BTE allocation seems completely unreasonable, given that this roadway would provide for greater access between Milton and Oakville (particularly for Milton residents who use the Lakeshore West GO line or shopping areas in Oakville), and would alleviate significant existing rush hour traffic congestion issues along Trafalgar Road (as well as Britannia Road) in particular. What is the rationale for no BTE being allocated for this project? As shown below, the net number of persons commuting from Milton to Oakville per day has increased significantly over the 2006-2016 period alone.

Figure 2

Commuting Direction	2006	2016	Change
Milton to Oakville	1,615 persons	3,080 persons	+1,465 persons
Oakville to Milton	1,045 persons	1,310 persons	+265 persons
Net Flow	+570 net persons per day from Milton to Oakville	+1,770 net persons per day from Milton to Oakville	+1,220 additional net persons per day
Source: Statistics Canada			

10) There are numerous roads projects that have seen their capital costs increase significantly since the 2018 DC Study, with selected projects shown in the summarized in the table below. Can detail be provided explaining the reason for the capital cost increases for the projects below?

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Figure 3

Project Cost Increases, Halton Region DC Study, Roads Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars (000)		*Percent*
6810	New Road	North Service Road - New 4 Lanes from Burloak to Bronte	25,305	93,411	269%
6819	Road Widening	Steeles Ave. - Widen from 2 to 4 lanes from Tremaine to Industrial	16,390	52,420	220%
2659	Road Widening	Guelph Line - Widen from 4 to 6 lanes from Mainway to UMR	10,649	30,126	183%
7338	Road Widening	Upper Middle Road - Widen from 4 to 6 lanes from Neyagawa to Trafalgar	15,552	37,198	139%
6824	Road Widening	Brant St. - Widen from 4 to 6 Lanes from NSR to Dundas	27,681	59,804	116%
6806	New Road	JSP - New 6 Lane Road from Hwy 407 to Brittania	46,145	86,273	87%
6807	Road Widening	JSP - Widen from 4 to 6 lanes from Hwy 401 to Tremaine	59,450	110,538	86%
6758	Road Widening	10 Side Road - Widen from 2 to 4 Lanes from Trafalgar to Winston Churchill	36,185	65,032	80%
5181	Grade Separation	Steeles Ave. - Grade Separation at CN Crossing West of Bronte	11,273	20,219	79%

Source: Altus Group Economic Consulting

Water

11) There are numerous water projects that have seen their capital costs increase significantly since the 2018 DC Study, with selected projects shown in the summarized in the table below. Can detail be provided explaining the reason for the capital cost increases for the projects below?

Figure 4

Project Cost Increases, Halton Region DC Study, Water Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars		*Percent*
6615	MAIN	600mm WM - Guelph Street - from Adamson to Bovaird	1,971,000	6,884,000	249%
6642	MAIN	400mm WM - 401 Corridor (north of Steeles) - Hornby to Trafalgar	1,810,000	5,995,000	231%
6624	MAIN	400mm WM - 4th Line - Brittannia to 650m South	724,000	2,207,000	205%
6643	MAIN	400mm WM - 401 Corridor (north of Steeles) - Trafalgar to 400m east of 8th	2,640,000	4,979,000	89%
6629	MAIN	600mm WM - LSL from 5th to 6th	2,651,000	4,409,000	66%
6697	RESERVOIR	15 ML storage expansion at Zone M4 Reservoir	16,609,000	25,174,000	52%
5627	MAIN	600mm WM - through North Oakville Lands - Tremaine to Bronte	7,739,000	11,326,000	46%
6694	RESERVOIR	10 ML Zone G6L Storage at 22nd Side Road	11,660,000	16,783,000	44%
6666	MAIN	750mm WM - Neyagawa - Burnhamthorpe to LBL	8,699,000	12,505,000	44%
6368	MAIN	1050mm WM - Burloak - QEW to UMR	9,766,000	13,975,000	43%
5850	MAIN	1050 WM - UMR - Burloak to Appleby	10,283,000	14,546,000	41%

Source: Altus Group Economic Consulting

Wastewater

12) There are numerous wastewater projects that have seen their capital costs increase significantly since the 2018 DC Study, with selected projects shown in the summarized in the table below. Can detail be provided explaining the reason for the capital cost increases for the projects below?

Figure 5

Project Cost Increases, Halton Region DC Study, Wastewater Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars (000)		*Percent*
6589	PUMPING STATION	35 L/s WWPS on 10th SR in Norval	731,000	4,550,000	522%
7528	PUMPING STATION	North WWPS of 2000 L/s at Mid-Halton WWTP	22,564,000	69,782,000	209%
5907	MAIN	300mm WWM North Aldershot Servicing	4,563,000	11,800,000	159%
6557	MAIN	600mm WWM - Tremaine - 1500m N of S Tremaine Rd WWPS…	6,583,000	12,847,000	95%
6581	MAIN	1500mm WWM - 5th Line from Brittannia to LBL	15,678,000	29,962,000	91%
6537	MAIN	675mm WWM - Trafalgar - through GO lot, Argus from Spruce to N of Cross	3,503,000	6,327,000	81%
6500	MAIN	600mm WWM - 4th Line from New Road to Lower Base Line WWPS	4,632,000	8,253,000	78%
6582	MAIN	1500mm WWM - LBL from 5th to 4th Line	10,003,000	17,650,000	76%
6502	MAIN	525mm WWM - Thompson Rd and new internal road - S of Britt. To 4th Line	2,520,000	4,374,000	74%

Source: Altus Group Economic Consulting

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Cash Flow Tables

13) The Water Capacity and Wastewater Capacity cash flow tables have amounts under the column "2012 Allocation Front End Interim Payback", but the amounts included have declined drastically since the 2017 DC Study. Can details and background information be provided to show how these numbers were reached, and why the amounts are significantly lower in the 2022 DC Study than the 2017 DC Study?

Figure 6

	2012 Allocation Front-End Interim Payback – Amounts Included in DC Cash Flow Tables	
	2017 DC Study	2022 DC Study
Water – Capacity	$141.5 million	$10.0 million
Wastewater – Capacity	$231.0 million	$21.6 million

Altus Expert Services
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To:	Milne, Graham
Cc:	Kobli, Paula
Subject:	Public Meeting on Development Charges Reporty
Date:	Tuesday, February 15, 2022 5:20:26 PM

To: Region of Halton Council

From: Tom Muir, Burlington

Subject: Public Meeting on Development Charges Background Study, February 16, 2022.

Dear Councilors;

I am unable to make the virtual public meeting live today to express these comments in person, however, please accept these written comments as a public record of my interest in this topic.

I was not an official member of the DCAC this term, however, I requested the ability to attend the virtual DCAC meetings as a citizen visitor and was granted that by the Clerk's Office. I have been a member of DCAC several times in the past.

1. At the final DCAC meeting there was a "next steps", and takeaway messages discussion about the DC process. This was mostly about industry points about costs and DC increases, and political talk about "competitiveness".

It was regrettable that unlike previous DC studies in 2008, 2012 and 2017 there was no technical study on overall Halton competitiveness in non-residential development. Therefore, the discussion focused very narrowly on development charge rates, and all the other factors and costs of development were left out.

As a result, the 2022 reports to Council before you now, focus solely on the relative rates of DC with numerous other GTA and select municipalities for residential and non-residential development. There is no consideration or comparison of any of the other costs, that far outweigh DCs, including land costs, construction costs, imputed developer profit of 5%, and development charges.

All of these costs were reported and compared in the Halton 2016/17 Watson and Associates report of the Halton 2016 Competitiveness Study. It would be of interest for you to consult this study to see detailed cost estimates of all these proportions of total development costs by component averages for Industrial development, multi-story Office Building development, and Retail Power Centre development, for all the chosen municipalities.

Report Sections 5.2 and 5.3, pages 51 to 61, provide comparisons of DCs as a share of total development cost for Halton, and comparisons with the other municipalities with various metrics used. The report overall is rich in detail. For example, DCs as a share of total cost ranged over 8%, 14% and 16%. The land and construction costs were the balance, except for the constant 5% Developer profit.

I accept that this data is for 2016/17, and many things have changed, but the reality of the component shares remains , and given the large changes in the subject context all around, may not have changed significantly in proportion. I would advise that this be examined.

My own short examination today found the following. (a) GTA Industrial Land costs doubled in the last 18 months from about $2M/Acre to $3.5-5.0M/Acre; (b) Construction cost index for Toronto at 100 in 2017 was at 149.6 at the end of 2021 - from end of 2020 to end of 2021 it increased by 25.6%; (c) Softwood Lumber Index increased from 400 in January of 2017 to 700 in January 2022; (d) TREB Housing prices average went from January 2017 at $675K to January 2022 at $1.2 M.

I won't go into the relative inflation in the components of overall costs including DCs represented in this information you have in front, in comparison, to get a sense of whether DCs have increased/decreased more than in proportion and are a larger/smaller relative piece of the pie and how much more or less. That would be a useful exercise for the Region and Councilors to do in your deliberations and decisions here. It would at least be a useful estimate.

It is of ancillary interest that the 2022 DC report in front of you estimates a Residential/Non-Residential split of costs of 64% and 36% respectively.

My point here is that the DC Report does not contain anywhere near enough of a valid economic or financial basis on which to assess "competitiveness", or to make policy. This fact pertains to all the development forms together, both residential and non-residential.

2. DCs cannot be viewed in isolation. They are really another construction-like or land-like cost component. Importantly, the DCs directly reflect the development Plan (Growth Plan), so if they are "high" and not competitive, then the Plan is high cost and not competitive. This fact is largely ignored and is costly, not just financially and economically, but politically indeed.

3. Further, the DCs finance the servicing necessary for land development possibility, and thus provide "leverage" to the inherent land value, and are the main factor in increasing the value of land. The Region does not capture any of this windfall value increase, but in fact development itself costs the Region - DCs don't pay the Regional full cost to the tune of $21 million yr at least, and there are costs to other taxpayer levels of government.

Even the increased taxes that eventually flow from development, also come with embedded costs, and there is no fiscal surplus that is identified. The Region did a study of this subject during a previous DC study long ago and did not find a general surplus.

4. Market competition is based on total costs, not DCs in isolation. In terms of these total costs, DC discounts, unless very large, have been in amounts that if spread like salt on the whole development pie would not be tasted. This smallness is compounded by the large market cost and price variation that is not reflected in averages, and this would make such amounts not significantly discernible to the market. The only certainty is that discounts totally benefit the developer and cost the taxpayer.

In conclusion, land costs and construction costs totally dominate. I would ask where are the landowners, developers, and builders in this competitive concern for the much smaller, but necessary piece, held by the Region?

The land value to the owner contains a very large windfall profit portion with no corresponding "construction" cost - no one has to construct the land per se. It is the provision of the services by the Region that gives the value to the whole development pie.

If market competition can support high land costs existing in 2016/17, and even much higher prices today, essentially doubling, along with doubling construction costs and doubling housing prices, then it can support total DCs that are needed to bring the land to market.

Housing development slowed considerably during the pandemic and some builds are starting to pick up again. Soaring prices and a backed up supply chain for 2 years are still here. As the DC report stated, the Growth Plan cannot be paid for by the Region without more DCs or other sources of funds.

It's time to get with reality - DCs are not too high, but are likely less of a cost in proportion than they were.

Price actual data all around clearly indicate this.

It's time to get DCs approved.

Thank You,

Tom Muir

February 16, 2022

Project #: 18-586

Paula Kobli
Senior Advisor Development
Halton Region
1151 Bronte Road
Oakville, Ontario
L6M 3L1

Re: Review and Comments on the 2022 Development Charges Update Water/Wastewater Technical Report, GM BluePlan September 2021

We are writing on behalf of the MP4 West Landowners Group Inc. within the Britannia Secondary Plan, Town of Milton to provide our comments on the 2022 Development Charges Update Water/Wastewater Technical Report, GM BluePlan September 2021.

We have reviewed the construction timing and costs associated with required water and wastewater projects to service the Britannia Secondary Plan and compared them with the 2021 Capital Plan. The attached **Tables 1 & 2** summarizes these water and wastewater projects, along with their timing and costs. The majority of the project timing falls within the 2023 to 2026 construction timeline which corresponds well with development timing of the Britannia Secondary Plan. We noticed there were significant cost increases from the 2021 Capital Plan, many of the cost increases were in the 60% range and we respectfully request justification for the cost increases.

We are requesting that water and wastewater service connections are provided to service the Britannia Secondary Plan and included in the 2022 Development Charges Update. These water and wastewater service connections are required along Britannia Road from the proposed Drumquin Wastewater Pump Station westerly to 3rd Line, 5th Line, 4th line, 3rd Line and Lower Base Line.

Please contact me if you have any questions or comments.

Regards,
Urbantech® Consulting

J. David Leighton, C.E.T.
President

Cc: Mike May, P.Eng., Delta Urban Inc., on behalf of MP4 West Landowners Group Inc.

Memorandum

TO:
Matthew Buist
Director, Capital Development Financing
Regional Municipality of Halton
Matthew.Buist@halton.ca
DCAdvisory@halton.ca

FROM:	**PROJECT:**	**DATE:**
BILD Representatives	7162-14 Halton Region 2020 DC By-law	February 22, 2022

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION

We have reviewed the December 15, 2021 Region of Halton Development Charges Background Study ("the 2022 DC Study") and the 2021 Development Charges Transportation Technical Report prepared by Ellso Consulting ("the 2021 Ellso Report").

This memorandum summarizes, without prejudice and for purposes of further discussion, several areas where we require further information and clarification.

It would be greatly appreciated if our team could meet with the Region at your earliest convenience to discuss these items in more detail.

1.0 BENEFIT TO EXISTING (BTE)

1. What is the rationale for allocating 0% BTE for new road projects that clearly have a significant benefit to existing road users? These projects include:
   a. Project #6806 - James Snow Parkway – new 6-lane road from Highway 407 to Britannia Road;
   b. Project #6810 - North Service Road – new 4 lanes from Burloak Drive to Bronte Road; and
   c. Project #6757 - "5 ½ Line" new 6-lane road & interchange from Britannia Road to Steeles Avenue

2. In order to provide a better understanding of the BTE methodology, can you please provide the detailed calculations for the following road widening projects:

    a. Project #6827 – Trafalgar Road – widening from 4 to 6 lanes from Britannia Road to Steeles Avenue, including Highway 401 structure (BTE of 8%)
    b. Project #7756 - Trafalgar Road – widening from 2 to 4 lanes from 10 Side Road to Highway 7 (BTE of 21%)

2.0 PROPERTY AND UTILITY COSTS

1. What assumptions regarding land acquisition, and costs of land are incorporated into the capital road projects in the 2022 DC Study? Can the Region's recent history of land acquisitions for road works be provided such that the land acquisition assumptions in the DC Study can be reviewed?

2. The 2021 Ellso Report (Section 7.2) notes that for road widenings **without** reconstruction, there is a BTE of 0% for property and utilities, when project costs are available from more detailed studies. Can you please confirm whether or not the construction costs include property and utility relocates **when TMP costing is used**?

3. The 2021 Ellso Report (Section 7.3) notes that for road widenings **with** reconstruction, there is a BTE of 0% for property and utilities, when project costs are available from more detailed studies. Can you please confirm whether or not the construction costs include property and utility relocates **when TMP costing is used**?

4. Can you please provide the rationale for a BTE of 0% for property and utilities for both road widenings **with and without** reconstruction, when more detailed project costs are used (non-TMP costs)?

3.0 POST PLANNING PERIOD (PPP) CAPACITY

1. What is the rationale for post planning period (PPP) capacity as described on Page 24 of the 2021 Ellso Report. Specifically what is the rationale for the comparison between the average v/c of the screenline vs. the link v/c?

2. How does this methodology (*average v/c of the screenline comparison with peak link v/c*) apply if the screenline does not cross the project? For example, Project #6757 "5 ½ Line" new 6-lane road & interchange from Britannia Road to Steeles Avenue, does not appear to cross a screenline.

3. Please provide the forecast link traffic volume and capacity data for each of the screenlines, as well as the map of the screenlines referenced, in the calculation of post planning period capacity calculations included in Appendix D of the 2021 Ellso Report.

4. Please confirm if the forecast volumes used in this analysis are based on the 2011 TMP forecasts, or on the more recent traffic forecasts updated using 2016 TTS results?

4.0 RAILWAY GRADE SEPARATIONS

1. What is the rationale for the assessment of BTE on the basis of exposure index for new railway grade separations, as shown in Table 7 of the 2021 Ellso Report?

2. Is the cost of the Tremaine Road Grade Separation (identified as Project #6830 in Appendix B of the 2021 Ellso Report) included in the road widening project cost identified as Project #6830 in Table D-11 of the 2022 DC Study?

3. Can you please confirm the location and nature of Project #5181 - Steeles Avenue – grade separation at CN crossing west of Bronte Street? This project has been included in D-11 of the 2022 DC Study but has not been included in the 2021 Ellso Report in Appendix B.

5.0 SPECIFIC ROAD PROJECTS

Burloak Drive (north of the QEW to Upper Middle Road)

1. In Table D-11 of the 2022 DC Study, Project #7485 - Burloak Drive (construction only) 4-lane urbanization from north of the QEW to Upper Middle Road, involves urbanizing a segment of Burloak Drive without a widening and without adding additional capacity. Please provide the rationale for allocating 87% of the cost of this project to growth.

5 ½ Line (Britannia to Steeles)

2. In Table D-11 of the 2022 DC Study, Project #5757 - 5 ½ Line (new 6-lane road from Britannia Road to Steeles Avenue & interchange at Highway 401) has a gross cost of $183 million. As this road widening project includes an interchange at Highway 401, can you please confirm if MTO is providing any funding for this project?

3. The methodology to determine the PPP "beyond 2031" allocation for this project has been reviewed in the 2021 Ellso Report (Appendix D) and results in a PPP of 2%. Is the current methodology to determine the PPP reasonable in consideration of the significance of this project, and the tremendous benefit to existing and future residents and employees of the Region?

James Snow Parkway (Highway 407 to Brittania)

4. In Table D-11 of the 2022 DC Study, Project #6806 - James Snow Parkway (new 6-lane road from Highway 407 to Britannia Road) has a gross cost of $86.3 million, with just $6 million (7%) allocated for post-2031 (PPP), and 0% BTE. The methodology to determine the PPP "beyond 2031" allocation for this project has been reviewed in the 2021 Ellso Report (Appendix D) that results in a PPP of 7%. Is the current methodology to determine the PPP reasonable, considering the significance of this project and the amount of development planned in the Town of Milton, south of Britannia? Can you please confirm that this road is being built to accommodate post-2031 development in the lands south of Britannia? If so, it would be expected that the project would have a much higher PPP.

5. Given the following, can you please provide the rationale for a BTE of 0% for this road project?

   a. This roadway would provide for greater access between Milton and Oakville (particularly for Milton residents who use the Lakeshore West GO line or shopping areas in Oakville);
   b. This roadway would alleviate significant existing rush hour traffic congestion issues along Trafalgar Road (as well as Britannia Road); and
   c. The net number of persons commuting from Milton to Oakville per day has increased significantly over the 2006-2016 period alone.

6.0 ADDITIONAL REQUESTS FOR INFORMATION

1. Please provide the Transportation capital project list from DC Background Studies (2017 & 2022) in Excel or Word (not an image) format.

2. We note that Unit Costs and Base Costs per kilometre are provided for road projects in the 2022 Ellso DC Transportation Report in Appendix 'A' in Tables titled "Unit Cost Table" and "Summary of Cross Section Base Cost per kilometre". However, we cannot find documentation of the equivalent costs as used in the 2017 Halton Development Charge calculation. Please provide the road project costing information that was used in the 2017 study.

3. Please provide the project specific cross-sections used in the capital cost calculations. Specifically for each project, please provide the following:
   a. The type of work (such as R2-W4-5R) as it relates to the cross-section base costs identified in Appendix A of the 2021 Ellso Report.
   b. The section length used to calculate the total project cost from the base cost.
   c. Identify if project costs were determined through non-TMP/ non-benchmark costs (i.e. from an EA study)

4. Please provide the following documents:
   d. 2012 DC Transportation Study (Ellso Study)
   e. 2012 DC Background Study

<u>Responses to Questions and Points of Clarification from BILD</u>

Following is the response to the questions and points of clarification presented by IBI Group per their memorandum dated February 11, 2022.

Question	Comment from BILD	Response / Point of Clarification
Appendix A – Technical Questions		
Population, Household and Employment Forecasts		
1)	Can the Region please provide additional details on how it intends to update the DCBS with the new MCR forecasts, once approved? It is unclear what potential impacts this additional growth could have on the capital needs for each area and its ultimate impacts on the development charge. By underestimating the amount of growth, the Region may be overstating the cost per unit.	Halton's updated Integrated Growth Management Strategy (IGMS) forecasts are still to be considered by Regional Council and the subsequent Best Planning Estimates related to the planning horizon will not be available before the approval of this Development Charge By-law. Once the Best Planning Estimates are approved, the Region will undertake an update to the water, wastewater and transportation Master Plans, which will inform the capital needs forecast. The next DC Background Study can commence once the master planning work is complete.
2)	Will the Region be incorporating the new released population data from the 2021 Census in its analysis?	The DC process is nearly complete and, as previously noted, is based on the best available information at this time. An adjustment has been made to account for the shortfall of residential and non-residential growth between the Halton Region 2011 BPE and actual development activity in accordance with population, household and employment figures derived from the Halton IGMS 2021 base year estimates.
3)	Has the population from approved secondary plans (i.e. Georgetown although still under appeal, Milton, etc.) been reflected in the Region's growth forecast and considered in the capacity investigation for the supporting W/WW and Transportation Technical Reports?	As previously stated, the residential and non-residential growth forecast for the Halton Region 2022 DC Background Study is based on the Halton Region 2011 BPE. Adjustments have been made to account for the shortfall of residential and non-residential growth between the Halton Region 2011 BPE and actual development activity in accordance with population, household and employment figures derived from the Halton IGMS 2021 base year estimates.

<u>Responses to Questions and Points of Clarification from BILD</u>

Question	Comment from BILD	Response / Point of Clarification
4)	Person per unit (PPU's) assumptions used in the DCBS are higher than that of the Nov 2021 Draft Land Needs Assessment by Hemson. How will the Region coordinate these assumptions?	The person per unit (PPU) assumptions for new housing units applied to the Halton Region DC Background Study are based on custom 2016 Statistics Canada Census data by age of dwelling and household structure type for each Area Municipality in Halton Region. This approach is consistent with the methodology used in the 2017 DC. The Halton IGMS does not provide specific assumptions regarding new unit PPUs by Area Municipality in Halton Region. Halton Region will continue to coordinate growth forecast assumptions with the Halton IGMS during the next Halton Region DC update.
5)	Table A-6a takes the units in the 2022-2031 forecast as expressed in Single-Detached Equivalent (SDE), with the 54,102 incremental new units converted to 40,864 SDE. The table then adds the unit shortfall relative to BPE to-date, and then deducts for "Prepaid" units and "Over Allocated" units. However, it appears that the "Unit Shortfall", "Prepaid" and "Over Allocated" are expressed in units, not SDE, making the calculated "Adjusted for SDE Units" a mix-and-match of units/SDE. If the three categories of adjustments are measured in units and not SDE, a change may be necessary to ensure all are in units of SDE. A similar issue appears in Tables A-6b and A-6c.	This is a labelling issue. All of the units identified in this schedule are in fact SDEs.
6)	Why are the FSW Factors for retail different in the Built Boundary (586 sf/job) and Greenfield areas (441 sf/job)?	Floor Space per Worker (FSW) assumptions are based on a detailed review of employment and non-residential gross floor area (GFA) trends by major employment sector. This assessment has been undertaken by Planning Policy Area by Area Municipality using Halton Region Employment Survey data. The FSW assumptions by major employment sector are consistent with the approach taken in the 2017 DC.
7)	The allocation of retail and non-retail GFA to the Built Boundary and Greenfield areas is roughly 18% for built boundary for each sector, and 82% to the Greenfield for each sector. What is the breakdown for the Non-Retail sector between office and industrial development, and if it is heavily skewed towards industrial development, what assumptions have been made for net new industrial development in the built boundary?	Non-retail employment includes industrial, institutional and non-retail commercial uses. All industrial GFA will be accommodated in new developments. A breakdown of non-retail employment and associated GFA has not been explicitly provided in the 2022 Halton Region DC Background Study. A "net-out" has not been applied for vacant industrial space as was assumed in the 2017 Halton Region DC, as industrial vacancy rates are currently at historical lows. As such, there is no difference in net vs gross industrial forecast GFA.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
8)	What is the basis for the 746,564 square foot deduction to the non-residential GFA denominator in the tables on Page A-30? If the GFA incorporated into the deduction is to reflect non-statutory exemptions, removal of this GFA would result in higher DC rates for other non-exempt types of development, which would not be allowed under the DC Act.	The 746,564 sq.ft. deduction reflects building space related to institutional units that are categorized as residential units in the form of special care/special dwelling units. This deduction has been made to ensure these types of developments are not double-counted in the growth forecast.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
Reserve Funds		

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
9)	The DC revenues and Expenditure draws for the Roads –Residential DC reserve fund continuity table (Page 5-10) shows $328 million in DC revenues projected for 2021, and $328 million in DC expenditures/draws projected for 2021, each of which would be 4-5x times the highest amount seen in the prior four years. By comparison the Non-Residential Roads DC continuity table (page 5-13) shows only $11.5 million in DC revenues and expenditures for 2021. a. Are the amounts shown for residential DC expenditures accurate, and is there a reason why expenditures appear to exactly match DC revenues? b. If so, to ensure no double counting with the projects in the rest of the DC calculation, what projects are included in the $328 million in anticipated DC expenditures?	a. The $328 million in residential revenue and expenditures is correctly shown in the DC study based on the methodology utilized. The DC reserve fund continuity table and the Residential Roads cash flow assumes the remaining collection of the 2020 Allocation Program DC revenue as well as the estimated SDE's for the 2012 program and the Built Boundary that will proceed to building permit/ subdivision in 2021. The revenue received from the 2020, 2012 programs and built boundary SDE's were matched to fund the projects that were approved as part of the Allocation Programs and any shortfall was carried as unfunded capital. The Region has historically provided interim funding in recognition of the fact that development infrastructure is being driven by residential development and delivered well in advance of non-residential requirements. In the non-residential cash flows we did not assume all of the revenue in 2021 and cash flowed the expenditures to match the actual payment terms of the Agreements given that it is interim financed. b. The revenue received from the 2020 and 2012 programs are used to offset the negative reserve balance or to fund projects that were approved as part of the 2020 Allocation Program. As noted in the 2021 and 2022 Budget and Business Plan, since the approval of the 2020 Allocation Program, a number of projects have advanced through the design stage and projected an increase in costs. These cost increases are predominantly driven by land acquisition, higher than anticipated construction estimates and the construction of deeper wastewater mains. However, some of these costs were offset by reprogramming of projects (post 2022) where it was not practical or possible to deliver a project within the program timeframe due to the current project status (e.g. EA, design, coordination, etc.). The projects being funded from the 2020 Allocation Program have not been included in the project list for the 2022 DC Background

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
		Study, which is why the water, wastewater and roads expenditures commence in 2023.

Attachment #2b to
Report No. FN-12-22

Responses to Questions and Points of Clarification from BILD

<table>
<tr><th>Question</th><th>Comment from BILD</th><th>Response / Point of Clarification</th></tr>
<tr><td colspan="3">Cash Flow Tables</td></tr>
<tr><td>10)</td><td>The Water Capacity and Wastewater Capacity cash flow tables have amounts under the column “2012 Allocation Front End Interim Payback”, but the amounts included have declined drastically since the 2017 DC Study. Can details and background information be provided to show how these numbers were reached, and why the amounts are significantly lower in the 2022 DC Study than the 2017 DC Study?

<table><tr><th></th><th colspan="2">2012 Allocation Front-End Interim Payback – Amounts Included in DC Cash Flow Tables</th></tr><tr><th></th><th>2017 DC Study</th><th>2022 DC Study</th></tr><tr><td>Water – Capacity</td><td>$141.5 million</td><td>$10.0 million</td></tr><tr><td>Wastewater – Capacity</td><td>$231.0 million</td><td>$21.6 million</td></tr></table></td><td>The 2012 Allocation Program required two types of payments, the early payment of DC and the Front-ending contribution. The payments were collected through cash calls in which the DC was recognized first followed by the Front-end Recovery. The cash calls were made quarterly based on the actual project expenditures. Cash flowing of the water and wastewater projects therefore required the W/WW DC capacity reserves to interim finance projects to be funded from the front-ending contributions. The remaining expenditures in the program make up part of the Unfunded Capital Cost and net to $0.</td></tr>
</table>

Responses to Questions and Points of Clarification from BILD

<table>
<tr><th>Question</th><th>Comment from BILD</th><th>Response / Point of Clarification</th></tr>
<tr><td colspan="3">Water and Wastewater</td></tr>
<tr><td>11)</td><td>The Region of Halton is allocating Development Charge funded wastewater capacity to existing residents (inside the 2006 Built Boundary), without Benefit to Existing (BTE) funding, to support decommissioning the Georgetown WWTP. This is not in keeping with the Region of Halton's principle of “growth pays for growth".

• The Region of Halton determined in the 2022 W/WW Technical Report there is sufficient available capacity in existing infrastructure to decommission the Georgetown WWTP, and direct all wastewater flows to Mid-Halton WWTP and ultimately Lake Ontario.

• The available capacity to convey Georgetown WWTP to Mid-Halton WWTP, and the outfall to Lake Ontario has been funded by growth DCs in the 2008/2012/2017 DC programs.

• The capacity is being allocated to existing residents without BTE funding by Region of Halton. DC funded projects should not be used to subsidize the existing tax base

• This will reduce the available capacity for future growth

• The decision to allow capacity to be allocated to existing residents inside 2006 built boundary should not be made until the appropriate study of post-2031 growth capacity requirements has been considered.

• Future growth should be afforded the opportunity to use capacity that is funded by growth, in keeping with the "growth pays for growth" principle

• For example, the 2400 mm wastewater sewer on Regional Road 25 (2012 DC program, Project ID 6380/6381/6382) will convey significant flows from existing residents within the 2006 Built Boundary of Georgetown and Milton as a result of the WWTP decommissioning. The WWTP decommissioning is a result of wastewater servicing strategy changes initiated by the Region of Halton through 2022 W/WW Technical Report, after the 2400 mm sewer project was funded under the premise it was just for growth related flows. The 2400 mm wastewater sewer cost $72M and the funding does not consider BTE or PPB considerations in the 2011 W/WW Master Plan. This sewer will now have a significant amount capacity used by existing residents, and will reduce available capacity for future growth flows. Is this appropriate to allocate this capacity to existing residents without consideration for future growth, or without appropriate BTE funding? This same comment and situation apply to many other funded wastewater DC projects from 2012/2017 DC program.</td><td>The 2022 Development Charges Update Water/Wastewater Technical Report did not assign Benefit to Existing (BTE) to projects outside of the 2022 Development Charges (DC) Program. However, the following considerations are noted:

• A key Regional infrastructure planning policy is to maximize any available capacity within existing and planned infrastructure vs building new or expanding infrastructure. Should infrastructure already exist and have available capacity, consideration shall be given to servicing alternatives that have the ability to utilize this capacity versus new infrastructure to determine the most cost-effective and technically-viable solution.

• Estimating future water demands and wastewater flows is a fundamental component of the Region’s infrastructure planning process. As such, the Region undertakes periodic comprehensive reviews of design criteria, levels of service and analysis tools that in some instances translate into additional capacity in the existing systems. For example, in the 2017 DC Technical Report the Region reduced water and wastewater per capita design criteria applicable to projected growth. This means that new growth is estimated to use less capacity of the existing infrastructure.

• The Region is continuously investing in means to optimize and free up capacity in the systems through various initiatives including infiltration reduction, state of good repair of existing infrastructure, water conservations efforts, and targeted downspout disconnection programs among others. This additional capacity is funded from rate reserves and the Region does not collect new DC charges associated with the new capacity.</td></tr>
</table>

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
12)	Notwithstanding Question 11, the 2022 BTE calculation should include infrastructure completed through 2012/2017 DC programs that provide capacity for Georgetown WWTP decommissioning contemplated in 2022 Technical Report. • The BTE calculations in the 2022 DC program should reflect the changes to wastewater strategy (Georgetown WWTP decommissioning), initiated by Halton Region through 2022 W/WW Technical Report, that results in existing residents within the 2006 Built Boundary deriving a benefit from infrastructure funded by development charges in 2012/2017 DC programs without BTE considerations. • The Mid-Halton WWTP plant upgrade (Project ID 8159) BTE calculation in Appendix B of 2022 W/WW Technical Report recognizes the derived benefit to existing residents from past treatment plant upgrades to Mid-Halton WWTP. Milton WWTP Decommissioning initiated by Halton Region through 2017 W/WW Technical Report is currently utilizing capacity in the Mid-Halton WWTP, and the 2022 W/WW Technical report BTE calculated applies a pro-rata BTE share to the next Mid-Halton upgrade to have existing residents fairly share in the cost. This BTE calculation effectively recognizes capacity was paid for in past program by DCs, and the existing residents are deriving a benefit from this capacity from past program, and as a result the Region of Halton is paying a share of next upgrade to fairly recognize benefit to existing residents. • This same approach should be applied to all DC funded projects in 2012/2017 DC programs that provide capacity to allow for Georgetown WWTP and Milton WWTP decommissioning, that have not been shared in by Region of Halton tax base per BTE calculations. • "Figure 1_Wastewater Capital BTE Projects - 2012/2017/2022" illustrates at a high-level the infrastructure that provides conveyance, pumping, and treatment capacity for existing residents of Georgetown and Milton that have been funded by DCs in 2012/2017 DC Programs. These projects provide a BTE that has not been accounted for in past programs and directly result from Region of Halton initiated changes to servicing strategy for existing residents in Georgetown and Milton. • It is clear that the Region of Halton has a history of consistently oversizing infrastructure, and then applying the surplus capacity to the existing tax base. This is evidenced through the Milton WWTP decommissioning completed through the 2017 DC Program, and the planned Georgetown WWTP decommissioning. • The surplus capacity (sized by Region of Halton) but not recognized as such, that has been applied to the existing tax base, should pay their pro-rata share of the cost. Future growth should pay for the balance of the surplus capacity based on incremental cost of infrastructure. • We estimate the total approximate construction value of infrastructure that is being allocated to existing residents, to accommodate the Georgetown WWTP and Milton WWTP decommissioning, is in the order of magnitude of $125M to $150M (net of BTE funding in 2022 program, which is approximately $135M). This BTE amount was not reflected in the 2012/2017/2022 allocation programs, but directly supports decommissioning of the Georgetown WWTP and Milton WWTP.	The 2022 Development Charges Update Water/Wastewater Technical Report did not assign BTE for projects outside of the 2022 Development Charges Program, but it allocated BTE to projects in the 2022 DC program (7528, 8159, 6581, 6582, 8034, 8035) associated with the proposed Georgetown WWTP decommission. In addition to the observations noted in response to point #11, it should be recognized that: • Linear infrastructure will always have some inherent additional capacity, as linear systems are not designed for 100% capacity utilization. This is not considered oversizing, mainly because linear infrastructure is commercially available in specific sizes while wastewater flow rates vary. Inherent additional capacity is gained in sewers by increasing the diameter to the next available size. Once a minimum pipe size is calculated to service growth, any inherent spare capacity provided within that pipe comes without a corresponding cost increase. This capacity gain and as well as any spare capacity within the system is continually reviewed by the Region and factored into the long-term Regional wastewater strategies. • The Region has identified that wastewater flows from existing users in the Georgetown service area will be required for the initial operations of the new linear trunk infrastructure towards the Mid-Halton WWTP. Specifically, the conveyance of existing wastewater flows via the new and proposed trunk sewers will help minimize the requirement for additional infrastructure to be constructed for near term operation to avoid potential issues related to low flows during early stages of development (e.g., sediment accumulation, odour issues, flushing requirements).

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
13)	The 2012 W/WW Master Plan indicated that in order to convert existing residents in Georgetown (southwest of Silver Creek) to lake-based water servicing that these same areas be converted to lake-based wastewater discharge system (i.e. diverted to Mid- Halton WWTP from Georgetown WWTP) to maintain water collection and discharge from the same catchment/watershed. This was a goal to maintain water balance within watersheds. • Decommissioning of the Milton WWTP and Georgetown WWTP does not follow this direction. Is the Region of Halton planning on converting Milton and Georgetown to fully lake-based water servicing? • If it is anticipated that existing residents inside the 2006 Built Boundary of Milton and Georgetown will ultimately be transitioned to lake-based water services, this conversion should be accounted for in the BTE calculations in the current program, and rectified retroactively from previous programs. • There are many water projects from 2008/2012/2017/2022 DC programs that should have BTE funding associated to support lake-based water supply to these communities if they are fully converted to lake-based in the future.	Consistent with the 2011 Master Plan and 2017 DC Technical Report, the current 2031 water servicing strategy for both Milton and Georgetown is for the groundwater based service areas to remain. As the next Water and Wastewater Master Plan commences, further refinements of these water servicing strategies will be considered.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
14)	Are the BTE calculation principles in the 2022 DC Background Study appropriate and consistent? • The BTE calculation for Project 6581/6582 is based on incremental upsizing cost from a 1350 mm diameter to 1500 mm diameter (or 5% of total cost), and not based on flow contribution being shared on a pro-rata basis. • Using the Region of Halton's approach to BTE calculations for Project 6581/6582, and other projects, the development industry could take the position that the existing tax base requires the capital project and the development industry should only be required to fund the incremental costs. Clearly, this position is unreasonable and is why pro-rata share in flows is more appropriate. • The BTE calculation for Project 6581/6582 is not consistent with the approach for Project 7528 and Project 8159 which are based on pro-rata share of flow. • Project 6581/6582 BTE calculations should be based on pro-rata flow, as the infrastructure is needed by existing residents and by growth. Note, the BTE calculations in the 2017 W/WW Technical Report are based on pro-rata share of flows. • Similarly, the twin 900 mm diameter forcemains (Project 8035) has a nominal 5% BTE share based on the principle of incremental upsizing, and not a 23% BTE share if pro-rata flows were considered. BTE calculation for Project 8035 should be revised to reflect pro-rata flow share. • BTE calculations should be revised to reflect pro-rata shares based on flow, not on incremental upsizing, and apply a consistent approach for all projects. • We estimate the BTE reflecting pro-rata share of the linear infrastructure projects in 2022 DC program would increase Region of Halton contributions by approximately $25M. This does not include the additional Georgetown existing resident flows that we believe should be included, as identified in Item #6.	The BTE calculations in the 2022 DC Program are appropriate based on, but not limited to the following considerations: • There are no requirements in the DC Policy establishing that BTE calculations should be based on flow splits. This approach could imply that there is equal benefit of a project to existing serviced users as to growth, which, in many instances, is not the case. Further, the suggested approach is not consistent with best practices. • The size differential approach for BTE calculation of projects 6581/6582 is appropriate since the previous DC Program included this linear infrastructure specifically sized for growth (no BTE). However, it was determined that a pipe upsize will be required to account for additional wastewater flows from Georgetown WWTP, and therefore the BTE is estimated as the cost increase due to size differential between what was identified to be required for growth and the increase in size to convey additional existing flows from Georgetown. This is a growth driven project that needs to be upsized for existing. • The Lower Base Line forcemains (project #8035) were not required to be upsized as projects 6581/6582. This is due to the ability of the planned forcemains to convey more wastewater flows while maintaining appropriate velocities. However, it was recognized that this infrastructure will support the conveyance of additional flows from Georgetown WWTP and for that reason a nominal 5% BTE was included. • The BTE calculation for the expansion of North Wastewater Pump Station (WWPS) (Project #7528) is based on the cost difference approach. This facility was re-sized to accommodate the existing flow transfer. The capital costs are calculated using $/L/s unit rates. Since the resulting total construction cost estimates are a direct function of capacity, the BTE percentage for facilities are generally in line with a flow split BTE calculation.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
		• The Mid-Halton WWTP expansion (Project #8159) was not re-sized to account for the Georgetown WWTP decommissioning, the project has remained the same scope as in the 2017 DC Technical Report (50 MLD expansion) and was indexed from 2017 to 2022 dollars. Additionally, the project was previously split to account for BTE in the 2017 DC Technical Report due to the Milton WWTP decommissioning. As such, a flow split percentage was similarly used to determine the BTE associated with the proposed Georgetown WWTP decommissioning on this project.

Responses to Questions and Points of Clarification from BILD

<table>
<tr><th>Question</th><th>Comment from BILD</th><th>Response / Point of Clarification</th></tr>
<tr><td>15)</td><td>The 2017 DC Program funded the 900 mm diameter wastewater sewer on Trafalgar Road from HWY 401 to Georgetown. A significant change to the sewer size and depth occurred post-2017 DC Program, as part of detailed design in 2020/2021. The increased funding requirements of the sewer upsize are not reflected in the 2022 W/WW Technical Report - how is the additional cost of sewer upsizing being funded?

• The 2017 DC program funded a 900 mm diameter trunk wastewater sewer on Trafalgar Road from Steeles Road to 10th Sideroad (Project IDs 7549/7550).

• The 900 mm diameter sewer was upsized to a 1200 mm diameter sewer, and deepened through the detailed design process in 2020/2021, following the 2017 DC program.

• There was no BTE component to the 900 mm wastewater sewer in the 2017 DC program, and it was fully funded by growth DCs (~ $35M).

• Has the Region of Halton revised this project funding (Project ID: 7549, 7550, 7552) outside the 2017 and 2022 DC program to include BTE?

• If so, was the BTE calculation to fund sewer upsizing from 900 mm diameter to 1200 mm diameter based on pro-rata share of flow and subject to the same public input as a Development Charge update?

• If the BTE calculation was not updated for this sewer upsizing, how is the sewer upsizing and deepening being funded?

• If the upsized sewer is still fully funded by growth, the capacity created by the upsizing should be available for more growth, not existing residents tributary to the Georgetown WWTP.

• To be clear, DSEL is not suggesting infrastructure should have been sized smaller in past DC programs, but instead suggesting it should be funded appropriately.</td><td>The 2022 Development Charges Update Water/Wastewater Technical Report did not cover funding requirements or re-calculation of projects outside of the 2022 Development Charges Program. The proposed trunk sewers along Eighth Line (projects 7549/7550) are not part of the 2022 DC Program, and as such, changes that occurred during the detailed design process were not included in the 2022 DC Technical Report.

During detailed design, a review of constructability considerations identified a preferred size of 1200mm for the Eighth Line Trunk Sewer along the full alignment, rather than the originally contemplated 900mm / 1050mm to. The decision was made based on constructability and did not translate into an increase in overall cost for the project. The additional capacity available through the larger pipe size has therefore been derived through no additional investment from the development community.</td></tr>
</table>

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
16)	Additional clarity needed for Benefit to Existing (BTE) calculation in the 2022 W/WW Technical Report for Mid-Halton WWTP Upgrade. • The 2022 W/WW Technical Report based the Mid-Halton WWTP Expansion (Project 8159) BTE calculations on 8.2 ML/D. Can additional information on what area and population is accounted for in these flows? • The Region of Halton wastewater strategy for Georgetown in the 2012 Master Plan included a wastewater "peel off" area, wherein existing residents would be directed to Mid-Halton WWTP, effectively freeing up additional treatment capacity in Georgetown WWTP for future intensification growth. • With the Region of Halton's proposed change in wastewater strategy, all growth and existing residents in Georgetown will be directed to Mid-Halton WWTP. • The entire existing Georgetown built boundary population will now drain to this sewer along with green field and intensification growth, and the BTE calculations should be revised to reflect the total existing population flow of Georgetown; not just the Georgetown WWTP reaming flows after the "peel off" area is redirected. • We estimate the appropriate flows are closer to 16 MLD that should be accounted for in the BTE calculation for Georgetown. • We estimate that using the appropriate flows from Georgetown will increase the Region of Halton BTE funding for this project by approximately $15M.	The BTE calculation for the Mid-Halton WWTP was based on the projected flows to the Georgetown WWTP at the time of decommissioning as follows: 2026 Flows to GT WWTP = 8.2 ML/d [= 16.3 ML/d (2026 Flows for all Georgetown) – 8.1 ML/d (2026 flows from south Georgetown peel-off area)] It should also be noted that wastewater flows from existing users in the Georgetown service area will be required for the initial operations of the new linear trunk infrastructure towards the Mid-Halton WWTP. As noted previously, the conveyance of existing wastewater flows via the new and proposed trunk sewers will help minimize the requirement for additional infrastructure and/or operational costs for the near term to avoid potential issues related to low flows during early stages of development.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
17)	Has post-period benefit been appropriately calculated in 2022 DC Background Study, and/or in previous DC programs? • Significant capacity is being utilized by existing residents in infrastructure that has been funded by development charges in 2008/2012/2017 DC programs • This capacity would otherwise be available and un-used at the end of 2031 horizon. • There is post period benefit of this available capacity that has not been reflected in past DC programs, that is being allocated to existing residents as part of 2022 DC program. • The available capacity funded by DCs has not been characterized, or funded with consideration for PPB in the 2008/2012/2017/2022 Development Charge programs. This capacity that would have been available post-2031 is being allocated to existing residents free of charge in advance of the 2031 horizon. • The available post period capacity should have been recognized as post period benefit and funded as such in past DC programs, and the available capacity reserved for future growth post-2031. Instead, it appears that in the 2017 and 2022 DC programs that some of this post period capacity has been allocated to existing residents for free.	The 2022 Development Charges Update Water/Wastewater Technical Report reviewed the current program to determine any Post Period Benefit (PPB). For projects that were previously identified in the 2017 DC Program and did not undergo any update or scope change, the same PPB percentage were applied in the 2022 DC. The following considerations are noted: • A key Regional infrastructure planning policy is to maximize any available capacity within existing and planned infrastructure vs building new or expanding infrastructure. Should infrastructure already exist and have available capacity, consideration shall be given to servicing alternatives that has the ability to utilize this capacity versus new infrastructure to determine the most cost-effective and technically-viable solution. • Estimating future water demands and wastewater flows is a fundamental aspect of the Region's infrastructure planning process. As such, the Region undertake periodic comprehensive reviews of design criteria, levels of service and analysis tools that in some instances translate into additional capacity in the existing systems. For example, in the 2017 DC the Region reduced water and wastewater per capita design criteria applicable to projected growth. This means that new growth is estimated to use less capacity of the existing infrastructure. • In the same vein, the Region is continuously investing in means to optimize and free up capacity in the systems through various initiatives including infiltration reduction, state of good repair of existing infrastructure, water conservations efforts, and targeted downspout disconnection programs, among others. This additional capacity is funded from rate reserves and the Region does not collect new DC charges associated with the new capacity. • Linear infrastructure will always have some inherent

<u>Responses to Questions and Points of Clarification from BILD</u>

Question	Comment from BILD	Response / Point of Clarification
		additional capacity, as linear systems are not design for 100% capacity utilization. This is not considered oversizing, mainly because linear infrastructure is commercially available in specific sizes while wastewater flow rates vary.
18)	Has the Region evaluated the Integrated Growth Management Strategy (IGMS) scenarios against the existing infrastructure capacity? • Existing wastewater system capacity afforded by previous DC programs, and the current DC program, is being allocated to existing residents as part of the 2022 DC Program. • Growth has paid for growth, and the post period benefit of available capacity created by DC funded infrastructure should be realized by future growth, not existing residents. • Has the Region of Halton assessed whether available capacity being allocated to existing residents is not required for the IGMS scenarios? • The concern is that insufficient capacity for post-2031 growth may be determined through future studies considering the IGMS scenarios, and development charges will have to cover new infrastructure that otherwise is not required if capacity was not allocated to existing residents pre-2031.	The water and wastewater assessment that is currently being undertaken as part of the Integrated Growth Management Strategy (IGMS) builds upon the Sustainable Halton Water and Wastewater Master Plan and the Development Charges Updates which define Halton Region's Water and Wastewater Capital Program to 2031. As such, the IGMS uses the planned 2031 water and wastewater systems as a starting point for the development of high-level conceptual servicing strategies beyond 2031. For the IGMS analysis, the planned 2031 capacities of infrastructure are compared to the projected growth requirements beyond 2031 to identify the impact the planning estimates could have on the existing and planned water and wastewater infrastructure. This information is used for the assessment of the IGMS growth concepts and provides a high-level understanding of opportunities and constraints in the water and wastewater systems. It is important to note that the outcomes of this exercise are subject to Council approval and refinement and detailed planning through the Region's next Infrastructure Master Plan update which is scheduled to start in the upcoming weeks.
19)	Need additional information on the Cost Estimates for Water and Wastewater capital projects. There is approximately \$148M of \$551M increase to cost estimates (from 2017 to 2022) is allocated to updated unit rates and land acquisition (DCAC October 2021 Presentation), with no information on location or value assigned to land. *We request additional information on value of land and where property is required be provided.*	Unit rates for water and wastewater cost estimation are provided in detail in Appendix A of the 2022 Development Charges Update Water/Wastewater Technical Report. There were no additional land acquisition requirements incorporated into the unit rate cost increases

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
20)	Newly added projects in the water capital program total $58.7 million, which represents approximately 12% of the overall capital costs. Why were these projects not included in the 2017 DCBS which had the same planning horizon?	The 2022 Development Charges Update Water/Wastewater Technical Report covered changes in project scope, timing, among other refinements, but did not include addition of new projects into the water capital program. However, due to the internal capital budgeting system in the Region, some changes in projects identification numbers (IDs) were reflected. The total capital cost provided for new projects in the water capital program ($58.7 million) matches a list of projects that were assigned new IDs by Halton Region's budgeting system (refer to table below).

Previous ID	Halton Region Unique ID	Project Description	Project Type	Size / Capacity	Length (m)	Total Estimated Cost (2022$)
7502	8150	Halton Water Master Plan (2023 and 2028) (REG)	STUDY			$ 1,600,000
7510	8151	Water Distribution System Analysis (2023 to 2031) (REG)	STUDY			$ 990,000
7511	8152	Water Supply Capacity Annual Monitoring Report (2023 to 2031) (REG)	STUDY			$ 450,000
5853	8134	600mm WM on Tremaine Rd from Dundas St to approximately 950 m north-Construction (North Oakville Lands) (Zone O3) (OAK)	MAIN	600	927	$ 2,540,000
6608	8135	750mm WM on Trafalgar from 15th Side Rd to 22nd Side Rd Lake Based Reservoir - Construction (Zone G6L) (HHGEO)	MAIN	750	4,300	$ 16,907,000
6609	8136	400mm WM on 17th Side Rd from Trafalgar Rd to Main St - Construction (Zone G6L) (HHGEO)	MAIN	400	1,323	$ 2,528,000
6654	8137	750mm WM on Trafalgar Rd from 10th Side Rd to approximately 1,700 m north of 10th Side Rd- Construction (Zone G6L) (HHGEO)	MAIN	750	1,658	$ 5,486,000
6655	8138	750mm WM on Trafalgar from 1,700 m north of 10th Side Rd to 15th Side Rd -Construction (Zone G6L) (HHGEO)	MAIN	750	1,444	$ 4,881,000
7501	8139	400mm WM on new North Oakville Rd west of Neyagawa Blvd. -Construction (OAK)	MAIN	400	2,000	$ 3,993,000
6662	8153	600mm WM on Wyecroft Rd from Burloak Dr to the 900mm WM on the SE corner of Third Line and QEW. Phase 2 (OAK)	MAIN	600	4,740	$ 19,304,000
						$58,679,000

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
21)	Newly added projects in the wastewater capital program total $193.4 million, which represents approximately 47% of the overall capital costs. Why were these projects not included in the 2017 DCBS which had the same planning horizon?	The 2022 DC Water and Wastewater Technical Report covered changes in project scope, timing, among other refinements, but did not include addition of new projects into the wastewater capital program. However, due to the internal capital budgeting system in the Region, some changes in projects identification numbers (IDs) were reflected. The total capital cost provided for new projects in the wastewater capital program ($193.4 million) closely matches a list of projects that were assigned new IDs by Halton Region's budgeting system (refer to table below).

Previous ID	Halton Region Unique ID	Project Description	Project Type	Size / Capacity	Length (m)	Total Estimated Cost (2022$)
7532	7946	New 2400mm WWM inlet to Skyway WWTP parallel to QEW. Design and Construction (BUR)	MAIN	2400	1,114	$ 32,137,000
7521	8157	Black Creek Monitoring Program (2023 to 2026) (HHACT)	STUDY			$ 200,000
6584	8034	2350 L/s WWPS at Lower Base Line and 4th Line (MIL)	PS	2350 L/s		$ 81,402,000
6585	8035	Twinned 900 mm WWFM from WWPS at Lower Base Line to Regional Rd 25 (MIL)	FM	900	3,532	$ 64,723,000
6511	8140	Twinning of 525 - 600 mm WWM from Elgin St South along Black Creek alignment to Acton WWTP -Construction (HHACT)	MAIN	525-600	1,252	$ 3,503,000
7526	8141	Agnes St. WWPS Strategy - Construction (HHACT)	PS			$ 8,577,000
7541	8158	Walker St WWPS - I/I reduction Program to gain capacity at the station. Design and Construction (OAK)	PS			$ 2,602,000
						$193,144,000

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
22)	Can the Region please provide details explaining the reason for capital cost increase for the below projects. (see tables below)	There are several different reasons for changes in capital costs reflected in the 2022 DC Program Update that can vary on a project by project basis. However, the following list summarizes the most common reasons a given project may have increased in cost during the DC update process: • Projects that were originally costed during the Sustainable Halton Water and Wastewater Master Plan (SHMP) in 2011 and indexed during the 2017 DC Update were revised with a new cost estimate using the updated costing methodology and unit rates. • Refinements to construction methodology and assumptions including depth, open-cut vs tunnelling, number and type of crossings (creeks, road, highways, utilities, rail), number of valves, etc. • Changes in scope such as capacity, length, size, alignments, etc. • More detailed and accurate cost estimates from Class EA Study, Project Scoping Study, Feasibility Study, or Detailed Design. The following tables provide additional information specific to the list of projects provided above.

Project Cost Increases, Halton Region DC Study, Water Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars		Percent
6615	MAIN	600mm WM - Guelph Street - from Adamson to Bovaird	1,971,000	6,884,000	249%
6642	MAIN	400mm WM - 401 Corridor (north of Steeles) - Hornby to Trafalgar	1,810,000	5,995,000	231%
6624	MAIN	400mm WM - 4th Line - Brittannia to 650m South	724,000	2,207,000	205%
6643	MAIN	400mm WM - 401 Corridor (north of Steeles) - Trafalgar to 400m east of 8th	2,640,000	4,979,000	89%
6629	MAIN	600mm WM - LSL from 5th to 6th	2,651,000	4,409,000	66%
6697	RESERVOIR	15 ML storage expansion at Zone M4 Reservoir	16,609,000	25,174,000	52%
5627	MAIN	600mm WM - through North Oakville Lands - Tremaine to Bronte	7,739,000	11,326,000	46%
6694	RESERVOIR	10 ML Zone G6L Storage at 22nd Side Road	11,660,000	16,783,000	44%
6666	MAIN	750mm WM - Neyagawa - Burnhamthorpe to LBL	8,699,000	12,505,000	44%
6368	MAIN	1050mm WM - Burloak - QEW to UMR	9,766,000	13,975,000	43%
5850	MAIN	1050 WM - UMR - Burloak to Appleby	10,283,000	14,546,000	41%

Source: Altus Group Economic Consulting

Project Cost Increases, Halton Region DC Study, Wastewater Capital Projects

Prj #	Project Type	Description	2017 DC Study	2022 DC Study	% Change
			Dollars (000)		Percent
6589	PUMPING STATION	35 L/s WWPS on 10th SR in Norval	731,000	4,550,000	522%
7528	PUMPING STATION	North WWPS of 2000 L/s at Mid-Halton WWTP	22,564,000	69,782,000	209%
5907	MAIN	300mm WWM North Aldershot Servicing	4,563,000	11,800,000	159%
6557	MAIN	600mm WWM - Tremaine - 1500m N of S Tremaine Rd WWPS...	6,583,000	12,847,000	95%
6581	MAIN	1500mm WWM - 5th Line from Brittannia to LBL	15,678,000	29,962,000	91%
6537	MAIN	675mm WWM - Trafalgar - through GO lot, Argus from Spruce to N of Cross	3,503,000	6,327,000	81%
6500	MAIN	600mm WWM - 4th Line from New Road to Lower Base Line WWPS	4,632,000	8,253,000	78%
6582	MAIN	1500mm WWM - LBL from 5th to 4th Line	10,003,000	17,650,000	76%
6502	MAIN	525mm WWM - Thompson Rd and new internal road - S of Britt. To 4th Line	2,520,000	4,374,000	74%

Source: Altus Group Economic Consulting

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification

Water Projects

Region IPFS ID	Project Description	Total Estimated Cost (2017$)	Total Estimated Cost (2022$)	Comments
6615	600mm WM on Guelph St from Adamson St to Bovaird Dr (Region of Peel) (Zone G6L) (HHGEO)	$ 1,971,000	$ 6,884,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology. In addition, the cost estimate was updated to include a crossing of the Credit River and a crossing of a utility that runs perpendicular to Guelph Street
6642	400 mm WM in the 401 growth corridor north of Steeles from Hornby Rd to Trafalgar Rd (Zone 250) (HHS)	$ 1,810,000	$ 5,995,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology. In addition, the cost estimate was updated to include 2 major creek crossings.
6624	400mm WM on 4th Line from Britannia Rd to 650 m south (Zone M4) (MIL)	$ 724,000	$ 2,207,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology. In addition, the cost estimate was updated to include a utility perpendicular to Fourth Line, approximately 633m south of Britannia Rd
6643	400 mm WM in the 401 growth corridor north of Steeles from Trafalgar Rd to approximately 400m east of 8th Line (Zone 250) (HHS)	$ 2,640,000	$ 4,979,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology. In addition, the cost estimate was updated to include a road and major creek crossings
6629	600mm WM on Louis St. Laurent Ave from 5th Line to 6th Line (Zone M4) (MIL)	$ 2,651,000	$ 4,409,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6697	15 ML storage expansion at Zone M4 Reservoir (TWL = 250m) (HHGEO)	$16,609,000	$25,174,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
5627	600mm WM through North Oakville Lands from Tremaine Rd to Bronte Rd (Zone O3) (OAK)	$ 7,739,000	$11,326,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6694	10 ML Zone G6L Storage at 22nd Side Rd (HHGEO)	$11,660,000	$16,783,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6666	750mm WM on Neyagawa Blvd. from Burnhamthorpe Rd W to Lower Base Line W (MIL)	$ 8,699,000	$12,505,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6368	1050mm WM on Burloak Dr from the QEW to Upper Middle Rd (Zone B2) - Construction (OAK)	$ 9,766,000	$13,975,000	Cost provided by the Region based on design estimates.
5850	1050mm WM on Upper Middle Rd from Burloak Drive to Appleby Line (Zone B2) (Construction) (BUR)	$10,283,000	$14,546,000	Cost provided by the Region based on design estimates.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification

Wastewater Projects

Region IPFS ID	Project Description	Total Estimated Cost (2017$)	Total Estimated Cost (2022$)	Comments
6589	35 L/s WWPS on 10th Side Rd in Norval (HHGEO)	$ 731,000	$ 4,550,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
7528	North WWPS expansion of 2,000 L/s at Mid-Halton WWTP (OAK)	$ 22,564,000	$69,782,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates. Increased capacity from 1,200 L/s to 2,000 L/s
5907	300 mm WWM North Aldershot Servicing (BUR)	$ 4,563,000	$11,800,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6557	600 mm WWM on Tremaine Rd from approximately 1500 m north of South Tremaine Rd WWPS to South Tremaine Rd WWPS (MIL)	$ 6,583,000	$12,487,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology. In addition, there was a refinement of the creek crossings included in the cost estimate
6581	1500 mm WWM on 5th Line from Britannia Rd to Lower Base Line (MIL)	$ 15,678,000	$29,962,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates. Size increased from 1,350mm to 1,500mm
6537	675 mm WWM on Trafalgar Rd, through GO lot and on Argus St from Spruce St to 60 m north of Cross Ave (OAK)	$ 3,503,000	$ 6,327,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6500	600 mm WWM on 4th Line from new road to Lower Base Line WWPS (MIL)	$ 4,632,000	$ 8,253,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.
6582	1500 mm WWM on Lower Base Line from 5th Line to 4th Line (MIL)	$ 10,003,000	$17,650,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates. Size increased from 1,350mm to 1,500mm
6502	525 mm WWM on Thompson Rd and new internal road from south of Britannia to 4th Line (MIL)	$ 2,520,000	$ 4,374,000	Project was originally costed during SHMP and indexed in the 2017 DC. As part of the 2022 DC a new cost estimate was developed with the updated methodology and unit rates.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
23)	The unit rates used in the W/WW Technical Study, do these reflect cost increases due to COVID-19 pandemic (i.e. supply chain, manufacturing, etc.)? If so, it is recommended that more regular reporting and updates to unit rates be tracked and reflected in DCs going forward.	Unit costs require periodic updating to ensure that they are in line with current market conditions. GM BluePlan and the Region reviewed data from projects within the GTA to support the update of accurate and justifiable unit rates. For the purposes of the DC Update, the unit rates were reviewed based on but not limited to the following considerations: • 2017 DC Unit Rates – Used as a baseline starting point • Current material cost from suppliers • Recent tenders • Construction cost indexing (Inflation) It should be noted that while the current COVID-19 pandemic is having an effect across the world including disruptions to supply chain and increase of costs, specific cost considerations or adjustments based on the ongoing pandemic were not made.
24)	Page 9 of 2022 W/WW Technical Report notes that the cost estimate methodology yields an accuracy range from +40%/-20%. How does that compare to the final (actual) project costs built in the 2017 DC Program, given the same methodology was used?	Note that comparisons using projects from the 2017 DC are not available as these projects are still in detailed design or in construction and final project costs are not available. The Region has seen significant year-over-year increases in project costs across all disciplines.

Responses to Questions and Points of Clarification from BILD

<table>
<tr><th>Question</th><th>Comment from BILD</th><th>Response / Point of Clarification</th></tr>
<tr><td colspan="3">Roads

Please note that additional technical analysis will be provided at a later date to the Region</td></tr>
<tr><td>25)</td><td>Compared to the similar table in the 2017 Development Charge Study, the table on page D-13 in the 2022 Development Charge Study eliminates some of the BTE deductions previously used:

a. Table D-3 no longer shows a “50% deduction for engineering and contingency costs” for Road Widening without Reconstruction projects – why is this deduction no longer being made?

b. Table D-3 reduces the deduction for instances where non-Master Plan costing is used from 25% in the 2017 Development Charge Study to 13% in the 2022 Development Charge Study. What is the rationale for this change?</td><td>a. There is no deduction for engineering and contingency in “Road Widening without reconstruction” which is consistent with the 2012, and 2017 DC Transportation Background Reports. The design costs are for the road widening component, which is all attributed to growth. For Road widening without reconstruction (non-master plan costed projects only) a 13% deduction to construction costs is included.

For Road widening with reconstruction a 50% deduction for engineering and contingency costs is included as existing residents benefit from the reconstruction and renewal of the existing roadway. Further, a 25% deduction for construction costs (non-master plan costed projects only) is included.

Please see Table 9, page 23 of the 2022 DC Transportation Technical Report.

b. Construction Costs were assigned 13% BTE consistent with the average BTE calculated for widening projects where Master Plan cost breakdowns were used. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.

Please see Section 7.2.2 on page 17 of the 2022 Development Charge Transportation Technical Report for the additional details.</td></tr>
</table>

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
26)	What assumptions regarding land acquisition, and costs of land are incorporated into the road projects in the 2022 DC Study? Can the Region's recent history of land acquisitions for road works be provided to ensure that the land acquisition assumptions in the DC Study are reasonable?	Appendix A of the 2022 Development Charge Transportation Technical Report presents the land unit costs per acre. Updated land unit rates (per acre) were established using market-based information, including confidential appraisal reports, which were then applied to the historical land use categories set out in the 2012 Development Charge Background Study. The technical report defines property required based on the ultimate right-of-way of the improvement less the existing right-of-way. Required property is then assigned one of the four categories identified in Appendix A (Existing Urban, Vacant Urban, Flood Plain and Rural).
27)	We have questions associated with the $183 million "5 ½ Line" project which is a 6-lane road between Britannia and Steeles, with an interchange at Highway 401: a. Is there any expectation that the MTO will provide funding for the interchange? b. What is the basis for the minimal "Beyond 2031" allocation of 2%?	a. The costs do not assume any contribution by MTO as has been consistent with the 2012 and 2017 Development Charge Transportation Background Reports. b. The PPP benefit is determined through consideration of the recommended timing of the project relative to the planning period for the DC Background Study. Post planning period capacity for major infrastructure improvements is calculated only for projects with the last five years (2027 to 2031, inclusive) of the capital improvement plan. This calculation is proportional to the degree to which the v/c on the major improvement in 2031 is less than the v/c on the associated screenline. For further information, refer to Section 8 on page 24 and Appendix D of 2022 Development Charge Transportation Technical Report. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.

Responses to Questions and Points of Clarification from BILD

<table>
<tr><th>Question</th><th>Comment from BILD</th><th>Response / Point of Clarification</th></tr>
<tr><td>28)</td><td>
The James Snow Parkway project, from Britannia to Highway 407 has a gross cost of $86.3 million, with just $6 million allocated for post-2031, and no BTE share.
a. Can a rationale for the PPB be provided, as it seems low given the timing and amount of development likely in the Town of Milton south of Britannia. Will this road be sized to accommodate post-2031 development in the lands south of Britannia? If so, the road works should have a significant PPB.
b. The lack of any BTE allocation seems completely unreasonable, given that this roadway would provide for greater access between Milton and Oakville (particularly for Milton residents who use the Lakeshore West GO line or shopping areas in Oakville), and would alleviate significant existing rush hour traffic congestion issues along Trafalgar Road (as well as Britannia Road) in particular. What is the rationale for no BTE being allocated for this project? As shown below, the net number of persons commuting from Milton to Oakville per day has increased significantly over the 2006-2016 period alone.
<table>
<tr><th>Commuting Direction</th><th>2006</th><th>2016</th><th>Change</th></tr>
<tr><td>Milton to Oakville</td><td>1,615 persons</td><td>3,080 persons</td><td>+1,465 persons</td></tr>
<tr><td>Oakville to Milton</td><td>1,045 persons</td><td>1,310 persons</td><td>+265 persons</td></tr>
<tr><td>Net Flow</td><td>+570 net persons per day from Milton to Oakville</td><td>+1,770 net persons per day from Milton to Oakville</td><td>+1,220 additional net persons per day</td></tr>
<tr><td colspan="4">Source: Statistics Canada</td></tr>
</table>
</td><td>
a. This widening and roadway extension is required to accommodate growth. As outlined in Section 7.4, new alignments are constructed to accommodate the increased capacity needs associated with Growth. As such, the costs of new alignment projects were allocated 0% BTE (100% to Growth).
For rationale for post planning period capacity (PPP), please see response to Question 27) b. above.
b. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports and is based on cost allocation for the project (i.e. not the person trips)
Please see response to Question 28) a. above regarding methodology for BTE determination.
</td></tr>
<tr><td>29)</td><td>
Please provide the rationale for the cost increases of the following projects:
Project Cost Increases, Halton Region DC Study, Roads Capital Projects
<table>
<tr><th>Prj #</th><th>Project Type</th><th>Description</th><th>2017 DC Study</th><th>2022 DC Study</th><th>%Change</th></tr>
<tr><td></td><td></td><td></td><td>Dollars (000)</td><td></td><td>Percent</td></tr>
<tr><td>6810</td><td>New Road</td><td>North Service Road - New 4 lanes from Burloak Drive to Bronte Road</td><td>25,305</td><td>93,411</td><td>269%</td></tr>
<tr><td>6819</td><td>Road Widening</td><td>Steeles Avenue - Widening from 2 to 4 lanes from Tremaine Road to Industrial Drive</td><td>16,390</td><td>52,420</td><td>220%</td></tr>
<tr><td>2659</td><td>Road Widening</td><td>Guelph Line - Widening from 4 to 6 lanes from Mainway to UMR</td><td>10,649</td><td>30,126</td><td>183%</td></tr>
<tr><td>7338</td><td>Road Widening</td><td>Upper Middle Road - Widening from 4 to 6 lanes from Neyagawa to Trafalgar</td><td>15,552</td><td>37,198</td><td>139%</td></tr>
<tr><td>6824</td><td>Road Widening</td><td>Brant Street Widening from 4 to 6 lanes from North Service to Dundas Street</td><td>27,681</td><td>59,804</td><td>116%</td></tr>
<tr><td>6806</td><td>New Road</td><td>James Snow Parkway - New 6 lane road from Highway 407 to Britannia</td><td>46,145</td><td>86,273</td><td>87%</td></tr>
<tr><td>6807</td><td>Road Widening</td><td>James Snow Parkway - Widening from 4 to 6 lanes from Highway 401 to Tremaine</td><td>59,450</td><td>110,538</td><td>86%</td></tr>
<tr><td>6758</td><td>Road Widening</td><td>10 Side Road - Widening from 2 to 4 lanes from Trafalgar to Winston Churchill</td><td>36,185</td><td>65,032</td><td>80%</td></tr>
<tr><td>5181</td><td>Grade Separation</td><td>Steeles Avenue - Grade Separation at CN crossing west of Bronte</td><td>11,273</td><td>20,219</td><td>79%</td></tr>
<tr><td>6817</td><td>Road Widening</td><td>Regional Road 25 - Widening from 4 to 6 lanes from Steeles to 5 Side Road</td><td>32,031</td><td>52,686</td><td>64%</td></tr>
<tr><td>6757</td><td>New Road</td><td>5 1/2 Line - New 6 lane road from Britannia to Steeles & Interchange at Highway 401</td><td>112,014</td><td>182,811</td><td>63%</td></tr>
</table>
Source: Altus Group, IBI Group
</td><td>
Section 2.6 on page 5 of the 2022 Development Charge Transportation Technical Report provides the costing methodology. Unit costing for Master Plan projects was updated based on recent regional data and construction tenders, and tenders from neighbouring municipalities. Where available updated costs from MCEA Studies or Detailed Design were utilized.
Appendix A presents the unit rates (including property) and cross section costs used for master plan costed projects.
</td></tr>
</table>

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
General Services		
30)	Studies – please provide the rationale for the cost increases for the following: a. There is an increase in the cost of the Regional OP update in 2025 (471% increase or $816,750). Can you please provide the rationale for this increase?	The schedule for the OP update has changed since the 2017 DC Study. The timing of the future OP work is expected to be accelerated and is anticipated to begin in 2025. In the 2017 DC study the anticipated cost of the 2022 Regional OP Update was $2 million, now in the 2022 DC study the estimate is $2.2 million. In total, the growth-related cost included in the calculations for all studies identified over the 10-year period, is 35% lower than that which was included in the 2017 DC study (factoring for inflation).
31)	Police – please provide the rationale for the cost increases for the following: a. 2022 additional vehicle cost increased by 173% or $479,000 when compared to the 2017 DCBS b. 2024 equipment cost increased by 104% or $89,300 when compared to the 2017 DCBS 2025 equipment cost increased by 96% or $82,800 when compared to the 2017 DCBS	For police vehicles, in 2017 the DC study anticipated the need for an additional three (3) marked cruisers and two (2) unmarked cruisers. For the 2022 DC study, the needs in 2022 include three (3) marked cruisers, 6 unmarked passenger vehicles, and one (1) tactical response unit. In addition, the anticipated replacement value for each vehicle has been updated as per the service standard table. With respect to equipment, the 2017 DC study anticipated that there would be a need to equip 16 additional officers. The 2022 DC study assumed the requirement to equip 27 new officers to service growth. In addition, the anticipated replacement value to equip an officer was updated as per the service standard table.
32)	Paramedic – please provide the rationale for the cost increases for the following: a. Level of service for facilities ($/sf including land) increased by 22% to 190% when compared to the 2017 DBS. Please provide the rationale for this increase. b. The maximum funding calculation for vehicles is based on a per cap rate of $20.60 per capo instead of $20.64. Therefore, the max funding envelope should increase by $5,065 to $2,613,540. This would increase the total cap to $12,810,863.	With respect to the cost increase, replacement values were updated based on three recently constructed facilities. The average cost per sq.ft. was utilized and applied to all facilities. With respect to the funding calculation, that has been noted.
33)	Social Housing: a. Why has the assumed cost per unit increased by 56% from $160,327 in the 2017 DCBS to $250,000 in the 2022 DCBS?	$250,000 reflects the Region's average contribution to social housing units. When factoring in inflation, the contribution per unit from the 2017 DC study is approximately $200,000 in 2022 dollars. The increase from $200,000 to $250,000 reflects the incremental amount to be funded by the Region due to increased cost factors (e.g. construction costs, land prices, etc.).

<u>Responses to Questions and Points of Clarification from BILD</u>

Question	Comment from BILD	Response / Point of Clarification
34)	Waste Diversion: a. The “Transfer Station – Organics – Study” increased in from a cost of $67,500 in 2017 to $588,000 in 2022. What is the difference in the studies that would cause the increase in cost?	The cost identified in the 2017 DC study was for a feasibility study. The 2022 DC study cost reflects the engineering design study for the ultimate construction of the transfer station (is approximately 10% of the cost of construction).

Responses to Questions and Points of Clarification from BILD

Following are the response to the questions/points of clarification presented by BA Group per their memorandum dated February 22, 2022

Question	Comment from BILD	Response / Point of Clarification
1.0 Benefit to Existing (BTE)		
1.	What is the rationale for allocating 0% BTE for new road projects that clearly have a significant benefit to existing road users? These projects include: a. Project #6806 - James Snow Parkway – new 6-lane road from Highway 407 to Britannia Road; b. Project #6810 - North Service Road – new 4 lanes from Burloak Drive to Bronte Road; and c. Project #6757 - “5 ½ Line” new 6-lane road & interchange from Britannia Road to Steeles Avenue	See response to IBI Group memorandum dated February 11, 2022 Question 28) a. above.
2.	In order to provide a better understanding of the BTE methodology, can you please provide the detailed calculations for the following road widening projects: a. Project #6827 – Trafalgar Road – widening from 4 to 6 lanes from Britannia Road to Steeles Avenue, including Highway 401 structure (BTE of 8%) b. Project #7756 - Trafalgar Road – widening from 2 to 4 lanes from 10 Side Road to Highway 7 (BTE of 21%)	Detailed calculation worksheets for BTE for 3 sample projects were reviewed with BILD on March 11, 2022.
2.0 Property and Utility Costs		
1.	What assumptions regarding land acquisition, and costs of land are incorporated into the capital road projects in the 2022 DC Study? Can the Region’s recent history of land acquisitions for road works be provided such that the land acquisition assumptions in the DC Study can be reviewed?	Please see response to IBI Group memorandum dated February 11, 2022 Question 26) above.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
2.	The 2021 Ellso Report (Section 7.2) notes that for road widenings without reconstruction, there is a BTE of 0% for property and utilities, when project costs are available from more detailed studies. Can you please confirm whether or not the construction costs include property and utility relocates when TMP costing is used?	The utility and property costs are part of the total project cost but not part of the construction costs used to define BTE for master plan costed projects. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.
3.	The 2021 Ellso Report (Section 7.3) notes that for road widenings with reconstruction, there is a BTE of 0% for property and utilities, when project costs are available from more detailed studies. Can you please confirm whether or not the construction costs include property and utility relocates when TMP costing is used?	The utility and property costs are part of the total project cost but not part of the construction costs used to define BTE for master plan costed projects. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.
4.	Can you please provide the rationale for a BTE of 0% for property and utilities for both road widenings with and without reconstruction, when more detailed project costs are used (non-TMP costs)?	There is no benefit to existing in the relocation of utilities or property purchase required for roadway improvements. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.
3.0 Post Planning Period (PPP) Capacity		
1.	What is the rationale for post planning period (PPP) capacity as described on Page 24 of the 2021 Ellso Report. Specifically what is the rationale for the comparison between the average v/c of the screenline vs. the link v/c?	The methodology was reviewed with stakeholders during the 2008 DC Transportation Technical Report and has been used consistently since, in the 2012, 2017 and 2022 DC Transportation Technical Reports and acknowledges that transportation improvements cannot be built in increments/fractions of traffic lanes. Whether the screenline deficiency was calculated as 0.7 lanes equivalents or 0.89 lane equivalents, the Region has to build a full lane. See response to IBI Group memorandum dated February 11, 2022 Question 27) b. above.
2.	How does this methodology (average v/c of the screenline comparison with peak link v/c) apply if the screenline does not cross the project? For example, Project #6757 “5 ½ Line” new 6-lane road & interchange from Britannia Road to Steeles Avenue, does not appear to cross a screenline.	Project ID 6757, 5 ½ Line, new 6-lane road and interchange from Britannia Road to Steeles Avenue, crosses screenlines 57 and 73, as outlined in Appendix D.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
3.	Please provide the forecast link traffic volume and capacity data for each of the screenlines, as well as the map of the screenlines referenced, in the calculation of post planning period capacity calculations included in Appendix D of the 2021 Ellso Report.	The Regional screenlines can be found in Appendix G of the Transportation Master Plan – The Road to Change, available on the Region's website. Please see response to 3.0 Post Planning Period (PPP) Capacity Question 1 above.
4.	Please confirm if the forecast volumes used in this analysis are based on the 2011 TMP forecasts, or on the more recent traffic forecasts updated using 2016 TTS results?	The forecast volumes are based on 2016 TTS and 2016 Census.
4.0 Railway Grade Separations		
1.	What is the rationale for the assessment of BTE on the basis of exposure index for new railway grade separations, as shown in Table 7 of the 2021 Ellso Report?	As per Section 7.7.2 on page 21 of the 2022 Development Charge Transportation Technical Report, where there is currently a level crossing in place, construction of a grade-separation benefits Growth by increasing the capacity of the roadway, but also benefits existing development in terms of safety improvement and the elimination for existing road users of the possibility of delays due to train movements. The number of train movements per day times the average annual daily traffic is correlated to a Benefit to Existing for the grade separation. This methodology is consistent with the 2012 and 2017 Development Charge Transportation Background Reports.
2.	Is the cost of the Tremaine Road Grade Separation (identified as Project #6830 in Appendix B of the 2021 Ellso Report) included in the road widening project cost identified as Project #6830 in Table D-11 of the 2022 DC Study?	Yes.
3.	Can you please confirm the location and nature of Project #5181 - Steeles Avenue – grade separation at CN crossing west of Bronte Street? This project has been included in D-11 of the 2022 DC Study but has not been included in the 2021 Ellso Report in Appendix B.	Appendix B of the 2022 Development Charge Transportation Technical Report identifies at-grade crossings that are to be grade separated – "Proposed Grade Separation". The subject location is already grade separated as noted in Appendix B - Figure ID 10.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
5.0 Specific Road Projects		
Burloak Drive (north of the QEW to Upper Middle Road)		
1.	In Table D-11 of the 2022 DC Study, Project #7485 - Burloak Drive (construction only) 4-lane urbanization from north of the QEW to Upper Middle Road, involves urbanizing a segment of Burloak Drive without a widening and without adding additional capacity. Please provide the rationale for allocating 87% of the cost of this project to growth.	These costs are part of the completion of the widening of Burloak Drive and therefore, falls under Section 7.2 on page 16 of the 2022 Development Charge Transportation Technical Report. Please see response to IBI Group memorandum dated February 11, 2022 Question 25) a. above regarding methodology for BTE determination. As non-Master Plan costing is used, a 13% deduction is assigned to construction costs.
5 ½ Line (Britannia to Steeles)		
2.	In Table D-11 of the 2022 DC Study, Project #5757 - 5 ½ Line (new 6-lane road from Britannia Road to Steeles Avenue & interchange at Highway 401) has a gross cost of $183 million. As this road widening project includes an interchange at Highway 401, can you please confirm if MTO is providing any funding for this project?	Please see response to IBI Group memorandum dated February 11, 2022 Question 27) a.
3.	The methodology to determine the PPP "beyond 2031" allocation for this project has been reviewed in the 2021 Ellso Report (Appendix D) and results in a PPP of 2%. Is the current methodology to determine the PPP reasonable in consideration of the significance of this project, and the tremendous benefit to existing and future residents and employees of the Region?	Please see response to IBI Group memorandum dated February 11, 2022 Question 27) b.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
James Snow Parkway (Highway 407 to Britannia)		
4.	In Table D-11 of the 2022 DC Study, Project #6806 - James Snow Parkway (new 6-lane road from Highway 407 to Britannia Road) has a gross cost of $86.3 million, with just $6 million (7%) allocated for post-2031 (PPP), and 0% BTE. The methodology to determine the PPP "beyond 2031" allocation for this project has been reviewed in the 2021 Ellso Report (Appendix D) that results in a PPP of 7%. Is the current methodology to determine the PPP reasonable, considering the significance of this project and the amount of development planned in the Town of Milton, south of Britannia? Can you please confirm that this road is being built to accommodate post-2031 development in the lands south of Britannia? If so, it would be expected that the project would have a much higher PPP.	Please see response to IBI Group memorandum dated February 11, 2022 Question 28) a.
5.	Given the following, can you please provide the rationale for a BTE of 0% for this road project? a. This roadway would provide for greater access between Milton and Oakville (particularly for Milton residents who use the Lakeshore West GO line or shopping areas in Oakville); b. This roadway would alleviate significant existing rush hour traffic congestion issues along Trafalgar Road (as well as Britannia Road); and c. The net number of persons commuting from Milton to Oakville per day has increased significantly over the 2006-2016 period alone.	Please see response to IBI Group memorandum dated February 11, 2022 Question 28) b.

Responses to Questions and Points of Clarification from BILD

Question	Comment from BILD	Response / Point of Clarification
6.0 Additional Requests for Information		
3.	Please provide the project specific cross-sections used in the capital cost calculations. Specifically for each project, please provide the following: a. The type of work (such as R2-W4-5R) as it relates to the cross-section base costs identified in Appendix A of the 2021 Ellso Report. b. The section length used to calculate the total project cost from the base cost. c. Identify if project costs were determined through non-TMP/ non-benchmark costs (i.e. from an EA study).	a. The cross sections can be found in the 2012 Development Charge Transportation Background Study Appendix E of the 2011 Transportation Master Plan – The Road to Change, available online. b. Project limits (and therefore length) is provided within the description of each project. c. The following IDs are master plan costed: • 2659 • 6805 • 6823 • 6827 • 5839 • 6806 • 6807 • 6757 • 6804 • 6821 • 6822 • 6758 • 6824 • 7494 • 7339 • 6812 • 7689 • 6803 • 7485 • 6810 • 5845 • 6830 • 6834 • 6811 • 6814 • 6815 • 6818 • 6825 • 6826 • 6828 • 6829 • 7338 All other projects in the Roads Capital Plan are non-master plan costed.

Halton Region
2022 Development Charges Background Study
Adjustment to Cost Allocation for 2023-2031 Roads Capital Project ID 6821 ($2022, $000's)

2022 Development Charges Background Study for Water, Wastewater, Roads & General Services Development Charges - December 15, 2021 (Table D-11 pg. D-29)

Unique ID	Description	2023	2024	2025	2026	2027	Sub-total		Total (2023-2031)	Bynd 2031 (Ovrszng)	Non-Growth	Net Growth	Res	Non-Res
							(2023-2027)	(2028-2031)						
6821	Steeles Avenue - Widening from 4 to 6 lanes from Regional Road 25 to Trafalgar Road (MIL) (Regional Road 8)	$ -	$ -	$ 18,082	$ -	$ 64,964	$ 83,046	$ -	$ 83,046	$ 19,931	$ 7,574	$ 55,541	$ 35,547	$ 19,994

FN-12-22 Final 2022 Water, Wastewater, Roads and General Services Development Charges (DC) Proposals

Unique ID	Description	2023	2024	2025	2026	2027	Sub-total		Total (2023-2031)	Bynd 2031 (Ovrszng)	Non-Growth	Net Growth	Res	Non-Res
							(2023-2027)	(2028-2031)						
6821	Steeles Avenue - Widening from 4 to 6 lanes from Regional Road 25 to Trafalgar Road (MIL) (Regional Road 8)	$ -	$ -	$ 18,082	$ -	$ 64,964	$ 83,046	$ -	$ 83,046	$ 26,574	$ 6,777	$ 49,695	$ 31,805	$ 17,890

Increase / (Decrease)

Unique ID	Description	2023	2024	2025	2026	2027	Sub-total		Total (2023-2031)	Bynd 2031 (Ovrszng)	Non-Growth	Net Growth	Res	Non-Res
							(2023-2027)	(2028-2031)						
6821	Steeles Avenue - Widening from 4 to 6 lanes from Regional Road 25 to Trafalgar Road (MIL) (Regional Road 8)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,643	$ (797)	$ (5,846)	$ (3,742)	$ (2,104)

Attachment #4 to
Report No. FN-12-22

THE REGIONAL MUNICIPALITY OF HALTON

BY-LAW NO. XX-22

A BY-LAW TO ESTABLISH WATER, WASTEWATER, ROADS AND GENERAL SERVICES DEVELOPMENT CHARGES FOR THE REGIONAL MUNICIPALITY OF HALTON (BUILT BOUNDARY AND GREENFIELD AREAS) AND TO REPEAL BY-LAW NO. 36-17.

WHEREAS subsection 2(1) of the **Act** provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services arising from the development of the land in the area to which the by-law applies;

AND WHEREAS **Council** has before it the **Study**;

AND WHEREAS the **Study** and the proposed development charges by-law were made available to the public, **Council** gave notice to the public and held a meeting open to the public, through its Statutory Public Meeting and Hearing Committee, pursuant to section 12 of the **Act** on ▲ , and **Council** considered the **Study**, received written submissions and heard comments and representations concerning the **Study** from all persons who applied to be heard;

AND WHEREAS at a meeting open to the public held on ▲ , **Council** adopted the recommendations in Report No. ▲ , thereby updating its capital budget and forecast where appropriate and thereby indicating that it intends that the increase in the need for services to service the anticipated development will be met;

AND WHEREAS at a meeting open to the public held on ▲ , **Council** adopted the recommendations in Report No. ▲ thereby expressing its intention that development-related post 2031 capacity identified in the **Study** shall be paid for by development charges or other similar charges;

AND WHEREAS at a meeting open to the public held on ▲ , **Council** approved the **Study** and adopted the recommendations in Report No. ▲ thereby determining that no further public meetings were required under section 12 of the **Act**.

NOW THEREFORE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF HALTON HEREBY ENACTS AS FOLLOWS:

Definitions

1. THAT in this By-law:

(a) “**accessory commercial building**” means a building that is naturally or normally incidental to or subordinate in purpose and is exclusively devoted to the principal commercial use on the lot;

(b) “**accessory dwelling**” means a dwelling unit that is naturally or normally incidental to or subordinate in purpose and is exclusively devoted to a single detached dwelling or a semi-detached dwelling;

(c) “**Act**” means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended or successor legislation;

(d) “**agricultural development**” means development of land and buildings that support a *bona fide* farming operation, which may include a farming operation that includes separate adjoining lots, including greenhouses which are not connected to Regional water services or wastewater services, sod farms and farms for the breeding and boarding of horses, and includes, but is not limited to, barns, silos and other ancillary buildings to such agricultural development but excluding any component thereof that are residential use, an industrial, a commercial use or a retail development, including but not limited to the breeding, boarding and/or grooming of household pets;

(e) “**air-supported structure**” means a structure consisting of a pliable membrane that achieves and maintains its shape and support by internal air pressure;

(f) “**apartment dwelling**” means a building containing more than one dwelling unit where the units are connected by an interior corridor. Despite the foregoing, an apartment dwelling includes, those stacked townhouse dwellings and/or back-to-back townhouse dwellings that are developed on a block approved for development at a minimum density of sixty (60) units per net hectare pursuant to plans and drawings approved under section 41 of the *Planning Act*;

(g) “**back-to-back townhouse dwelling**” means a building containing four or more dwelling units separated vertically by a common wall(s), that do not have rear yards;

(h) “**bedroom**” means a habitable room of at least seven square metres (7 m^2), including a den, study, loft, or other similar area, but does not include a living room, dining room, kitchen or other space;

(i) “**board of education**” means an English-language district school board, an English-language separate district school board, a French-language district school board and a French-language separate district school board;

(j) “**building**” means a permanent enclosed structure occupying an area greater than ten square metres (10 m²) and despite the foregoing includes, but is not limited to:

(i) an above-grade storage tank;

(ii) an air-supported structure;

(iii) an industrial tent;

(iv) a roof-like structure over a gas-bar or service station; and

(v) an area attached to and/or ancillary to a retail development delineated by one or more walls or part walls, a roof-like structure or any of them;

(k) “**Built Boundary**” means that part of the Region shown as Built Boundary on Schedule “A” to this By-law and includes that part of the Region shown as Natural Heritage System that is within the Built Boundary area shown on Schedule “A” to this By-law;

(l) “**charitable dwelling**” means a part of a residential building or a part of the residential portion of a mixed-use building maintained and operated by a corporation approved under the *Long-Term Care Homes Act, 2007* S.O. 2007, c.8, as amended or successor legislation as a home or joint home, an institution, or nursing home for persons requiring residential, specialized or group care and includes a children’s residence under the *Child and Family Services Act*, R.S.O. 1990, c. C.11, as amended or successor legislation, and a home for special care under the *Homes for Special Care Act*, R.S.O. 1990, c. H.12, as amended or successor legislation;

(m) “**commercial use**” means land, buildings or portions thereof used, designed or intended for a non-residential use that is not retail or industrial, and includes uses which serve academic, medical/dental, and cultural needs that are not located within or part of a retail development;

(n) “**correctional group home**” means a residential building or the residential portion of a mixed-use building containing a single housekeeping unit supervised on a twenty-four (24) hour basis on site by agency staff on a shift rotation basis, and funded wholly or in part by any government or its agency, or by public subscription or donation, or by any combination thereof, and licensed, approved or supervised by the Ministry of Correctional Services as a detention or correctional facility under any general or special act as amended or successor legislation. A correctional group home may contain an office provided that the office is used only for the operation of the correctional group home in which it is located;

(o) "**Council**" means the Council of the Region;

(p) "**development**" means the construction, erection or placing of one or more buildings on land or the making of an addition or alteration to a building that has the effect of increasing the size or usability and/or changing the use thereof and development shall include redevelopment;

(q) "**dwelling unit**" means either (i) a room or suite of rooms used, designed or intended for residential use by one or more persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons, or (ii) in the case of a special care/special need dwelling, either (1) a room or suite of rooms used, designed or intended for use by one person with or without exclusive sanitary and/or culinary facilities, or (2) a room or suite of rooms used, designed or intended for use by more than one person with no more than two persons sharing a bedroom and with sanitary facilities directly connected and accessible to each room, or (3) every seven square metres (7 m^2) of area within a room or suite of rooms used, designed or intended for use by more than one person as a bedroom;

(r) "**existing industrial building**" shall have the same meaning as the term is defined in the Regulation, and shall not include self-storage facilities and retail warehouses;

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

(t) "**grade**" means the average level of proposed finished ground adjoining a building at all exterior walls;

(u) "**Greenfield**" means that part of the Region shown as Greenfield on Schedule "A" to this By-law and includes that part of the Region shown as Natural Heritage System that is within the Greenfield area shown on Schedule "A" to this By-law;

(v) "**group home**" means a residential building or the residential portion of a mixed-use building containing a single housekeeping unit which may or may not be supervised on a twenty-four (24) hour basis on site by agency staff on a shift rotation basis, and funded wholly or in part by any government or its agency, or by public subscription or donation, or by any combination thereof and licensed, approved or supervised by the Province of Ontario for the accommodation of persons under any general or special act as amended or successor legislation;

(w) “**high density apartment**” means an apartment dwelling of a minimum of four (4) storeys or containing more than one hundred thirty (130) dwelling units per net hectare pursuant to plans and drawings approved under Section 41 of the *Planning Act*;

(x) “**industrial**” means non-retail uses where the land or buildings, or portions thereof are intended or designed for manufacturing, producing, processing, storing or distribution of something, including research or development in connection with manufacturing, producing or processing something, and the retail sale by a manufacturer, producer or processor of something that they have manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place, as well as office space that is ancillary to the producing, processing, storing or distribution of something at the site, but shall not include self-storage facilities or retail warehouses;

(y) “**institutional development**” means development of a building or structure, or portions thereof, 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*, S.O. 2010, c. 11;

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

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

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

(iii) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*, S.O. 2017, c. 34, Sched. 20;

(d) as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or

(e) as a hospice to provide end of life care;

(z) "**interest rate**" means the annual rate or rates of interest as established through the development charge interest policy, as may be revised from time to time;

(aa) "**local municipality**" means The Corporation of the City of Burlington, The Corporation of the Town of Oakville, The Corporation of the Town of Milton or The Corporation of the Town of Halton Hills;

(bb) "**lot**" means a lot, block or parcel of land capable of being legally and separately conveyed;

(cc) "**mezzanine**" means an intermediate floor assembly between the floor and ceiling of any room or storey and includes an interior balcony;

(dd) "**mixed-use**" means the use, design or intended use of the same land or building for a combination of non-residential development and residential development;

(ee) "**mobile home**" means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a residence for one or more persons, but does not include a travel trailer or tent trailer;

(ff) "**multiple dwelling**" means a building containing more than one dwelling unit or one or more dwelling units above the first storey of a building containing a non-residential use but a multiple dwelling does not include an accessory dwelling, a single detached dwelling, a semi-detached dwelling, an apartment dwelling, or a special care/special need dwelling;

(gg) "**Natural Heritage System**" means that part of the Region shown as Natural Heritage System on Schedule "A" to this By-law and areas identified as Natural Heritage System on Schedule "A" to this By-law reflect part of the Region's Natural Heritage System. The Natural Heritage System is shown on Schedule "A" to this By-law for illustrative purposes only and does not impact the categorization of the land to which the Natural Heritage System overlay is shown as either Rural Area, Greenfield Area or Built Boundary for the purposes of this By-law;

(hh) "**net hectare**" means the total land area of a lot after conveyance or dedication of public road allowances, park and school sites and other lands for public use;

(ii) “**non-profit housing development**” means development of a building or structure intended for use as residential premises by,

(a) a corporation to which the *Not-for-Profit Corporations Act, 2010*, S.O. 2010, c. 15 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*, S.C. 2009, c. 23 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*, R.S.O. 1990, c. C.35, O. Reg. 454/19, s. 3;

(jj) “**non-residential development**” means land, buildings or portions thereof used, designed or intended for a non-residential use;

(kk) “**non-residential use**” means the use of land, buildings or portions thereof for any purpose other than for a residential use;

(ll) “**non-retail development**” means any non-residential development which is not a retail development, and shall include offices that are not part of a retail development;

(mm) “**nursing home**” means a residential building or the residential portion of a mixed-use building licensed as a nursing home by the Province of Ontario;

(nn) “**owner**” means the owner of land or a person who has made application for an approval for the development of land;

(oo) “**place of worship**” means any building or part thereof that is exempt from taxation as a place of worship pursuant to paragraph 3 of section 3 of the *Assessment Act*, R.S.O. 1990, c. A.31, as amended or successor legislation;

(pp) “***Planning Act***” means the *Planning Act*, R.S.O. 1990, c. P.13, as amended or successor legislation;

(qq) “**recreational vehicle parks**” means land where mobile homes may be situated and occupancy of mobile homes is not permitted throughout the calendar year by either municipal land use or provincial regulations;

(rr) "**redevelopment**" means the construction, erection or placing of one or more buildings on land where all or part of a building on such land has previously been demolished, or changing the use of all or part of a building from a residential use to a non-residential use or from a non-residential use to a residential use, or changing all or part of a building from one type of residential use to another type of residential use or from one type of non-residential use to another type of non-residential use;

(ss) "**Region**" refers to the geographic area of the Regional Municipality of Halton or the corporation of The Regional Municipality of Halton, as the context requires;

(tt) "**Regulation**" means O. Reg. 82/98, as amended or successor regulation;

(uu) "**rental housing**" means development of a building or structure or portion thereof with four or more dwelling units that are intended for use as rented residential premises;

(vv) "**residential development**" means land, buildings or portions thereof used, designed or intended for residential use and includes but not limited to a single detached dwelling, a semi-detached dwelling, a multiple dwelling, an apartment dwelling, a garden suite, a special care/special need dwelling, an accessory dwelling, a mobile home and the residential portion of a mixed-use building but shall not include a mobile home that is located on recreational vehicle parks;

(ww) "**residential use**" means the use of land, buildings or portions thereof as living accommodation for one or more persons;

(xx) "**restricted flow**" means a restriction on the demand for water or the discharge of wastewater of three and twenty-two one-hundredths cubic metres (3.22 m^3) per hectare per day imposed on lands described in Schedules "D-1" and "D-2" to this By-law;

(yy) "**retail**" means lands, buildings, structures or any portions thereof, used, designed or intended to be used for the sale, lease or rental or offer for sale, lease or rental of any manner of goods, commodities, services or entertainment to the public, for consumption or use, whether directly or through membership, but shall exclude commercial, industrial, hotels/motels/bed and breakfast facilities, mobile home situated on recreational vehicle parks, as well as offices not located within or as part of a retail development, and self-storage facilities;

(zz) "**retail development**" means a development of land or buildings which are designed or intended for retail;

(aaa) "**retirement home or lodge**" means a residential building or the residential portion of a mixed-use building which provides accommodation primarily for retired persons or couples where each private bedroom or living accommodation has a separate private bathroom and separate entrance from a common hall but where common facilities for the preparation and consumption of food are provided, and common lounges, recreation rooms and medical care facilities may also be provided;

(bbb) "**roads services**" includes, but is not limited to, road construction, widening, rehabilitation, resurfacing and reconstruction, grade separations, intersections, signalization, signage, bridges, overpasses, interchanges, and noise attenuation barriers;

(ccc) "**Rural Area**" means that part of the Region shown as Rural on Schedule "A" to this By-law and includes that part of the Region shown as Natural Heritage System within the Rural Area shown on Schedule "A" to this By-law;

(ddd) "**seasonal structure**" means a building placed or constructed on land and used, designed or intended for use for a non-residential purpose during a single season of the year where such building is designed to be easily demolished or removed from the land at the end of the season;

(eee) "**semi-detached dwelling**" means a building divided vertically into two dwelling units each of which has a separate entrance and access to grade;

(fff) "**services**" means services designated in this By-law or in an agreement under section 44 of the Act;

(ggg) "**single detached dwelling**" means a completely detached building containing only one (1) dwelling unit;

(hhh) "**special care/special need dwelling**" means a residential building or portion thereof:

(i) containing two or more dwelling units which units have a common entrance from street level;

(ii) where the occupants have the right to use in common with other occupants halls, stairs, yards, common rooms and accessory buildings;

(iii) that is designed to accommodate persons with specific needs, including but not limited to, independent permanent living arrangements; and

(iv) where support services, such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services are provided at various levels;

and includes, but is not limited to, retirement homes or lodges, charitable dwellings, nursing homes, group homes (including correctional group homes) and hospices;

(iii) "**stacked townhouse dwelling**" means a building containing two or more dwelling units where each dwelling unit is separated horizontally from another dwelling unit by a common ceiling/floor;

(jjj) "**storey**" means that portion of a building between the surface of a floor and the floor, ceiling or roof immediately above it with the first storey being that with the floor closest to grade and having its ceiling more than six feet (6 ft.) (one and eighty three hundredths metres 1.83 m.) above grade;

(kkk) "**Study**" means the report entitled "2022 Development Charges Background Study for Water, Wastewater, Roads & General Services Development Charges" dated December 15, 2021, and any amendments thereafter or addenda thereto;

(lll) "**temporary building**" means a building used, designed or intended for use for a non-residential purpose, other than a seasonal structure and a temporary venue, or for a residential purpose, other than a garden suite, that is constructed or placed upon land and which is demolished or removed from the land within three (3) years of building permit issuance, and includes, but is not limited to, sales trailers, office trailers and industrial tents provided they meet the criteria in this definition;

(mmm) "**temporary venue**" means a building that is placed or constructed on land and is used, designed or intended for use for a particular event where the event has a duration of one (1) week or less and the building is erected immediately before beginning of the event and is demolished or removed from the land immediately following the end of the event;

(nnn) "**total floor area**":

(a) includes the sum of the total areas of the floors in a building whether at, above or below grade, measured:

(i) between the exterior faces of the exterior walls of the building;

(ii) from the centre line of a common wall separating two uses; or

(iii) from the outside edge of a floor where the outside edge of the floor does not meet an exterior or common wall; and

(b) includes the area of a mezzanine;

(c) excludes those areas used exclusively for parking garages or structures; and

(d) where a building has only one wall or does not have any walls, the total floor area shall be the total of the area directly beneath any roof-like structure of the building;

(ooo) "**wastewater services**" means all facilities, buildings, services and things related to sanitary services, including but not limited to, all works for the collection, transmission, treatment and disposal of sewage; and

(ppp) "**water services**" means all facilities, buildings, services and things related to the provision of water, including but not limited to, all works for the collection, production, treatment, storage, supply, transmission and distribution of water.

Rules

2. THAT for the purpose of complying with section 6 of the Act:

(a) the area to which this By-law applies shall be the area described in section 4 of this By-law;

(b) the rules developed under paragraph 9 of subsection 5(1) of the Act for determining if development charges are payable under this By-law in any particular case and for determining the amount of the charges shall be as set forth in sections 7 through 21, inclusive, of this By-law;

(c) the rules for exemptions, relief, credits and adjustments shall be as set forth in sections 22 through 32, inclusive, of this By-law;

(d) the indexing of charges shall be in accordance with section 19 of this By-law;

(e) there shall be no phasing-in;

(f) there shall only be a demolition credit in accordance with section 31 of this By-law;

(g) in addition to the rules set out in the Act and this By-law, the rules for the calculation of the development charge payable under this By-law for the lands described in Schedules “D-1” and “D-2” to this By-law are set out in Schedule “E” to this By-law; and

(h) except as set out in the Act and this By-law, there are no other credits, exemptions, relief or adjustments in respect of any land in the area to which this By-law applies.

Schedules

3. THAT the following Schedules to this By-law form an integral part of this By-law:

Schedule “A”	Map of the Regional Municipality of Halton;
Schedule “B-1”	Built Boundary Residential Development Charges;
Schedule “B-2”	Greenfield Residential Development Charges;
Schedule “C-1”	Built Boundary Non-Residential Development Charges;
Schedule “C-2”	Greenfield Non-Residential Development Charges;
Schedule “D-1” “D-2”	Descriptions of Lands to which Schedule “E” Applies; and
Schedule “E”	Rules Applicable to the Lands described in Schedules “D-1” and “D-2”.

Lands Affected

4. THAT this By-law applies to all lands in the geographic area of the Region, being all of the lands shown on Schedule “A” to this By-law. For greater certainty, the lands described in Schedule “D-1” and “D-2” are lands also shown on Schedule “A”.

5. THAT the boundaries on Schedule “A” to this By-law are fixed when they are formed by a combination of such well defined features such as roads, railways, electrical transmission lines, municipal and property boundaries, original township lot or concession lines, streams and topographic features.

6. THAT where:

(a) the boundaries on Schedule “A” to this By-law are not fixed in accordance with the section 5 of this By-law, the boundary shall be determined by the Region’s Director of Planning Services and/or Chief Planning Officer; and

(b) a parcel of land is within two or more areas shown on Schedule “A” to this By-law, the development charges applicable to the area in which each part of the parcel is located shall be applied.

Other Development Charges

7. THAT the development of land in the Region may be subject to one or more development charges by-laws of the Region and the development charges under this By-law are in addition to any other development charges that may be applicable to such development.

Designation of Services

8. THAT it is hereby declared by Council that all development of land within the area to which this By-law applies will increase the need for services.

9. THAT the development charges under this By-law applicable to a development shall apply without regard to the services required or used by a particular development.

10. THAT development charges under this By-law shall be imposed for the following categories of services to pay for the increased capital costs required because of increased needs for services arising from development:

(a) water services;

(b) wastewater services;

(c) roads services;

(d) growth studies;

(e) police services;

(f) paramedic services;

(g) social housing;

(h) waterfront parks;

(i) facilities; and

(j) waste diversion.

Approvals for Development

11. THAT development charges under this By-law shall be imposed against all lands or buildings within the area to which this By-law applies if the development of such lands or buildings requires any of the following:

   (a) the passing of a zoning by-law or of an amendment thereto under section 34 of the *Planning Act*;

   (b) the approval of a minor variance under section 45 of the *Planning Act*;

   (c) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;

   (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;

   (e) a consent under section 53 of the *Planning Act*;

   (f) the approval of a description under section 9 of the *Condominium Act*, *1998*, S.O. 1998, c. 19, as amended or successor legislation; or

   (g) the issuance of a permit under the *Building Code Act, 1992,* S.O. 1992, c. 23, as amended or successor legislation, in relation to a building.

12. THAT no more than one development charge under this By-law for each service designated in section 10 of this By-law shall be imposed upon any lands or buildings to which this By-law applies even though two or more of the actions described in section 11 of this By-law are required before the lands or buildings can be developed or redeveloped.

13. THAT notwithstanding sections 12 and 20 of this By-law, if

   (a) two or more of the actions described in section 11 of this By-law occur at different times, or

   (b) a second or subsequent building permit is issued,

   resulting in increased, additional or different development, then additional development charges under this By-law, shall be imposed and shall be paid in respect of such increased, additional or different development permitted by such action or permit.

14. THAT where a development requires an approval described in section 11 of this By-law after the issuance of a building permit and no development charges have been paid, then development charges under this By-law shall be paid prior to the granting of the approval required under section 11 of this By-law.

15. THAT nothing in this By-law prevents Council from requiring, in an agreement under section 51 of the *Planning Act* or as a condition of consent or an agreement respecting same under section 53 of the *Planning Act*, that the owner, at his or her own expense, install such local services related to or within the area to which a plan of subdivision relates, as Council may require, in accordance with the Region's applicable local services policies in effect at the time.

Calculation of Development Charges under this By-law

16. THAT the development charges under this By-law with respect to the development of any land or buildings shall be calculated as follows:

    (a) in the case of residential development including a dwelling unit accessory to a non-residential development, or the residential portion of a mixed-use development, based upon the number and type of dwelling units; or

    (b) in the case of non-residential development, or the non-residential portion of a mixed-use development, based upon the total floor area of such development.

Amount of Charge – Residential

17. THAT, subject to section 7 of this By-law, for development for residential purposes, development charges shall be imposed on all residential development, including a dwelling unit accessory to a non-residential development and the residential component of a mixed-use building, according to the number and type of dwelling units on lands within that part of the Region shown on Schedule "A" to this By-law as:

    (a) Built Boundary - the development charges payable shall be the Total Urban Charges shown on Schedule "B-1" to this By-law;

    (b) Greenfield Area - the development charges payable shall be the Total Urban Charges shown on Schedule "B-2" to this By-law; and

    (c) Rural - the development charges payable shall be as follows:

(i) the Total Rural Charges shown on Schedule “B-1” to this By-law;

(ii) where at the time a building permit is issued for the development, a connection of the building to:

(1) Built Boundary water services is proposed, the Specific Urban Charge for water services shown on Schedule “B-1” to this By-law shall be payable; and

(2) Greenfield water services is proposed, the Specific Urban Charge for water services shown on Schedule “B-2” to this By-law shall be payable; and

(iii) at the time a building permit is issued for the development, a connection of the building to:

(1) Built Boundary wastewater services is proposed, the Specific Urban Charge for wastewater services shown on Schedule “B-1” to this By-law shall be payable; and

(2) Greenbelt wastewater services is proposed, the Specific Urban Charge for wastewater services shown on Schedule “B-2” to this By-law shall be payable.

Amount of Charge - Non-Residential

18. THAT, subject to section 7 of this By-law, for development for non-residential purposes, development charges shall be imposed on all non-residential development, and, in the case of a mixed-use building, on the non-residential component of the mixed-use building, according to the total floor area of the non-residential component on lands within that part of the Region shown on Schedule “A” to this By-law as:

(a) Built Boundary - the development charges payable shall be the Total Urban Charges shown on Schedule “C-1” to this By-law;

(b) Greenfield Area - the development charges payable shall be the Total Urban Charges shown on Schedule “C-2” to this By-law; and

(c) Rural - the development charges payable shall be as follows:

(i) the Total Rural charges shown on Schedule “C-1” to this By-law;

(ii) where at the time a building permit is issued for the development, a connection of the building to:

(1) Built Boundary water services is proposed, the Specific Urban Charge for water services shown on Schedule "C-1" to this By-law shall be payable; and

(2) Greenfield water services is proposed, the Specific Urban Charge for water services shown on Schedule "C-2" to this By-law shall be payable; and

(iii) at the time a building permit is issued for the development, a connection of the building to:

(1) Built Boundary wastewater services is proposed, the Specific Urban Charge for wastewater services shown on Schedule "C-1" to this By-law shall be payable; and

(2) Greenbelt wastewater services is proposed, the Specific Urban Charge for wastewater services shown on Schedule "C-2" top this By-law shall be payable.

Indexing of Development Charges

19. THAT the development charges set out in Schedules "B-1", "B-2", "C-1" and "C-2" of this By-law shall be adjusted without amendment to this By-law on April 1st of each year, commencing April 1st, 2023, in accordance with the requirements of section 7 of the Regulation, or as may be amended from time to time.

Timing of Calculation and Payment

20. (1) THAT the development charges under this By-law shall be calculated in accordance with the provisions of section 26.2 of the Act, as may be amended.

(2) THAT subject to subsection (3), the development charges under this By-law shall be payable upon a building permit being issued for the proposed development in accordance with subsection 26 of the Act, or if said development is of the type identified in subsection 26.1 of the Act, specifically development that is institutional, non-profit housing or rental housing, annual instalments shall be paid in accordance with subsection 26.1 of the Act.

(3) THAT with respect to an approval of a plan of subdivision under section 51 of the *Planning Act* or a consent under section 53 of the *Planning Act,* development charges shall be payable at the time of execution of the subdivision agreement or an agreement entered into as a condition of a consent.

(4) THAT development charges payable under this By-law shall be calculated in the case of residential development, including a dwelling unit accessory to a non-residential development, or the residential portion of a mixed-use development, based upon the proposed number and type of dwelling units.

(5) THAT, if at the time of issuance of a building permit or permits for any residential development for which payments have been made pursuant to subsection (1), the total number and/or type of dwelling units for which building permits have been and are being issued is greater than that used for the calculation and payment referred to in subsection (1), an additional payment shall be required and shall be calculated by multiplying the applicable development charges shown in Schedule "B" to this By-law, as may be appropriate, by the difference between the number and type of dwelling units for which building permits have been and are being issued and the number and type of dwelling units for which payments have been made pursuant to subsection (1) and this subsection.

(6) THAT subject to subsection (8), if following the issuance of all building permits for all development in a subdivision and for all development in a block within that subdivision that had been intended for future development and for which payments have been made pursuant to subsections (2) or (3), the total number and/or type of dwelling units for which building permits have been issued is less than that used for the calculation and payment referred to in subsection (1), a refund shall become payable by the Region to the person who originally made the payment referred to in subsections (2) or (3), which refund shall be calculated by multiplying the amounts of the development charges in effect at the time such payments were made by the difference between the number and type of dwelling units for which payments were made and the number and type of dwelling units for which building permits were issued.

(7) THAT subsections (5) and (6) shall apply with necessary modifications to a development for which development charges have been paid pursuant to a condition of consent or pursuant to an agreement respecting same.

(8) THAT any refunds payable by the Region pursuant to section shall be calculated and paid without interest.

(9) THAT despite subsection (2), in the case of a high-density apartment that is not of the type development identified in subsection 26.1 of the Act, the development charges under this By-law shall be payable on the date a building permit is issued in relation to the high density apartment on lands to which the development charges under this By-law apply.

(10) THAT notwithstanding subsections (1) to (9), inclusive, the Region may require and, where so required, an owner shall enter into an agreement, including the provision of security for the owner's obligations under the agreement, pursuant to section 27 of the Act. The terms of such agreement shall then prevail over the provisions of this section dealing with the timing of payments but may not amend or alter any other provisions or sections of this By-law.

Payment by Money

21. THAT payment of development charges under this By-law shall be by certified cheque, or bank draft.

Rules with Respect to Exemptions for Intensification of Housing

22. THAT notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to developments or portions of developments relating to existing residential buildings including structures ancillary to existing residential buildings as follows:

Item	Name of Class of Existing Residential Building	Description of Class of Existing Residential Buildings	Maximum Number of Additional Dwelling Units	Restrictions
1.	Existing single detached dwellings	Existing residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings.	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building.
2.	Existing semi-detached dwellings or row dwellings	Existing residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building.
3.	Existing rental residential buildings	Existing residential rental buildings, each of which contains four or more dwelling units.	Greater of one and 1% of the existing units in the building	None
4.	Other existing residential buildings	An existing residential building not in another class of residential building described in this table.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building.

23. THAT notwithstanding the provisions of this By-law development charges shall not be imposed with respect to developments or portions of developments that would result in the creation of a second dwelling unit in prescribed classes of new residential buildings, including structures ancillary to residential buildings, 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.	The proposed new detached dwelling must only contain two dwelling units. 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.
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.	The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units. 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.
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.	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. 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.

24. THAT the provisions of sections 22 and 23 above shall be amended without need for an amendment to this By-law such that, if any amendments are made to section 2 of the Regulation as may be applicable and as may be amended from time to time, that the said sections shall continue to incorporate in this By-law any required exceptions.

Rules with Respect to Expansion of Existing Industrial Building

25. (1) THAT if a development includes the enlargement of the total floor area of an existing industrial building, the amount of the development charges under this By-law that is payable shall be calculated as follows:

(a) if the total floor area is enlarged by fifty percent (50%) or less, the amount of the development charges under this By-law in respect of the enlargement is zero; or

(b) if the total floor area is enlarged by more than fifty percent (50%), development charges under this By-law are payable on the amount by which the enlargement exceeds fifty percent (50%) of the total floor area before the enlargement.

(2) THAT for the purpose of interpreting the definition of "existing industrial building" contained in the Regulation, regard shall be had to the classification of the lands in question pursuant to the *Assessment Act*, R.S.O. 1990, c. A.31 as amended or successor legislation and in particular:

(a) whether the lands fall within a tax class such that taxes on the lands are payable at the industrial tax rate; and

(b) whether more than fifty percent (50%) of the total floor area of the building has an industrial property code for assessment purposes.

(3) THAT for greater certainty in applying the exemption in this section, the total floor area of an existing industrial building is enlarged where there is a *bona fide* increase in the size of the existing industrial building, the enlarged area is attached to the existing industrial building, there is a direct means of ingress and egress from the existing industrial building to and from the enlarged area for persons, goods and equipment and the existing industrial building and the enlarged area are used for or in connection with an industrial purpose as set out in subsection 1(1) of the Regulation. Without limiting the generality of the foregoing, the exemption in this section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor or other passage-way, or through a shared below-grade connection such as a service tunnel, foundation, footing or a parking facility.

(4) THAT notwithstanding section 25(3), where an expansion on the same lot includes an enlargement of an existing industrial building and/or the construction of an accessory building or structure that is incidental to or subordinate in purpose and exclusively devoted to

the existing industrial use, then no development charges shall be payable with respect to that portion of the accessory building or structure that is up to and including 278.7 sq. m. (3,000 sq. ft.), where;

(i) the total expansion which is exempted from the payment of development charges, including the total of the enlargement of the existing industrial building and the accessory building or structure may be up to but shall not exceed 50% of the total floor area of the existing industrial building;

(ii) at least six months must have elapsed since the last building permit has been issued for a building containing an industrial use on the lot; and

(iii) the owner provides proof satisfactory to the Region's Commissioner of Finance and/or Treasurer or designate that the existing industrial building(s) is (or are) being used for an industrial use on the date an application is made for a building permit for the building expansion or the accessory industrial building or structure.

Rules with Respect to Commercial Expansion

26. THAT no development charges shall be payable under this By-law for that portion of an expansion of an existing commercial building on the lot and/or an accessory commercial building that is up to and including 278.7 sq. m. (3,000 sq. ft.) on the same lot provided that the expansion must be incidental to or subordinate in purpose and exclusively devoted to the commercial use in the existing building or an accessory commercial building and that;

(i) at least six months must have elapsed since the last building permit has been issued for a building containing a commercial use on the lot; and

(ii) the owner provides proof satisfactory to the Region's Commissioner of Finance and/or Treasurer or designate that the existing commercial building(s) is (or are) being used for a commercial use on the date an application is made for a building permit for the building expansion or the accessory commercial building.

Lot Coverage Relief

27. THAT where there is a non-residential development, the development charges payable pursuant to this By-law shall be calculated in accordance with the following:

(a) for the portion of the total floor area of such development that is less than or equal to one (1.0) times the area of the lot, one hundred percent (100%) of the non-residential development charges payable pursuant to this By-law are applicable to that portion;

(b) for the portion of the total floor area of such development that is greater than one (1.0) times the area of the lot, no development charges shall be payable; and

(c) for the purposes of this section, where a building or buildings exist on the lot on the date of building permit issuance, the lot coverage shall be calculated as if no building(s) existed on the lot on that date.

Exemptions for Certain Buildings

28. (1) THAT the following are exempt from the payment of development charges under this By-law:

(i) land and buildings owned by and used for the purposes of any local municipality, the Region or any local board unless such buildings or parts thereof are used, designed or intended for use primarily for or in connection with any commercial use or retail development or both;

(ii) land buildings owned by and used for the purposes of a board of education unless such buildings or parts thereof are used, designed or intended for use primarily for or in connection with any commercial use and/or retail development;

(iii) land and buildings used as hospitals governed by the *Public Hospitals Act*, R.S.O. 1990, c. P.40, as amended or successor legislation unless such buildings or parts thereof are used, designed or intended for use primarily for or in connection with any commercial use and/or retail development;

(iv) land and buildings owned by and used for the purposes of a conservation authority unless such buildings or parts thereof are used primarily for or in connection with any commercial use and/or retail development;

(v) land and buildings used exclusively as a place of worship;

(vi) seasonal structures;

(vii) temporary venues; and

(viii) land and buildings that are used in connection with agricultural development, including up to 278.7 square metres (3,000 sq.

ft.) for any industrial, retail or commercial component therein that is accessory to the bona fide farm operation provided that with regards to any industrial, retail or commercial component at least six months must have elapsed since the last building permit has been issued for a building containing an industrial, retail, or commercial use on the lot.

(2) THAT for the purposes of this section only, "**local board**" means a municipal service board, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power under any Act with respect to the affairs or purposes of one or more municipalities but excluding a school board, a conservation authority and any municipal services corporation that is not deemed to be a local board under O. Reg. 599/06 made under the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended or successor legislation and any corporation created under the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A, as amended or successor legislation.

Rules with Respect to Temporary Buildings

29. THAT notwithstanding any other provision of this By-law, a temporary building shall be exempt at the time the building permit is issued for such building from the payment of development charges under this By-law provided that:

(a) prior to the issuance of the building permit for the temporary building, the owner shall have:

(i) entered into an agreement with the Region under section 27 of the Act in a form and having a content satisfactory to the Region's Commissioner of Finance and/or Treasurer or designate agreeing to pay the development charges otherwise payable under this By-law in respect of the temporary building if, within three (3) years of building permit issuance or any extension permitted in writing by the Region's Commissioner of Finance and/or Treasurer or designate, the owner has not provided to the Region evidence, to the satisfaction of the Region's Commissioner of Finance and/or Treasurer or designate, that the temporary building was demolished or removed from the lands within three (3) years of building permit issuance or any extension herein provided; and

(ii) provided to the Region securities in the form of a certified cheque, bank draft or a letter of credit acceptable to the

Region’s Commissioner of Finance and/or Treasurer or designate in the full amount of the development charges otherwise payable under this By-law as security for the owner’s obligations under the agreement described in clause (a)(i) and subsection (c).

(b) Within three (3) years of building permit issuance or any extension granted in accordance with the provisions in clause (a)(i), the owner shall provide to the Region evidence, to the satisfaction of the Region’s Commissioner of Finance and/or Treasurer or designate, that the temporary building was demolished or removed from the lands within three (3) years of building permit issuance or any extension herein provided, whereupon the Region shall return the securities provided pursuant to clause (a)(ii) without interest.

(c) If the owner does not provide satisfactory evidence of the demolition or removal of the temporary building in accordance with subsection (b), the temporary building shall be deemed conclusively not to be a temporary building for the purposes of this By-law and the Region shall, without prior notification to the owner, draw upon the securities provided pursuant to clause (a)(ii) and transfer the amount so drawn into the appropriate development charges reserve funds.

(d) The timely provision of satisfactory evidence of the demolition or removal of the temporary building in accordance with subsection (b) shall be solely the owner’s responsibility.

Rules with Respect to Garden Suites

30. THAT notwithstanding any other provisions of this By-law, a garden suite shall be exempt at the time a building permit is issued for the garden suite from the payment of development charges under this By-law provided that:

(a) (i) a by-law has been passed by the applicable local municipality under sections 39 and 39.1 of the *Planning Act* authorizing the temporary use of the garden suite; and

(ii) prior to the issuance of the building permit for the garden suite, the owner shall have entered into an agreement with the Region under section 27 of the Act in a form and having a content satisfactory to the Region’s Commissioner of Finance and/or Treasurer or designate, to be registered on title to the lands under section 37 of this By-law as a charge, agreeing to pay the development charges otherwise payable under this By-law in respect of the garden suite if the garden suite is not removed from the lands within sixty (60) days of the expiry of the by-law, including any extensions thereof, described in subsection (a) or if, before that date, the lands on which the garden suite is situate are sold provided the development charges shall not be payable upon such sale if the purchaser has entered into an agreement with the Region under this subsection and the by-law, including any extensions thereof, described in subsection (a) has not expired;

(b) Within ninety (90) days of the expiry of the by-law, including any extensions thereof, described in subsection (a), the owner shall provide to the Region evidence, to the satisfaction of the Region's Commissioner of Finance and/or Treasurer or designate, that the garden suite was removed from the lands within sixty (60) days of the expiry of the by-law, including any extensions thereof, described in subsection (a), whereupon the Region shall provide to the owner a release of the agreement described in subsection (b) and the owner shall apply to the land registrar to delete from title to the lands any notice of the agreement registered against title to the lands under section 36 of this By-law.

(c) If the owner does not provide satisfactory evidence of the removal of the garden suite in accordance with subsection (b), the garden suite shall be deemed conclusively not to be a garden suite for the purposes of this By-law and the Region may, without prior notification to the owner, add the development charges payable under this By-law to the tax roll for the lands to be collected in the same manner as taxes.

(d) For the purpose of subsection (c), the development charges payable under this By-law shall be the development charges payable under this By-law for an accessory dwelling on the date the building permit was issued for the garden suite.

(e) The timely provision of satisfactory evidence of the removal of the garden suite in accordance with subsection (b) shall be solely the owner's responsibility.

Rules with Respect to Redevelopment – Demolitions

31. THAT in the case of a demolition of all or part of a building:

(a) a credit shall be allowed against the development charges otherwise payable pursuant to this By-law, provided that where a demolition permit has been issued and has not been revoked and a building permit has been issued for the redevelopment within five (5) years from the date the demolition permit was issued;

(b) the credit shall be calculated based on the portion of the building used for a residential use that has been demolished by multiplying the number and type of dwelling units demolished, or in the case of a building used for a non-residential use that has been demolished by multiplying the non-residential total floor area demolished, by the relevant development charges under this By-law in effect on the date when the development charges are payable pursuant to this By-law with respect to the redevelopment;

(c) no credit shall be allowed where the demolished building or part thereof would have been exempt pursuant to this By-law;

(d) where the amount of any credit pursuant to this section exceeds, in total, the amount of the development charges otherwise payable under this By-law with respect to the redevelopment, the excess credit shall be reduced to zero and shall not be carried forward unless the carrying forward of such excess credit is expressly permitted by a phasing plan for the redevelopment that is acceptable to the Region's Commissioner of Finance and/or Treasurer or designate;

(e) despite Subsection 31(a) above, where the building cannot be demolished until the new building has been erected, the owner shall notify the Region in writing and pay the applicable development charges for the new building in full and if the existing building is demolished not later than twelve (12) months from the date a building permit is issued for the new building, the Region shall provide a refund calculated in accordance with this section to the owner without interest. If more than twelve (12) months is required to demolish the existing building, the owner shall make a written request to the Region and the Region's Commissioner of Finance and/or Treasurer or designate may extend the time in which the existing building must be demolished in his or her sole and absolute discretion and upon such terms and conditions as he or she considers necessary or desirable and such decision shall be made prior to the issuance of the first building permit for the new building;

(f) despite Subsection 31(a), where an owner has submitted an application pursuant to the provisions of the *Planning Act*, and such application has been accepted by the local municipality before the expiration of any demolition credits as noted in Subsection 31(a), but a building permit has not been issued within the timeframes provided for in the applicable Subsection, the owner may request in writing to the Region's Commissioner of Finance and/or Treasurer and the Region's Commissioner of Finance and/or Treasurer, or such designate, may extend the time for the expiration of the demolition credits solely upon such terms and conditions as he or she considers necessary or desirable and such decision shall be made prior to the issuance of the first building permit for the new building, provided that in no case shall any single extension be for a period greater than one (1) year from the date of the request from the owner seeking an extension pursuant to this Subsection.

Rules with Respect to Redevelopment – Conversions

32. THAT in the case of a conversion of all or part of a building:

(a) a credit shall be allowed against the development charges otherwise payable under this By-law;

(b) the credit shall be calculated based on the portion of the building that is being converted by multiplying the number and type of dwelling units being converted or the non-residential total floor area being converted by the relevant development charges under this By-law in effect on the date when the development charges are payable pursuant to this By-law with respect to the redevelopment;

(c) where the amount of any credit pursuant to this section exceeds, in total, the amount of the development charges otherwise payable under this By-law with respect to the redevelopment, the excess credit shall be reduced to zero and shall not be carried forward unless the carrying forward of such excess credit is expressly permitted by a phasing plan for the redevelopment that is acceptable to the Region's Commissioner of Finance and/or Treasurer or designate;

(d) despite subsections (a) to (c) above, where there is a conversion of an existing non-retail development to a retail development, a credit shall be provided in accordance with this By-law on a one-time basis such that the incremental development charges otherwise payable pursuant to this By-law shall be reduced by the greater of:

(i) the development charges that would be payable on the first 929 sq. m. (10,000 sq. ft.) of the total non-retail floor area being converted to a retail development; or

(ii) twenty-five percent (25%) of the development charges otherwise payable on the total non-retail floor area being converted to retail development

unless any excess credits is expressly permitted as part of a phasing plan for the redevelopment that is acceptable and approved by the Region;

(e) notwithstanding subsections (a) to (d) above, no credit shall be allowed where the building or part thereof prior to conversion would have been exempt pursuant to this By-law or any predecessor thereof.

Exemptions, Relief, Credits and Adjustments Not Cumulative

33. THAT only one (1) of the applicable exemption(s), relief, credit(s) or adjustment(s) set out in sections 22 to 32, inclusive, of this By-law shall be applicable to a development. Where the circumstances of a development are such that more than one (1) type of exemption, relief, credit or adjustment could apply, only one (1) type of exemption, relief, credit or adjustment shall apply and it shall be the exemption, relief, credit or adjustment that results in the lowest development charges being payable under this By-law.

Interest

34. THAT the Region shall pay interest on a refund under subsections 18(3), 25(2) and section 36 of the Act at a rate equal to the Bank of Canada rate on the date this By-law comes into force.

Front Ending Agreements

35. THAT the Region may enter into one or more agreements under section 44 of the Act.

Repeals

36. THAT By-law No. 36-17, being a by-law to establish water, wastewater, roads and general services development charges for The Regional Municipality of Halton (Built Boundary and Greenfield Areas) is hereby repealed on the date this By-law comes into force and effect.

Registrations

37. THAT a certified copy of this By-law and a copy or notice of any agreement authorized by this By-law may be registered in the Land Registry Office (No. 20) as against title to any land to which this By-law or any such agreement applies in accordance with the provisions of this By-law or Sections 42 and 56 of the Act, or any predecessor thereto.

Date By-law Effective

38. THAT this By-law comes into force and effect on ▲ .

Headings for Reference Only

39. THAT the headings inserted in this By-law are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

Severability

40. THAT if, for any reason, any provision, section, subsection, paragraph or clause of this By-law is held invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

Short Title

41. THAT the short title of this By-law is the "Water, Wastewater, Roads and General Services Development Charges By-law, 2022".

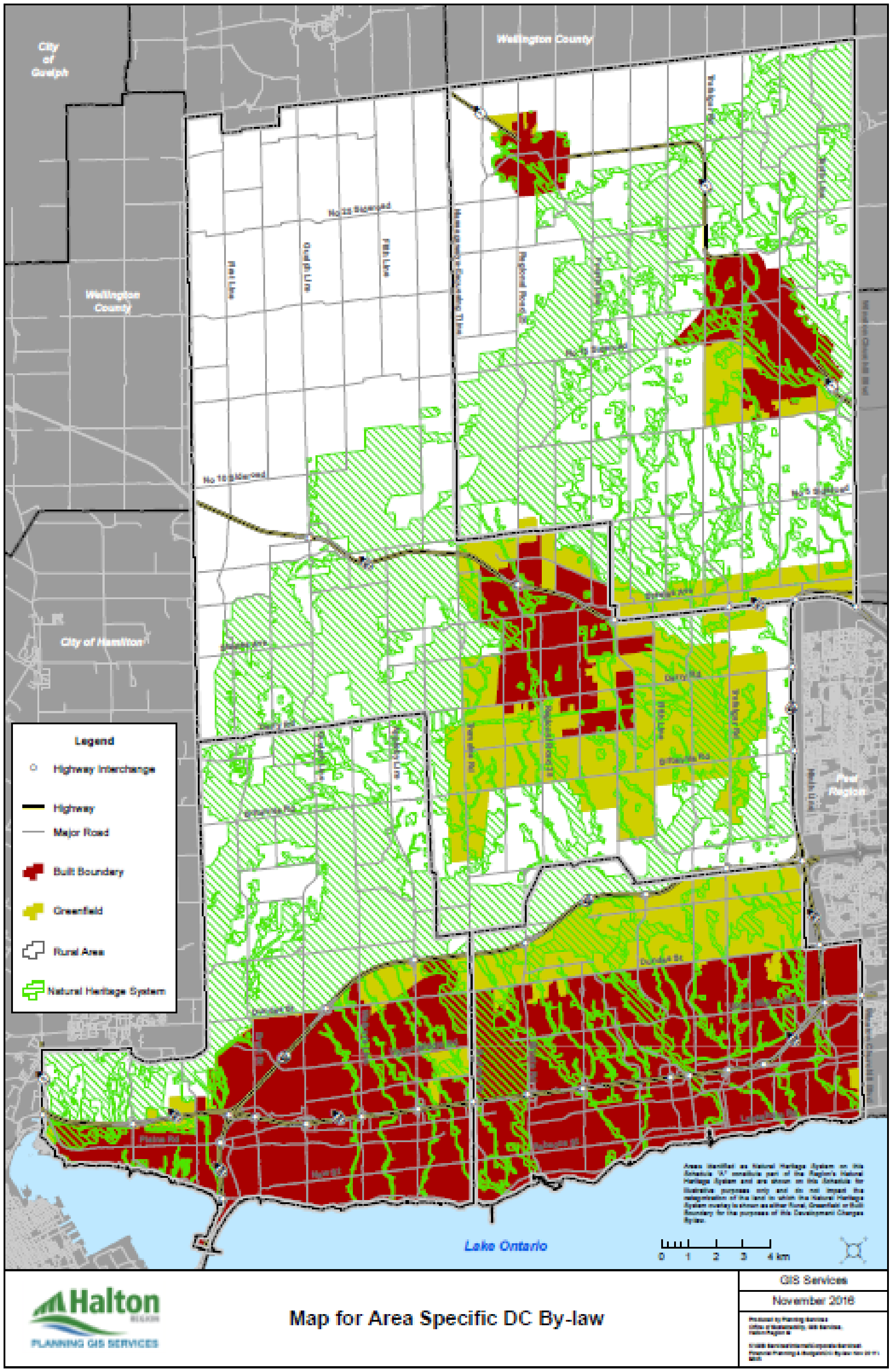
READ and PASSED this ▲th day of ▲ .

REGIONAL CHAIR

REGIONAL CLERK

Report No. FN-XX-22

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE "A" TO BY-LAW NO. XX-22



THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE "B-1" TO BY-LAW NO. XX-22

BUILT BOUNDARY URBAN AND RURAL RESIDENTIAL DEVELOPMENT CHARGES PER DWELLING UNIT*

	Single and Semi Detached Dwelling	Multiple Dwelling (3 or More Bedrooms)	Multiple Dwelling (Less Than 3 Bedrooms)	Apartment Dwelling (2 or More Bedrooms)	Apartment Dwelling (Less Than 2 Bedrooms)	Special Care/ Special Need and Accessory Dwelling
Region-Wide (Urban and Rural):						
General Services:						
Growth Studies	$ 150.82	$ 122.10	$ 80.70	$ 73.22	$ 54.21	$ 43.98
Police	603.71	488.73	323.01	293.08	216.99	176.05
Paramedics	286.51	231.94	153.30	139.09	102.98	83.55
Facilities	98.01	79.34	52.44	47.58	35.23	28.58
Social Housing	985.82	798.06	527.46	478.58	354.34	287.48
Waste Diversion	95.72	77.49	51.21	46.47	34.40	27.91
Waterfront Parks	218.69	177.04	117.01	106.17	78.60	63.77
Sub-Total	**$ 2,439.28**	**$ 1,974.70**	**$ 1,305.13**	**$ 1,184.19**	**$ 876.75**	**$ 711.32**
Roads:	$ 30,273.70	$ 24,507.86	$ 16,197.87	$ 14,696.69	$ 10,881.35	$ 8,828.20
Total (Urban and Rural)	**$ 32,712.98**	**$ 26,482.56**	**$ 17,503.00**	**$ 15,880.88**	**$ 11,758.10**	**$ 9,539.52**
Specific Urban Charges:						
Water	$ 4,503.37	$ 3,649.24	$ 2,411.88	$ 2,190.39	$ 1,621.75	$ 1,315.93
Wastewater	5,717.59	4,636.81	3,064.59	2,785.24	2,062.18	1,673.48
Total	**$ 10,220.96**	**$ 8,286.05**	**$ 5,476.47**	**$ 4,975.63**	**$ 3,683.93**	**$ 2,989.41**
Total Urban Charges	**$ 42,933.94**	**$ 34,768.61**	**$ 22,979.47**	**$ 20,856.51**	**$ 15,442.03**	**$ 12,528.93**
Total Rural Charges	**$ 32,712.98**	**$ 26,482.56**	**$ 17,503.00**	**$ 15,880.88**	**$ 11,758.10**	**$ 9,539.52**

* Residential development charges are subject to indexing in accordance with section 19 of the By-law

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE "B-2" TO BY-LAW NO. XX-22

GREENFIELD URBAN AND RURAL RESIDENTIAL DEVELOPMENT CHARGES PER DWELLING UNIT*

	Single and Semi Detached Dwelling	Multiple Dwelling (3 or More Bedrooms)	Multiple Dwelling (Less Than 3 Bedrooms)	Apartment Dwelling (2 or More Bedrooms)	Apartment Dwelling (Less Than 2 Bedrooms)	Special Care/ Special Need and Accessory Dwelling
Region-Wide (Urban and Rural):						
General Services:						
Growth Studies	$ 150.82	$ 122.10	$ 80.70	$ 73.22	$ 54.21	$ 43.98
Police	603.71	488.73	323.01	293.08	216.99	176.05
Paramedics	286.51	231.94	153.30	139.09	102.98	83.55
Facilities	98.01	79.34	52.44	47.58	35.23	28.58
Social Housing	985.82	798.06	527.46	478.58	354.34	287.48
Waste Diversion	95.72	77.49	51.21	46.47	34.40	27.91
Waterfront Parks	218.69	177.04	117.01	106.17	78.60	63.77
Sub-Total	**$ 2,439.28**	**$ 1,974.70**	**$ 1,305.13**	**$ 1,184.19**	**$ 876.75**	**$ 711.32**
Roads:	$ 30,273.70	$ 24,507.86	$ 16,197.87	$ 14,696.69	$ 10,881.35	$ 8,828.20
Total (Urban and Rural)	**$ 32,712.98**	**$ 26,482.56**	**$ 17,503.00**	**$ 15,880.88**	**$ 11,758.10**	**$ 9,539.52**
Specific Urban Charges:						
Water	$ 12,275.69	$ 9,941.62	$ 6,570.68	$ 5,962.77	$ 4,414.81	$ 3,576.39
Wastewater	17,260.86	13,979.76	9,239.59	8,384.99	6,208.20	5,028.04
Total	**$ 29,536.55**	**$ 23,921.38**	**$ 15,810.27**	**$ 14,347.76**	**$ 10,623.01**	**$ 8,604.43**
Total Urban Charges	**$ 62,249.53**	**$ 50,403.94**	**$ 33,313.27**	**$ 30,228.64**	**$ 22,381.11**	**$ 18,143.95**
Total Rural Charges	**$ 32,712.98**	**$ 26,482.56**	**$ 17,503.00**	**$ 15,880.88**	**$ 11,758.10**	**$ 9,539.52**

* Residential development charges are subject to indexing in accordance with section 19 of the By-law

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE "C-1" TO BY-LAW NO. XX-22

BUILT BOUNDARY URBAN AND RURAL NON-RESIDENTIAL DEVELOPMENT CHARGES*

PER SQUARE FOOT OF TOTAL FLOOR AREA

	Retail		Non-Retail	
Region-Wide Charges (Urban and Rural):				
General Services:				
Growth Studies	$	0.060	$	0.060
Police		0.189		0.189
Paramedics		0.025		0.025
Facilities		0.014		0.014
Waste Diversion		0.003		0.003
Waterfront Parks		0.008		0.008
Sub-Total	**$**	**0.299**	**$**	**0.299**
Roads:	$	45.955	$	8.568
Total	**$**	**46.254**	**$**	**8.867**
Specific Urban Charges:				
Water	$	1.340	$	1.340
Wastewater		2.053		2.053
Total	**$**	**3.393**	**$**	**3.393**
Total Urban Charges	**$**	**49.647**	**$**	**12.260**
Total Rural Charges	**$**	**46.254**	**$**	**8.867**

PER SQUARE METRE OF TOTAL FLOOR AREA

	Retail		Non-Retail	
Region-Wide Charges (Urban and Rural):				
General Services:				
Growth Studies	$	0.646	$	0.646
Police		2.034		2.034
Paramedics		0.269		0.269
Facilities		0.151		0.151
Waste Diversion		0.032		0.032
Waterfront Parks		0.086		0.086
Sub-Total	**$**	**3.218**	**$**	**3.218**
Roads:	$	494.655	$	92.225
Total (Urban and Rural)	**$**	**497.873**	**$**	**95.443**
Specific Urban Charges:				
Water	$	14.423	$	14.423
Wastewater		22.098		22.098
Total	**$**	**36.521**	**$**	**36.521**
Total Urban Charges	**$**	**534.394**	**$**	**131.964**
Total Rural Charges	**$**	**497.873**	**$**	**95.443**

*Non-residential development charges are subject to indexing in accordance with section 19 of the By-Law

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE “C-2” TO BY-LAW NO. XX-22

GREENFIELD URBAN AND RURAL NON-RESIDENTIAL DEVELOPMENT CHARGES*

PER SQUARE FOOT OF TOTAL FLOOR AREA

	Retail	Non-Retail
Region-Wide Charges (Urban and Rural):		
General Services:		
Growth Studies	$ 0.060	$ 0.060
Police	0.189	0.189
Paramedics	0.025	0.025
Facilities	0.014	0.014
Waste Diversion	0.003	0.003
Waterfront Parks	0.008	0.008
Sub-Total	**$ 0.299**	**$ 0.299**
Roads:	$ 45.955	$ 8.568
Total	**$ 46.254**	**$ 8.867**
Specific Urban Charges:		
Water	$ 3.897	$ 3.897
Wastewater	5.245	5.245
Total	**$ 9.142**	**$ 9.142**
Total Urban Charges	**$ 55.396**	**$ 18.009**
Total Rural Charges	**$ 46.254**	**$ 8.867**

PER SQUARE METRE OF TOTAL FLOOR AREA

	Retail	Non-Retail
Region-Wide Charges (Urban and Rural):		
General Services:		
Growth Studies	$ 0.646	$ 0.646
Police	2.034	2.034
Paramedics	0.269	0.269
Facilities	0.151	0.151
Waste Diversion	0.032	0.032
Waterfront Parks	0.086	0.086
Sub-Total	**$ 3.218**	**$ 3.218**
Roads:	$ 494.655	$ 92.225
Total (Urban and Rural)	**$ 497.873**	**$ 95.443**
Specific Urban Charges:		
Water	$ 41.947	$ 41.947
Wastewater	56.457	56.457
Total	**$ 98.404**	**$ 98.404**
Total Urban Charges	**$ 596.277**	**$ 193.847**
Total Rural Charges	**$ 497.873**	**$ 95.443**

*Non-residential development charges are subject to indexing in accordance with section 19 of the By-Law

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE “D-1” TO BY-LAW NO. XX-22

Schedule “E” applies to all or part of the following lands:

Parcel D-1.2	Block 12, Plan M-537
Parcel D-1.3	Block 13, Plan M-530
Parcel D-1.4	Block 32, Plan M-537
	A - Pt Block 32, Parts 2, 3, 6, and 8, 20R-17841
	B - Pt Block 32, Parts 1, 4, 5, and 7, 20R-17841
Parcel D-1.5	Part Block 34, Plan M-537; RP 20R17950 Parts 2, 3, 4
Parcel D-1.11	Blocks 12 & 20, Plan M-530 and Parts 3 & 4, 20R9270 (includes what was previously D-1.13 on By-law 48-12)
Parcel D-1.12	Block 14, Plan M-530
Parcel D-1.14	Part E1/2 Lot 4, Conc. 2 (Parts 1, 2, 3 & 6, 20R-9733)
	B - Block 3, Plan M-952
	C - Block 16, Plan M-952
	E - Pt Block 4, Plan M-952; RP 20R16880 Part 2
	F1 - Pt Block 4, Plan M-952; 20R19423 Parts 5 to 7
	G - Block 17, Plan M-952
Parcel D-1.15	Part Lots 3 and 4, Conc. 3
	A - Pt Lots 3 and 4, Conc. 3; Parts 2, 12 to 15, 17 & 18, 20R-10272 (2701 Highpoint - includes what was previously D-2.7 on By-law 48-12
	B - Pt Lot 3, Conc. 3; Parts 9, 10, 14, 15, 20R-13631

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE "D-2" TO BY-LAW NO. XX-22

Schedule "E" applies to all or part of the following lands:

Parcel D-2.1	Part Lots 2 & 3, Conc. 3 (Parts 1, 3 and 10, 20R-12697)
Parcel D-2.2	Block 7, Plan M-537
Parcel D-2.3	Blocks 5 & 6, Plan M-537
Parcel D-2.4	Blocks 17 to 29, inclusive, Plan M-537
Parcel D-2.5	Block 16, Plan M-537
Parcel D-2.6	Blocks 1 to 4, inclusive, Plan M-537

THE REGIONAL MUNICIPALITY OF HALTON
SCHEDULE “E” TO BY-LAW NO. XX-22

Rules Applicable to the Lands described in Schedule “D-1” and “D-2”

Where the development of the lands described in Schedules “D-l” and “D-2” to this By-law requires a building permit or sections 13 or 14 of this By-law or section 3 of this Schedule “E” applies, the following are additional rules for the calculation of the water and wastewater development charges payable under this By-law for the lands described in those Schedules:

1. For the development of lands described in Schedules “D-1” and “D-2” to this By-law that are occupied by one or more buildings:

    (a) if the water services and wastewater services components of the development charge imposed by By-law No. 65-99, By-law No. 117-99, By-law No. 102-03, By-law No. 62-08, By-law No. 48-12, By-law No. 36-17 as amended or this By-law have been paid, then no further water and wastewater development charges are payable under this By-law for any change in the use of the existing building provided that, subject to the exemptions in the Act and this By-law, any addition to the existing building or any new building erected on the lands shall pay the charge imposed by this By-law; or

    (b) if the lands are subject to a restricted flow and if the development of the lands or any change in use of any existing building on the lands impose a water or wastewater demand (including the demand imposed by any existing building on the lands) in excess of the restricted flow, then the water and wastewater development charges under this By-law shall be imposed as follows:

        i. where there has been a change in use, the charge shall be imposed on the total floor area of the existing building; or

        ii. where there has been an addition to such building or an additional building has been constructed on the lands, the charge shall be imposed on the aggregate total floor area of the existing building and the total floor area of the addition or of any additional building,

    provided that where the charge is imposed a credit shall be recognized in respect of the existing portion of any existing building (in the case of clause 1(b)(i)) or the aggregate total floor area of the existing building and the total floor area of the addition or of any additional building (in the case of clause 1(b)(ii)) of twenty-four and seven-tenths percent (24.7%) in the case of an industrial development and a credit of fifteen and eleven one-hundredths percent (15.11%) in the case of a retail or commercial development of the charge imposed under this By-law and provided that the total demand for water services and wastewater services shall be determined through a water usage report using Sentence 8.2.1.3(2) and Table 8.2.1.3.B from O. Reg. 332/12; or

(c) if the lands are subject to a restricted flow and if the development of the lands or any change in use of any existing building on the lands does not impose a water or wastewater demand that is greater than the restricted flow, then no water and wastewater development charges are payable under this By-law. The total demand for water services and wastewater services shall be determined through a water usage report using Sentence 8.2.1.3(2) and Table 8.2.1.3.B from O. Reg. 332/12.

2. For the development of lands described in Schedule “D-l” to this By-law that are vacant:

(a) if the development does not impose a water or wastewater demand that is greater than the restricted flow, then no water or wastewater development charge is payable under this By-law; or

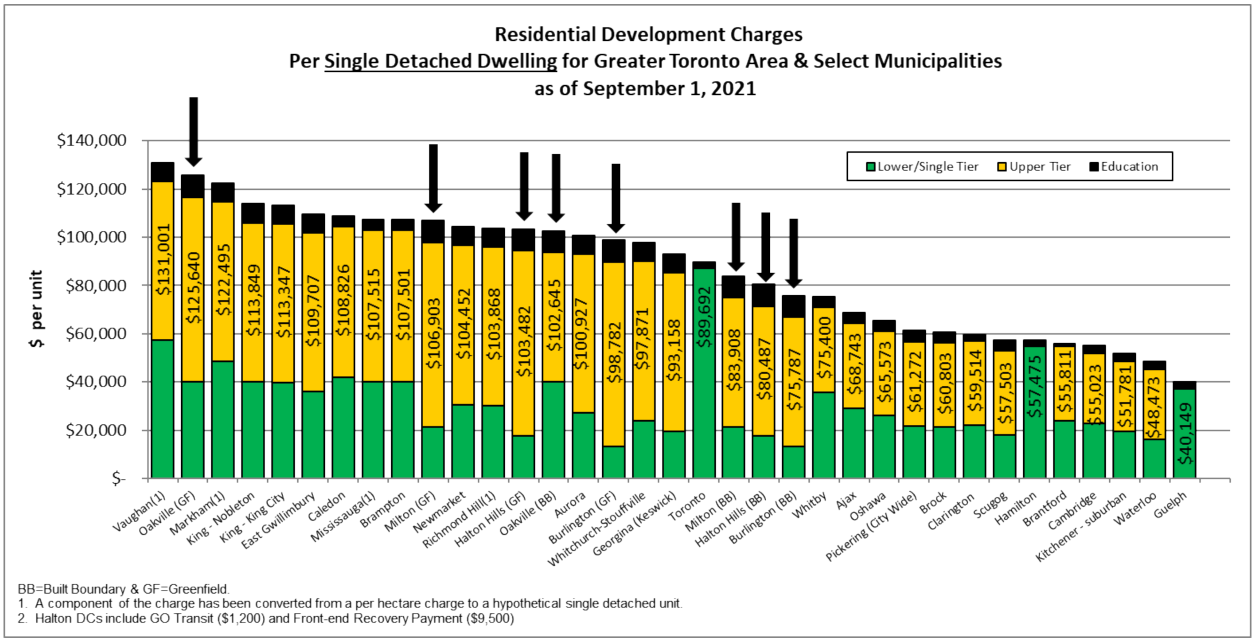
(b) if the development imposes a water or wastewater demand in excess of the restricted flow, then the water and wastewater development charges under this By-law shall be imposed and a credit shall be recognized of twenty-four and seven-tenths percent (24.7%) in the case of an industrial development and a credit of fifteen and eleven one-hundredths percent (15.11%) in the case of a retail or commercial development of the charge imposed under this By-law;

(c) provided that the total demand for water services and wastewater services shall be determined through a water usage report using Sentence 8.2.1.3(2) and Table 8.2.1.3.B from O. Reg. 332/12.

3. If a development of the lands described in Schedules “D-1” and “D-2”of this By-law does not require a building permit but does require one or more of the approvals described in section 11 of this By-law, including without limiting the generality of the foregoing, the issuing of any other permit under the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended or successor legislation, then, notwithstanding section 20 of this By-law, the water and wastewater development charges shall nonetheless be payable in respect of any development permitted by such approval where such development imposes an increased demand for water services or wastewater services.

4. Once lands or any portion thereof as described in Schedules “D-1” and “D-2” are developed, or have any credits or portion of credits that may be available pursuant to paragraph 1(b) or 2(b) of this Schedule “E” applied against any development, said lands shall be removed from Schedules “D-1” and “D-2”, without need for an amendment to this By-law, and the provisions of Schedule “E” shall no longer continue apply to same.

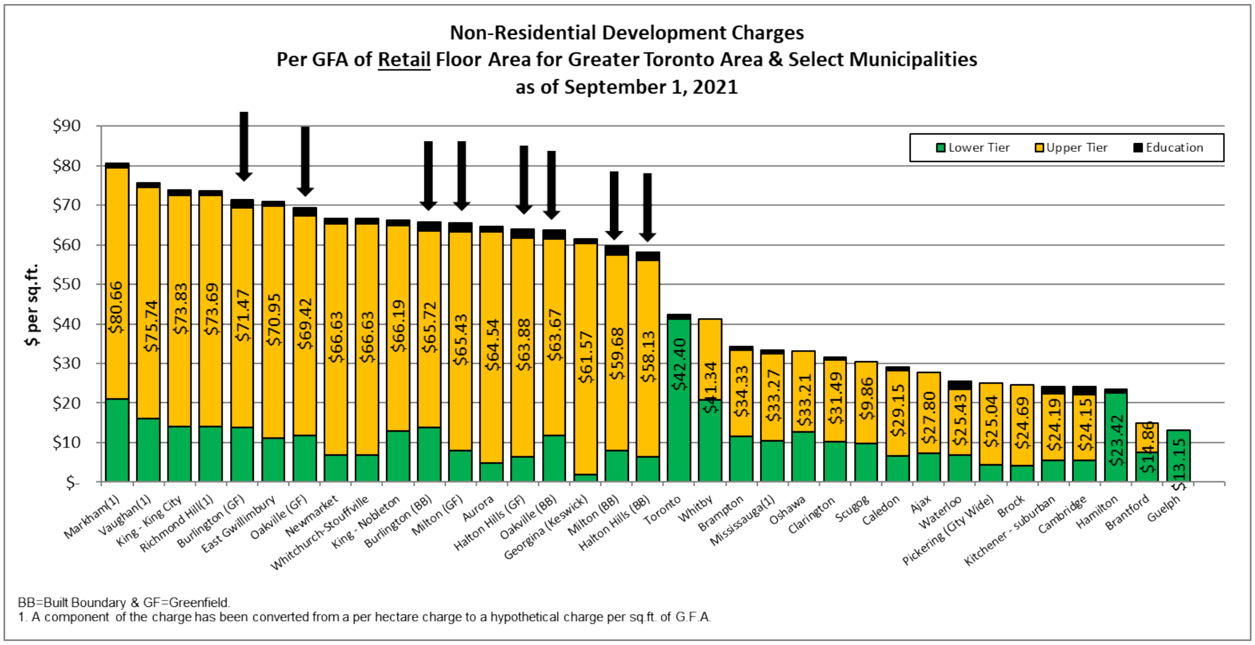
Halton's Proposed Residential DC compared to GTA and Other Selected Municipalities



Municipality	Lower Tier	Upper Tier	Education	Total
Oakville (GF)	$ 39,970	$ 76,709	$ 8,961	$ 125,640
Milton (GF)	$ 21,233	$ 76,709	$ 8,961	$ 106,903
Halton Hills (GF)	$ 17,812	$ 76,709	$ 8,961	$ 103,482
Oakville (BB)	$ 39,970	$ 53,714	$ 8,961	$ 102,645
Burlington (GF)	$ 13,112	$ 76,709	$ 8,961	$ 98,782
Milton (BB)	$ 21,233	$ 53,714	$ 8,961	$ 83,908
Halton Hills (BB)	$ 17,812	$ 53,714	$ 8,961	$ 80,487
Burlington (BB)	$ 13,112	$ 53,714	$ 8,961	$ 75,787

*May not add due to rounding

Halton's Proposed Non-Residential Retail DC compared to GTA and Other Selected Municipalities

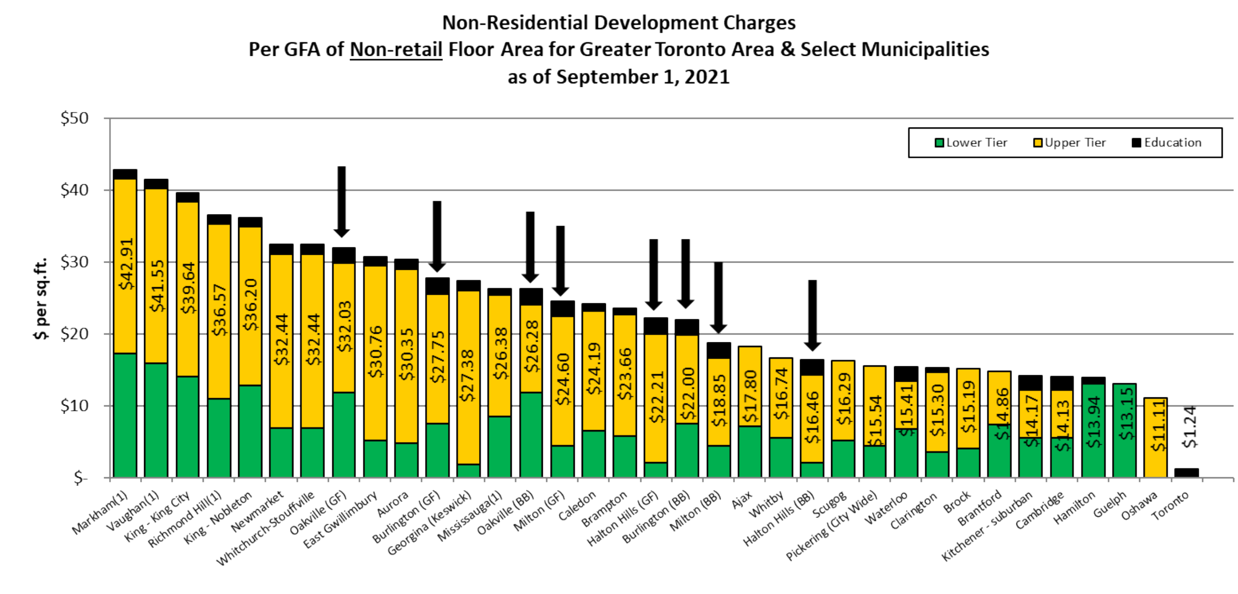


Municipality	Lower Tier	Upper Tier	Education	Total
Burlington (GF)	$ 13.92	$ 55.40	$ 2.15	$ 71.47
Oakville (GF)	$ 11.87	$ 55.40	$ 2.15	$ 69.42
Burlington (BB)	$ 13.92	$ 49.65	$ 2.15	$ 65.72
Milton (GF)	$ 7.88	$ 55.40	$ 2.15	$ 65.43
Halton Hills (GF)	$ 6.34	$ 55.40	$ 2.15	$ 63.88
Oakville (BB)	$ 11.87	$ 49.65	$ 2.15	$ 63.67
Milton (BB)	$ 7.88	$ 49.65	$ 2.15	$ 59.68
Halton Hills (BB)	$ 6.34	$ 49.65	$ 2.15	$ 58.13

*May not add due to rounding

Attachment #5 to
Report No. FN-12-22

Halton’s Proposed Non-Residential Non-Retail DC compared to GTA and Other Selected Municipalities



BB=Built Boundary & GF=Greenfield.
1. A component of the charge has been converted from a per hectare charge to a hypothetical charge per sq.ft. of G.F.A.

Municipality	Lower Tier	Upper Tier	Education	Total
Oakville (GF)	$ 11.87	$ 18.01	$ 2.15	$ 32.03
Burlington (GF)	$ 7.59	$ 18.01	$ 2.15	$ 27.75
Oakville (BB)	$ 11.87	$ 12.26	$ 2.15	$ 26.28
Milton (GF)	$ 4.44	$ 18.01	$ 2.15	$ 24.60
Halton Hills (GF)	$ 2.05	$ 18.01	$ 2.15	$ 22.21
Burlington (BB)	$ 7.59	$ 12.26	$ 2.15	$ 22.00
Milton (BB)	$ 4.44	$ 12.26	$ 2.15	$ 18.85
Halton Hills (BB)	$ 2.05	$ 12.26	$ 2.15	$ 16.46

*May not add due to rounding

Attachment #6 to
Report No. FN-12-22

DC Policies (By-law No. 36-17)	Current Policy	Proposed Changes
Intensification		
Industrial Expansion Exemption *(Mandatory)*	Exempt 50% of Existing TFA	Incuded in 50% exemption, exempt up to 3,000 sq. ft. of a separate, accessory building
Commercial Expansion (Non-Retail)	Exempt first 3,000 sq.ft. in existing or accessory building	No change
Non-Residential Lot Coverage Relief	DCs payable on TFA <= 1X lot area emempt for TFA > 1X lot area	No change
Demolition Credit	Credit for 5 years	No change
Conversion Credit	Retail conversion - exempt greater of 25% of TFA or 10,000 sq. ft. (930 sq. m.);	No change
Additional dwelling units in existing residential buildings or a structure ancillary to it *(Mandatory)*		No change
Accessory Dwelling Units	DC payable at special care unit rate	No Change
Affordable Rental Housing	Greater of 25% or 10 units at or below affordable rent, as defined (for min. 20yrs) Deferral of DCs by annual payments over 20 yrs commencing at BP No interest, Subject to allocation	No Change
Bill 108 DCA changes		
Additional dwelling units in new residential buildings or a structure ancillary to it *(Mandatory)*		No change
Rental housing (that is not non-profit) (*Mandatory)*	Payment of DCs by 6 annual installments commencing at occupancy Interest applies	No change
Non-profit housing *(Mandatory)*	Payment of DCs by 21 annual installments commencing at occupancy No interest	No change
Institutional *(Mandatory)*	Payment of DCs by 6 annual installments commencing at occupancy Interest applies	No change
Economic Development:		
Non-Residential Payment Deferral	Deferral of DCs by annual payments over 10 yrs commencing at BP Interest applies	No change
Non-Residential Categories	Differentiated between Retail and Non-retail	No change
Temporary Non-Residential Building	Exempt for 3 years	No change
Seasonal Structures (to be removed after a single season)	Exempt	No change
Temporary Venues (to be removed within 1 week)	Exempt	No change
Other		
Municipal and School Board Exemptions *(Mandatory)*	Exempt	No change
Parking Garages	Exempt	No change
Temporary Residential Building - Garden Suite, Other	Exempt	No change
Agricultural	Exempt (except for residential & retail/commercial use)	Exempt (except for residential/retail/ commercial/industrial use). Exempt first 3,000 sq.ft. of accessory retail/commercial/industrial TFA
Hospital	Exempt	No change
Places of Worship	Exempt	No change
Conservation Authority	Exempt (except for retail/commercial use)	No change

Other considerations: treatment of seasonal mobile homes to be considered as accommodation and charged Non-retail.