



Town of Tecumseh

2022 Development Charges Update Study

Public Meeting

June 28, 2022

Format for Public Meeting



- D.C.A Public Meeting
 - Opening Remarks
 - Presentation of the Proposed Policies and Charges
 - Presentations by the Public
 - Questions from Council
 - Conclude Public Meeting

Public Meeting Purpose



- The public meeting is to provide for an update to the existing D.C. by-law to:
 - Update the D.C. calculation to reflect updated cost estimates and provide for the recovery of capital costs arising from the increase in need for services related to growth;
 - Remove the mandatory 10% deduction for certain services; and
 - Incorporate additional mandatory exemptions and refined definitions in the by-law to reflect recent changes to the Development Charges Act (D.C.A.).
- The meeting is a mandatory requirement under the D.C.A.
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage.

Study Process & Timelines



1

January to February 2022

Meetings with Town Staff & Revisions to Calculations

2

May 25, 2022

Release of Background Study and Draft Amending By-law

3

June 28, 2022

Public Meeting of Council

4

July 26, 2022

Council Consideration of Amending by-law

Development Charges (D.C.)



Purpose:

- To recover the capital costs associated with residential and non-residential growth within a municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (i.e. internal roads, sewers, watermains, roads, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose these charges via the Development Charges Act (D.C.A.)

Current Development Charges (2019\$)



Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	5,653	3,604	3,152	2,436	2,036	2.79
Fire Protection Services	294	187	164	127	106	0.14
Police Services	135	86	75	58	49	0.07
Indoor and Outdoor Recreation Services	4,045	2,579	2,256	1,743	1,457	0.29
Library Services	143	91	80	62	52	0.01
Administration Studies	1,129	720	629	487	407	0.71
Water Services	1,502	958	838	647	541	0.70
Total Municipal Wide Services	12,901	8,225	7,194	5,560	4,648	4.71
Urban Services						
Wastewater Services	4,571	2,914	2,549	1,970	1,646	2.01
Total Urban Services	4,571	2,914	2,549	1,970	1,646	2.01
GRAND TOTAL RURAL AREA	12,901	8,225	7,194	5,560	4,648	4.71
GRAND TOTAL URBAN AREA	17,472	11,139	9,743	7,530	6,294	6.72

Updates to Parks and Recreation Services



- The Town currently collects for Parks and Recreation under Outdoor and Indoor Recreation Services. This service will be renamed Parks and Recreation Services.
- The capital costs included for Parks and Recreation have been modified to remove the mandatory 10% deduction.
- Updated costing for the Pickleball Complex (Lacasse Park) have resulted in a revised estimate of \$660,000 (in 2019 dollars) from \$500,000.
 - There is no anticipated change in the scope of the project.
- The timing for the Lakewood Park Master Plan Improvements has been updated from 2022 to 2023/2024.

Updates to Library Services



- The capital costs included for Library Services have been modified to remove the mandatory 10% deduction.

Updates to Growth Studies



- With the changes to the D.C.A., this update study provides for the former “Administration Studies” to be categorized as a class of service entitled “Growth Studies.”
- Growth Studies provide for studies comprised of the following services:
 - Water Services;
 - Wastewater Services;
 - Services Related to a Highway;
 - Stormwater Services;
 - Fire Protection Services;
 - Police Services;
 - Parks and Recreation Services; and
 - Library Services.

Updates to Growth Studies - continued



- The capital costs included for Growth Studies have been modified to remove the mandatory 10% deduction.
- Additional projects have been added including the D.C. Update Study and the Tecumseh Hamlet Servicing & Financing Study.
- The following is a list of updates to timing and capital costs of specific studies based on updated estimates:
 - Sanitary Sewer Model Update (2019): Cost increase from \$250,000 to \$300,000 and timing change from 2019 to 2019-2022;
 - Sanitary Sewer Model Update (2024): Timing change from 2024 to 2027;
 - Oldcastle Storm Drainage Master Plan (2020): Cost increase from \$450,000 to \$470,000 and timing change from 2020 to 2020-2022; and
 - Fire Master Plan (2020): Cost increase from \$75,000 to \$90,000 and timing change from 2020 to 2022.

Updates to Fire Protection Services



- The costing for Truck 1 – Aerial has been updated from \$1.6 million to \$1.7 million.
- Staff noted a need to update the capital needs for fire services to include additional growth-related vehicles and equipment, including:
 - Deputy Chief Compliance Vehicle - \$75,000
 - Fire Prevention Officer Vehicle - \$50,000
 - High Water Rescue Vehicle - \$200,000
 - Squad 2 Mini Pumper - \$300,000
 - Equipment for Additional Fire Prevention Officer - \$20,000
 - Equipment for Additional Deputy Fire Chief - \$20,000

By-Law Amendments



- To reflect recent changes to legislation, D.C. policies in the by-law are being updated with respect to:
 - Mandatory exemption for new ancillary units;
 - Mandatory exemption for universities receiving operating funds from the Government; and
 - Additional and refined definitions, where required.
- Additionally, the mandatory 50% industrial expansion has been revised to allow for expansions to include any industrial structure on the site.

Calculated D.C. Rates (2019\$)



Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	5,653	3,604	3,152	2,436	2,036	2.79
Fire Protection Services	459	293	256	198	165	0.22
Police Services	135	86	75	58	49	0.07
Parks and Recreation Services	4,635	2,955	2,585	1,997	1,669	0.33
Library Services	159	101	89	69	57	0.01
Growth Studies	1,606	1,024	896	692	578	1.01
Water Services	1,502	958	838	647	541	0.70
Total Municipal Wide Services	14,149	9,021	7,891	6,097	5,095	5.13
Urban Services						
Wastewater Services	4,571	2,914	2,549	1,970	1,646	2.01
Total Urban Services	4,571	2,914	2,549	1,970	1,646	2.01
GRAND TOTAL RURAL AREA	14,149	9,021	7,891	6,097	5,095	5.13
GRAND TOTAL URBAN AREA	18,720	11,935	10,440	8,067	6,741	7.14

Calculated D.C. Rates (2022\$)



Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	6,247	3,983	3,483	2,692	2,250	3.08
Fire Protection Services	507	324	283	219	182	0.24
Police Services	150	95	83	65	54	0.08
Parks and Recreation Services	5,122	3,266	2,857	2,207	1,844	0.36
Library Services	176	112	98	76	63	0.01
Growth Studies	1,775	1,132	990	765	639	1.12
Water Services	1,660	1,059	926	715	598	0.77
Total Municipal Wide Services	15,637	9,969	8,720	6,739	5,630	5.67
Urban Services						
Wastewater Services	5,051	3,220	2,816	2,177	1,819	2.22
Total Urban Services	5,051	3,220	2,816	2,177	1,819	2.22
GRAND TOTAL RURAL AREA	15,637	9,969	8,720	6,739	5,630	5.67
GRAND TOTAL URBAN AREA	20,688	13,189	11,536	8,916	7,449	7.89

Note: based on indexing of 10.51%

Rate Comparison – Residential (Single-detached Units)



Service	Current (By-law 2019-63) (2019\$)	Calculated (D.C. Update) (2019\$)
Town-wide Services:		
Services Related to a Highway	5,653	5,653
Fire Protection Services	294	459
Police Services	135	135
Parks and Recreation Services	4,045	4,635
Library Services	143	159
Growth Studies	1,129	1,606
Water Services	1,502	1,502
Total Municipal Wide Services	12,901	14,149
Urban Area Services:		
Wastewater Services	4,571	4,571
Total Urban Areas Services	4,571	4,571
Grand Total - Urban Area	17,472	18,720

Rate Comparison – Non- Residential (per sq.ft. of gross floor area)

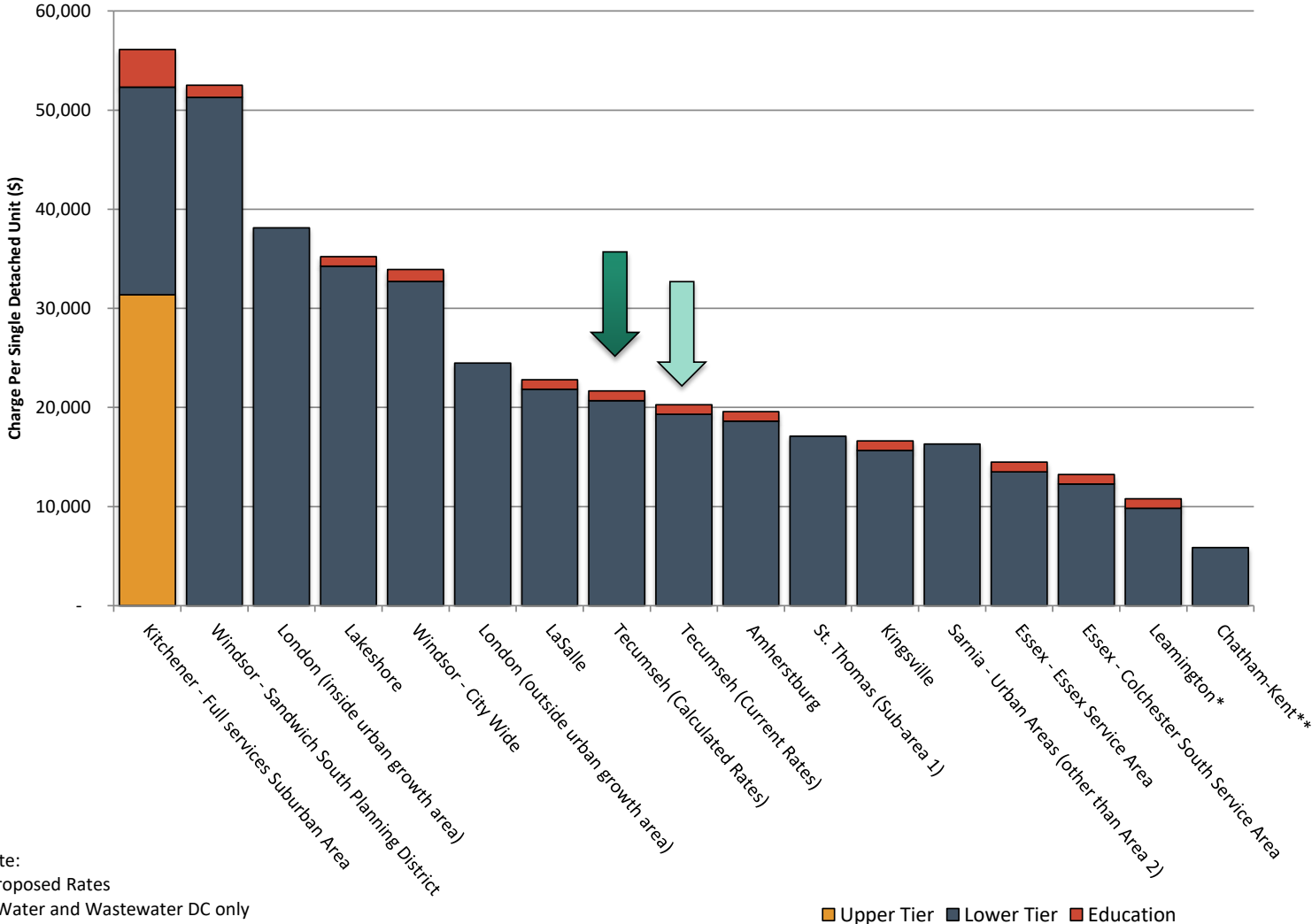


Service	Current (By-law 2019-63) (2019\$)	Calculated (D.C. Update) (2019\$)
Town-wide Services:		
Services Related to a Highway	2.79	2.79
Fire Protection Services	0.14	0.22
Police Services	0.07	0.07
Parks and Recreation Services	0.29	0.33
Library Services	0.01	0.01
Growth Studies	0.71	1.01
Water Services	0.70	0.70
Total Municipal Wide Services	4.71	5.13
Urban Area Services:		
Wastewater Services	2.01	2.01
Total Urban Areas Services	2.01	2.01
Grand Total - Urban Area	6.72	7.14

Survey of D.C. Rates – Residential



**Development Charge Rates for Town of Tecumseh and Select Municipalities
Residential Per Single Detached Unit
(As of June 1, 2022)**

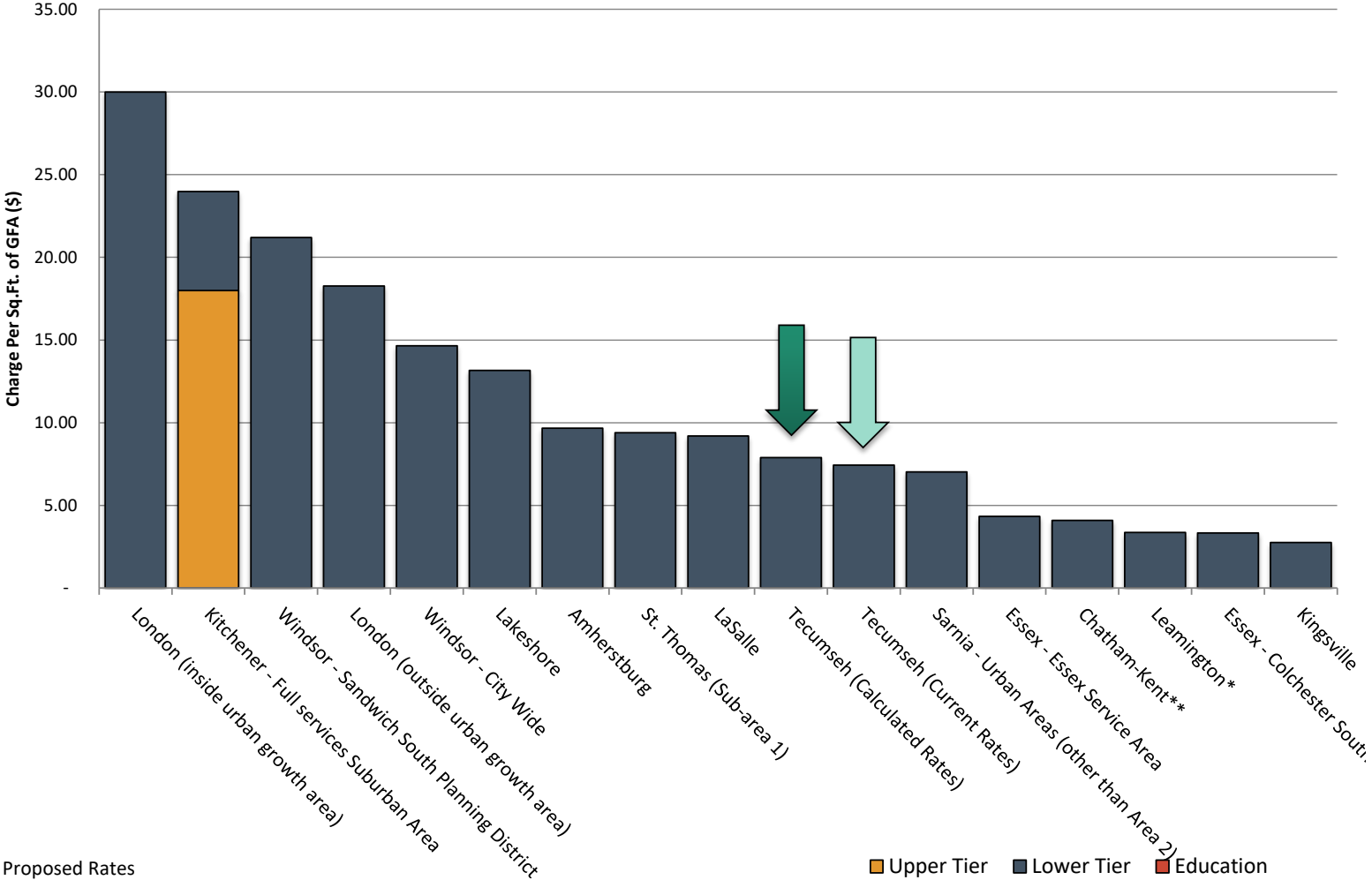


Note:
 *Proposed Rates
 **Water and Wastewater DC only

Survey of D.C. Rates – Commercial



Development Charge Rates for Town of Tecumseh and Select Municipalities
Commercial Per Square Foot of GFA
(As of June 1, 2022)



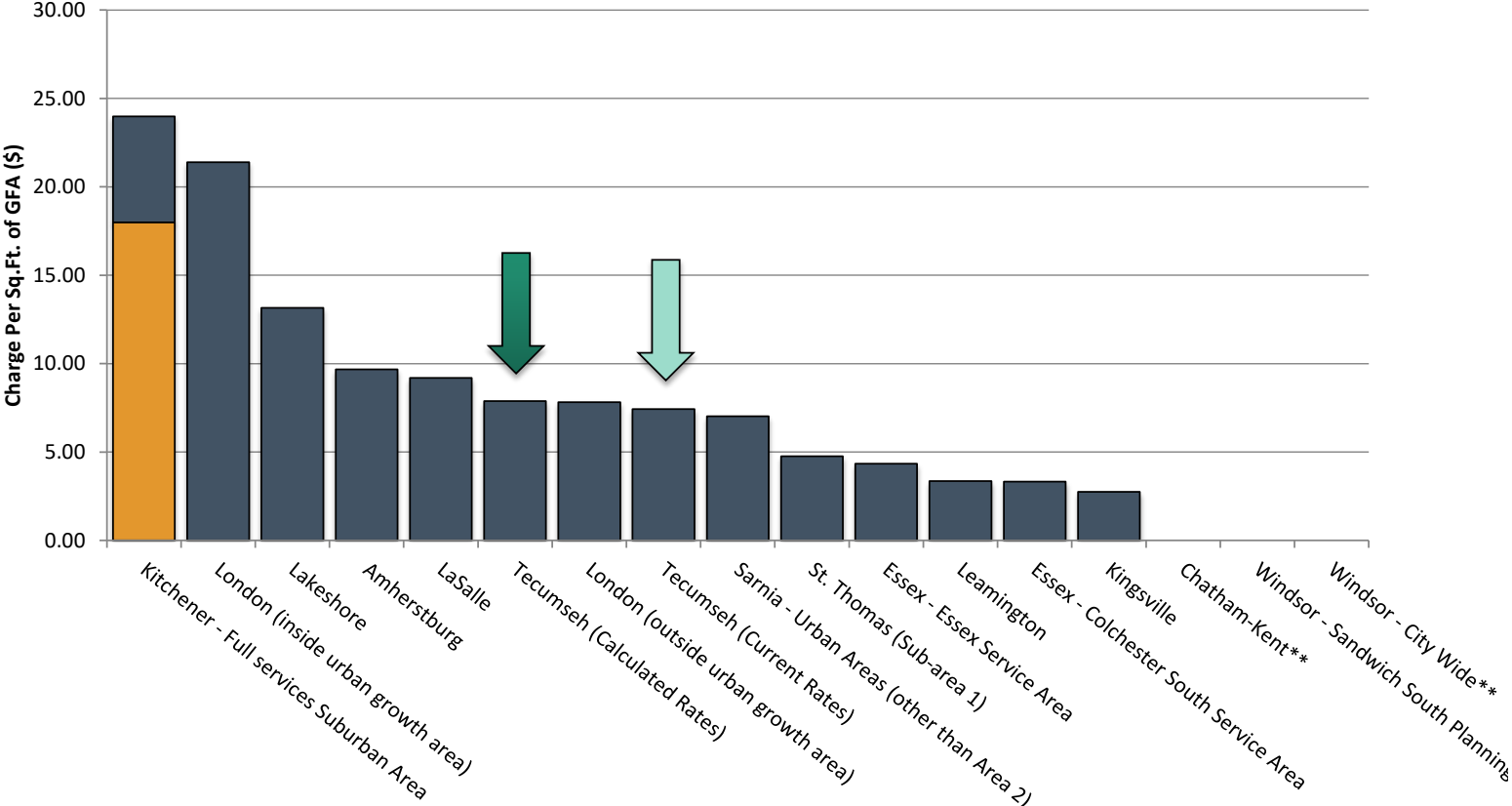
Note:
 *D.C. Proposed Rates
 **Water and Wastewater DC only

■ Upper Tier
 ■ Lower Tier
 ■ Education

Survey of D.C. Rates – Industrial



**Development Charge Rates for Town of Tecumseh and Select Municipalities
Industrial Per Square Foot of GFA
(As of June 1, 2022)**



Note:
*Proposed
**Exempt

Upper Tier Lower Tier Education

Study Process & Timelines



January to February 2022

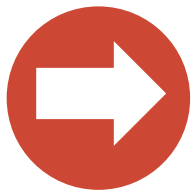
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May 25, 2022

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July 26, 2022

Council Consideration of Amending by-law

Next Steps



By-law
Passage
(July 26,
2022)