

REPORT

PREPARED BY HEMSON FOR THE CITY OF OWEN SOUND

DEVELOPMENT CHARGES BACKGROUND STUDY

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EXECUTIVE SUMMARY

A. PURPOSE OF 2023 DEVELOPMENT CHARGES BACKGROUND STUDY

i. Legislative Context

This City of Owen Sound 2023 Development Charges (DC) Background Study is presented as part of the process to lead to the approval of a new development charges by-law in compliance with the *Development Charges Act, 1997* (DCA). The study is prepared in accordance with the DCA and associated Regulations, including amendments that came into force through the *More Homes, More Choice Act*, the *COVID-19 Economic Recovery Act*, and the *More Homes Built Faster Act* (Bill 23).

ii. Key Steps in Determining Future Development-Related Projects

In accordance with the DCA and associated Regulation, several key steps are required to calculate development charges. This includes preparing a development forecast, establishing historical service levels, determining the increase in need for services arising from development and appropriate shares of costs, attributing costs to development types (i.e. residential and non-residential), and making final adjustments to the charges using a cash flow analysis.

iii. DC Eligible and Ineligible Costs

Development charges are intended to pay for the initial round of capital costs needed to service new development over an identified planning period. This is based on the underlying principle that “growth pays for growth”. However, the DCA and associated regulation includes several statutory adjustments and deductions that prevent these costs from fully being recovered by growth. Such adjustments include, but are not limited to: ineligible costs, including operating and maintenance costs; ineligible services, including parking services, parkland acquisition, growth-related studies etc.; deductions for costs that exceed historical service level caps; and statutory exemptions for specific uses (e.g. industrial expansions).

iv. The Development-Related Capital Forecast is Subject to Change

It is recommended that Council adopt the development-related capital forecast developed for the purposes of the 2023 DC Background Study. However, it is recognized that the DC Study is a point-in-time analysis and there may be changes to project timing, scope and costs through the City’s normal annual budget process.

B. DEVELOPMENT FORECAST

The table below provides a summary of the anticipated Citywide residential and non-residential growth over the 2023 to 2032 period and to 2041. The Citywide development forecast is further discussed in Appendix A.

City-Wide Development Forecast	2022 Estimate	10-Year Planning Period 2023 - 2032		Long-Term Planning Period 2023 - 2041	
		Growth	Total at 2032	Growth	Total at 2041
Residential					
Occupied Dwellings	10,207	592	10,800	1,013	11,220
Total Population Census	21,815	1,749	23,564	2,977	24,792
Population In New Dwellings		991		1,723	
Non-Residential					
Place of Work Employment	13,240	592	13,832	1,107	14,347
Non-Residential Building Space (sq.m.)		57,123		109,721	

Source: Hemson Consulting

C. CALCULATION OF DEVELOPMENT CHARGES

The table below provides the calculated Citywide development charges for residential and non-residential development based on the development forecast.

Service	Residential Charge by Dwelling Unit Type			Non-Residential Charge Per Sq.M.
	Single & Semi-Detached	Other Multiple	Apartment	
Library Services	\$1,411	\$1,242	\$847	\$0.00
Fire Protection Services	\$1,116	\$982	\$670	\$4.65
Police Services	\$1,208	\$1,063	\$725	\$5.03
Outdoor Recreation	\$4,954	\$4,360	\$2,972	\$0.00
Indoor Recreation	\$8,589	\$7,559	\$5,154	\$0.00
Transit Services	\$126	\$111	\$75	\$0.52
Waste Collection	\$299	\$263	\$179	\$1.24
Services Related To A Highway - Roads And Related	\$11,293	\$9,937	\$6,776	\$46.37
Wastewater Services	\$1,616	\$1,422	\$969	\$8.02
Water Services	\$3,639	\$3,202	\$2,183	\$15.01
Stormwater Drainage And Control	\$662	\$583	\$397	\$2.74
TOTAL DEVELOPMENT CHARGE	\$34,913	\$30,724	\$20,947	\$83.57

D. CONSIDERATION OF AREA RATING

Based on discussions with staff, and an examination of the form and type of development charge eligible services, it is proposed that the City continue to calculate and collect DCs on a uniform, Citywide basis for all general and engineered services. An area-specific charge for Wastewater Services is recommended for the Sydenham Heights Planning Area to pay for extending linear wastewater infrastructure into that area.

E. COST OF GROWTH ANALYSIS

An overview of the long-term capital and operating costs for the capital facilities and infrastructure to be included in the Development Charges By-law is provided in this study. This examination is required as one of the provisions of the DCA. Additional details on the long-term capital and operating impact analysis are found in Appendix F. By 2033, the City's net operating costs for tax-supported assets are estimated to increase by approximately \$1.8 million per year. For engineering services, the City's estimated net operating costs will increase by \$367,800 per year by 2042.

A key purpose of the Asset Management Plan is to demonstrate that all assets proposed to be funded under the Development Charges By-law are financially sustainable over their full life cycle. The City will need to fund an additional \$278,000 per annum by 2033 in order to properly fund the full life cycle costs of new general services assets supported funded through the Development Charges By-law. In addition, the City will need to fund \$647,000 by 2042 in order to fund assets for engineering services supported under the Development Charges By-law.

F. 2023 DEVELOPMENT CHARGES BY-LAW PROVIDED UNDER SEPARATE COVER

The proposed draft by-law will be made available under separate cover a minimum of two weeks in advance of the statutory public meeting required by the DCA.

1. INTRODUCTION

The *Development Charges Act, 1997* (DCA) and its associated Ontario Regulation 82/98 (O. Reg. 82/98) allow municipalities in Ontario to recover development-related capital costs from new development. This City of Owen Sound 2023 Development Charges (DC) Background Study is presented as part of a process to establish a development charges by-law that complies with this legislation.

The development anticipated in Owen Sound will increase the demand on all City services. The City wishes to implement development charges to fund development-related capital projects so that development continues to be serviced in a fiscally responsible manner.

When a development charges by-law is proposed, the DCA and O. Reg. 82/98 require that a development charges background study be prepared in support of the proposed charges with reference to:

- A forecast of the amount, type and location of development anticipated in the City;
- The average capital service levels provided in the City over the 15-year period immediately preceding the preparation of the background study;
- A review of future capital projects, including an analysis of gross expenditures, funding sources, and net expenditures incurred, or to be incurred, by the City or its local boards to provide for the anticipated development, including the determination of the development and non-development-related components of the capital projects;
- An asset management plan that demonstrates that all assets are financially sustainable over their full life cycle; and
- An examination of the long-term capital and operating costs resulting from the infrastructure required for each service to which the development charges relate.

This background study identifies the net capital costs attributable to development that is forecast to occur in the City. The costs are apportioned to types of development (residential and non-residential) in a manner that reflects the increase in the need for each service attributable to each type of development. The study therefore calculates development charges for each type of development.

The DCA provides for a period of public review and comment regarding the calculated development charges. This process includes considering and responding to comments received by members of the public about the calculated charges. Following completion of this process, and in accordance with the DCA and Council's review of this study, it is intended that Council will pass a new development charges by-law for the City.

The remainder of this study sets out the information and analysis upon which the calculated development charges are based.

2. METHODOLOGY USES CITYWIDE AND AREA-SPECIFIC APPROACHES TO ALIGN COSTS AND BENEFITS

Several key steps are required when calculating any development charge. However, specific circumstances arise in each municipality, which must be reflected in the calculation. As such, in this study we have tailored our approach to the City of Owen Sound's unique circumstances. This study uses a Citywide approach in the cost recovery calculations for all services as well as an area-specific approach for wastewater infrastructure in the Sydenham Heights Planning Area. This approach to calculating development charges provides a reasonable alignment of development-related costs with the development that necessitates them.

G. CITY-WIDE DEVELOPMENT CHARGES ARE PROPOSED

The City provides a range of services to the community it serves and has a sizeable inventory of facilities, land, infrastructure, vehicles and equipment. The DCA provides the City with flexibility when defining services that will be included in the development charges by-laws, provided that the other provisions of the Act and Regulations are met. The DCA also permits the City to designate, in its by-laws, the areas within which the development charges shall be imposed. The charges may apply to all lands in the City or to other designated development areas as specified in the by-laws.

For all services, a range of capital infrastructure is available throughout the City. All City residents and employees have access to this infrastructure. As new development occurs, new infrastructure will need to be added so that overall service levels in the City are maintained. A widely accepted method of sharing the development-related capital costs for these services is to apportion them over all new development anticipated in the City. Consideration of the use of area specific charges, as required by the DCA, is discussed further in Section 7 of this study. Full details on the Citywide development charges can be found in Appendix B (general services) and Appendix C (engineering services).

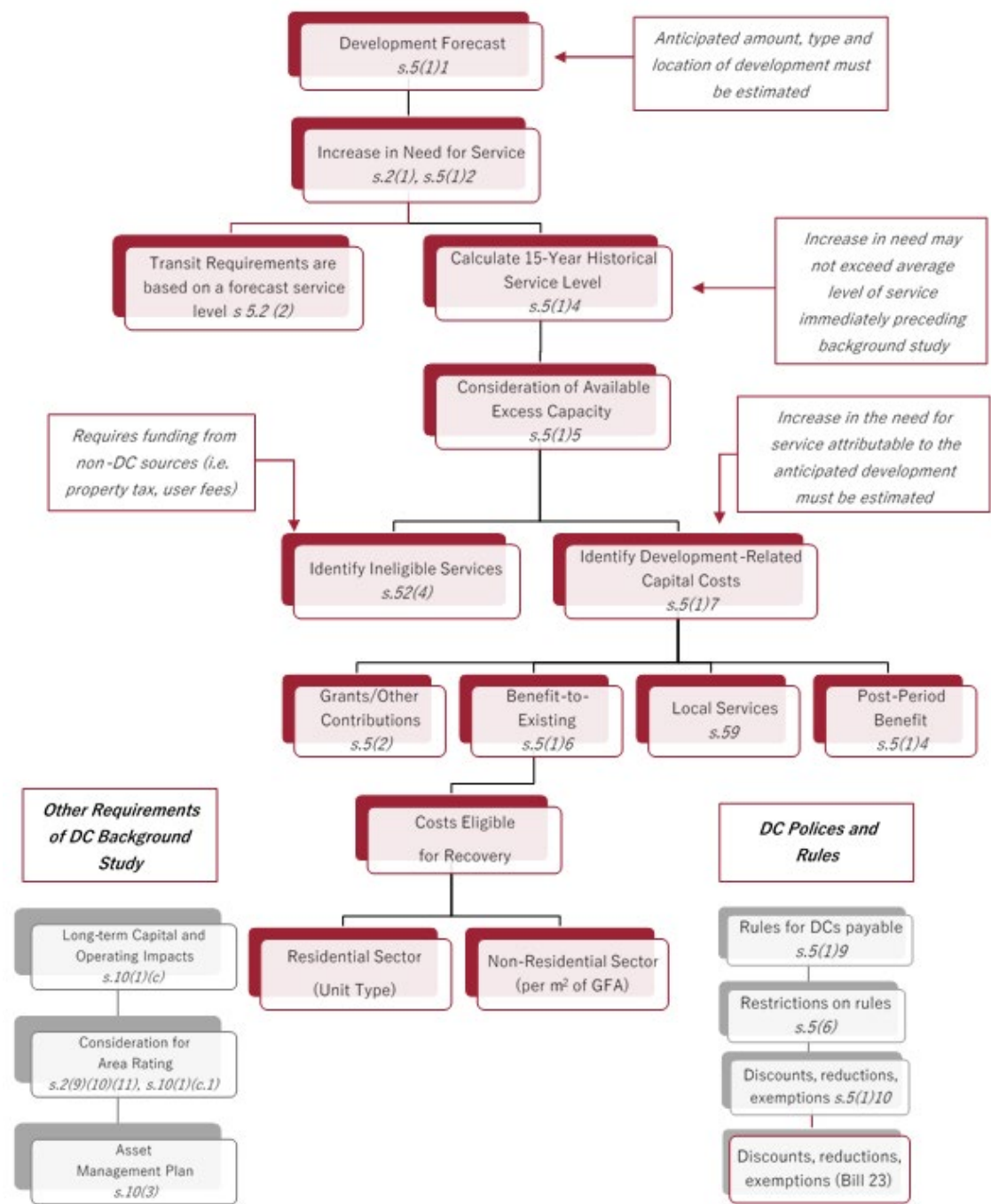
H. AN AREA-SPECIFIC DEVELOPMENT CHARGES HAS ALSO BEEN CALCULATED

An area specific development charge has also been calculated to recover the cost of wastewater capital works that benefit the Sydenham Heights Planning Area, as identified in the City's Official Plan. Full details on the rationale for and calculation of the area-specific charges can be found in Appendix D.

I. KEY STEPS WHEN DETERMINING DEVELOPMENT CHARGES FOR FUTURE DEVELOPEMNT-RELATED PROJECTS

Several key steps are required when calculating development charges for future development-related projects. These are summarized in Figure 1 and discussed further in the following sections.

Figure 1: Key Steps in Calculating Development Charges



i. Development Forecast

The first step in the methodology requires that a development forecast be prepared for the ten-year study period from 2023 to 2032 and a long-term period from 2023 to 2041. The forecast of future residential and non-residential development used in this study was prepared by Hemson in consultation with City of Owen Sound staff. The forecast is based on the County of Grey's 2021 Growth Management Strategy Update and growth projections and allocations set out in Section 2.1 of the County's recently approved Official Plan. The forecast has been adjusted to account for recent development activity.

For the residential sector, the forecast includes an estimate of population and dwelling units by type on a Citywide basis and the Sydenham Heights Planning Area. The non-residential portion of the forecast estimates the amount of building space to be developed in the City and in the Sydenham Height Planning Area over the planning periods. The forecast is based on the projected increase in employment and the anticipated amount of new building space required to accommodate it.

ii. Service Categories and Historical Service Levels

The DCA states that the increase in the need for service attributable to anticipated development:

... must not include an increase that would result in the level of service exceeding the average level of that service provided in the municipality over the 15-year period immediately preceding the preparation of the background study...(s. 5. (1) 4.)

Historical 15-year average service levels thus form the basis for the development charges calculation. A review of the City's capital service levels for buildings, land, vehicles, equipment and other assets has therefore been prepared to determine the portion of future capital projects that may be included in the development charges calculation. The historical service levels used in this study have been calculated based on the period from 2008 to 2022.

In accordance with the provisions of the DCA, for the engineered services of water, stormwater and wastewater, historical service levels are less applicable and reference is made to the City's engineering standards as well as Provincial health or environmental legislation.

iii. **Development-Related Capital Forecast and Analysis of Net Capital Costs to be included in the Development Charges**

A development-related capital forecast has been prepared by Hemson and City staff as part of this study. The forecast identifies development-related projects and their gross and net costs, after allowing for capital grants, subsidies or other contributions as required by the DCA s.5 (2). The capital forecast provides another foundation upon which development charges are based. The DCA requires that the increase in the need for service attributable to the anticipated development may include an increase:

... only if the council of the municipality has indicated that it intends to ensure that such an increase in need will be met. (s. 5. (1) 3.)

S. 5 (1) 4 and s. 5 (2) of the DCA require that the development charges be calculated on the lesser of the historical 15-year average service levels or the service levels embodied in the future plans of the City. The development-related capital forecast prepared for this study ensures that development charges are only imposed to help pay for projects that have been or are intended to be purchased or built in order to accommodate future anticipated development. It is not sufficient in the calculation of development charges merely to have had the service in the past. There must also be a demonstrated commitment to continue to emplace facilities or infrastructure in the future. In this regard, Ontario Regulation 82/98, s. 3 states that:

For the purposes of paragraph 3 of subsection 5 (1) of the Act, the council of a municipality has indicated that it intends to ensure that an increase in the need for service will be met if the increase in service forms part of an Official Plan, capital forecast or similar expression of the intention of the council and the plan, forecast or similar expression of the intention of the council has been approved by the council.

For some projects in the development-related capital forecast, a portion of the project may confer benefits to existing residents. As required by the DCA, s. 5. (1) 6, these portions of projects and associated net costs are to be a funding responsibility of the City from non-development charge sources. The amount of funding for such non-growth shares is also identified as part of the preparation of the development-related capital forecast.

There is also a requirement in the DCA to reduce the applicable development charges by the amount of any “uncommitted excess capacity” that is available for a service. Such capacity is available to partially meet future servicing requirements. Adjustments are made in the analysis to meet this requirement of the Act.

iv. Attribution to Types of Development

The next step in the determination of development charges is the allocation of the development-related net capital costs between the residential and the non-residential sectors. In the City of Owen Sound, the allocation is based on the projected changes in population in new units and employment over the planning periods.

The residential component of the development charges is applied to different housing types based on average occupancy factors. The non-residential component is applied on the basis of gross building space in square metres.

v. Final Adjustments

The final determination of the development charges results from adjustments made to development-related net capital costs for each service and sector, resulting from a cash flow analysis that takes account of the timing of projects and receipt of development charges. Interest earnings or borrowing costs are therefore accounted for in the calculation as allowed under the DCA.

3. DEVELOPMENT FORECAST

The DCA requires the City to estimate “the anticipated amount, type and location of development” for which development charges may be imposed. The development forecast must cover both residential and non-residential development and be specific enough with regards to quantum, type, location and timing of development to allow the City to prepare a reasonable development-related capital program. Appendix A contains additional materials related to the development forecast and the City’s demographics.

The residential forecast incorporates 2021 Census and historical residential permit data and is primarily based on the 2021 Grey County Growth Management Strategy Update that provides population, household and employment forecasts as an input to the projections in the County’s approved Official Plan. The forecast shows that the number of dwelling units will increase by 592 between 2023 and 2032 with an accompanying population of 1,749 persons. From 2023 to 2041 a total of 1,013 new units are anticipated, which will result in the addition of 2,977 residents.

The non-residential portion of the forecast is largely based upon the employment figures from the 2021 County’s Growth Management Study Update. The forecast is for 57,100 square metres of new non-residential gross floor area (GFA) to be added in the City between 2023 and 2032. During the period 2023 to 2041, GFA is projected to increase by 109,700 square metres.

Table 1 provides a summary of the City-wide residential and non-residential development forecast used in the analysis.

TABLE 1

**CITY OF OWEN SOUND
SUMMARY OF RESIDENTIAL AND NON-RESIDENTIAL
DEVELOPMENT FORECAST**

City-Wide Development Forecast	2022 Estimate	10-Year Planning Period 2023 - 2032		Long-Term Planning Period 2023 - 2041	
		Growth	Total at 2032	Growth	Total at 2041
Residential					
Occupied Dwellings	10,207	592	10,800	1,013	11,220
Total Population					
Census	21,815	1,749	23,564	2,977	24,792
Population In New Dwellings		991		1,723	
Non-Residential					
Place of Work Employment	13,240	592	13,832	1,107	14,347
Non-Residential Building Space (sq.m.)		57,123		109,721	

Source: Hemson Consulting Ltd.

4. HISTORICAL CAPITAL SERVICE LEVELS

The DCA and O. Reg. 82/98 require that the development charges be set at a level no higher than the average service level provided in the City over the 15-year period immediately preceding the preparation of the Background Study, on a service-by-service basis.

For non-engineered services (e.g. Library, Outdoor Recreation, Indoor Recreation) the legislative requirement is met by documenting service levels for the preceding fifteen years: in this case, for the period from 2008 to 2022. Typically, service levels for non-engineered services are measured as a ratio of inputs per capita or inputs per capita and employment. For engineered services such as Water and Wastewater, engineering standards are used in lieu of inputs per capita. In accordance with the requirements of the DCA, Transit services are based on a forward-looking ten-year service level.

O. Reg. 82/98 requires that, when defining and determining historical service levels, both the quantity and quality of service be taken into consideration. In most cases, the service levels are initially established in quantitative terms. For example, service levels for buildings are presented in terms of square feet per unit. The qualitative aspect is introduced by consideration of the monetary value of a facility or service. In the case of buildings, for example, the cost would be shown in terms of dollars per square foot to replace or construct a facility of the same quality. This approach helps to ensure that the development-related capital facilities that are to be charged to new development reflect not only the quantity (number and size), but also the quality (value or cost) of services provided by the City in the past. Both the quantitative and qualitative aspects of service levels used in the current analysis are based on information provided by City staff. This information is generally based on historical records and the City's and surrounding municipalities' experience with costs to acquire or construct similar facilities, equipment and infrastructure.

Table 2 summarizes service levels for all services included in the development charges calculations. Appendices B and C provide detailed historical inventory data upon which the calculation of service levels is based for the General and Engineered services, respectively.

TABLE 2

CITY OF OWEN SOUND
SUMMARY OF AVERAGE HISTORIC SERVICE LEVELS 2008 - 2022

	2008 - 2022 Service Level Indicator
1.0 LIBRARY SERVICES	\$807.86 per capita
Buildings	\$515.89 per capita
Land	\$8.31 per capita
Materials	\$258.75 per capita
Furniture And Equipment	\$24.91 per capita
2.0 FIRE PROTECTION SERVICES	\$297.67 per pop & emp
Buildings	\$138.36 per pop & emp
Land	\$14.78 per pop & emp
Furniture & Equipment	\$13.04 per pop & emp
Vehicles	\$131.49 per pop & emp
3.0 POLICE SERVICES	\$543.25 per pop & emp
Buildings	\$417.43 per pop & emp
Land	\$13.37 per pop & emp
Equipment And Gear	\$7.64 per pop & emp
Vehicles	\$29.91 per pop & emp
Furniture And Equipment In Stations	\$74.90 per pop & emp
4.0 OUTDOOR RECREATION	\$2,588.47 per capita
Outdoor Rec Buildings	\$355.47 per capita
Park Land Improvements	\$1,337.15 per capita
Parkland Amenities	\$791.03 per capita
Trails	\$11.62 per capita
Vehicles And Equipment	\$93.20 per capita
5.0 INDOOR RECREATION	\$3,522.58 per capita
Buildings	\$2,888.70 per capita
Land	\$524.72 per capita
Furniture & Equipment	\$109.16 per capita
6.0 TRANSIT SERVICES	planned level of service
7.0 WASTE COLLECTION	\$431.95 per pop & emp
Equipment	\$22.53 per pop & emp
Facility	\$285.50 per pop & emp
Land	\$123.92 per pop & emp
8.0 SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED	\$17,937.92 per pop & emp
Buildings	\$301.86 per pop & emp
Land	\$130.48 per pop & emp
Fleet	\$122.53 per pop & emp
Roads	\$14,686.46 per pop & emp
Sidewalks	\$948.08 per pop & emp
Traffic Signals	\$277.02 per pop & emp
Bridges And Culverts	\$1,471.49 per pop & emp

5. DEVELOPMENT-RELATED CAPITAL FORECAST

The DCA requires that the Council of a municipality express its intent to provide future capital facilities at the level incorporated in the development charges calculation. As noted above in Section II, Ontario Regulation 82/98, s. 3 states that:

For the purposes of paragraph 3 of subsection 5 (1) of the Act, the council of a municipality has indicated that it intends to ensure that an increase in the need for service will be met if the increase in service forms part of an official plan, capital forecast or similar expression of the intention of the council and the plan, forecast or similar expression of the intention of the council has been approved by the council.

J. DEVELOPMENT-RELATED CAPITAL FORECAST IS PROVIDED FOR COUNCIL'S APPROVAL

Based on the development forecast summarized in Section III and detailed in Appendix A, City staff in collaboration with Hemson have identified a development-related capital forecast that sets out projects required to service anticipated development. For General Services (including Transit), the capital forecast covers the ten-year period from 2023 to 2032. As permitted by the DCA s. 5 (1) 4, development charges for the Engineered services are based on a longer planning horizon to 2041.

One of the recommendations contained in this background study is for Council to adopt the development-related capital forecast created for the purposes of the development charges calculation. It is assumed that future capital budgets and forecasts will continue to bring forward the capital projects presented herein as they will be needed to service anticipated development in the City. It is, however, acknowledged that changes to the forecast presented here may occur through the City's normal capital budget process.

K. DEVELOPMENT-RELATED CAPITAL FORECAST FOR GENERAL SERVICES

A summary of the development-related capital forecast for general and engineered services is presented in Table 3. The table shows that the gross cost of the City's General Services capital forecast is estimated to be \$29.6 million.

Of this net municipal cost, approximately 31 per cent, or \$9.3 million, is related to Indoor Recreation. This capital program mostly recovers for the debt related to the construction of the Julie McArthur Regional Recreation Centre.

The next largest capital program belongs to Outdoor Recreation. The program provides funding for various projects in the City's capital plan, such as new trails, playgrounds and amenities in City parks and open space. The total Outdoor Recreation capital program amounts to \$8.2 million, or 28 per cent of the total program.

The Fire Protection Services capital program provides for a 6,000 square feet station expansion as well as various vehicle and equipment purchase; the net cost is \$6.9 million. The Police Services capital program includes a provision for additional equipment, a parking expansion, and new vehicles, which amounts to \$806,700.

The capital program associated with Waste Collection includes a new organics collection truck, green bins, and an environmental processing facility. The net cost of the capital program is \$3.4 million, or 12 per cent of the total net cost.

The capital program associated with Library Services amounts to \$600,000 or 2 per cent of the total net cost, and provides for additional collection materials.

The capital program for Transit Services includes the purchase of a new bus and bus shelters, and the net cost totals \$420,000 (1 per cent of the total).

The capital program incorporates those projects identified to be related to development anticipated in the next ten years. It is not implied that all of these costs are to be recovered from new development by way of development charges (see the following Section VI). Portions of the capital forecast may be related to replacement of existing facilities, shares of projects that benefit existing development, or development anticipated to occur beyond the 2023-2032 planning period.

After these reductions, the remaining development-related capital costs are brought forward to the development charges calculation. Further details on the capital forecasts for each individual service are available in Appendix B.

L. DEVELOPMENT-RELATED CAPITAL FORECAST FOR ENGINEERED SERVICES

Table 3 also provides the development-related capital recoveries for the engineered services of Services Related to a Highway – Roads and Related, Water Services, Wastewater Services, and Stormwater Drainage and Control.

The total Engineered Services gross capital cost is \$136.3 million, of which \$21.9 million is anticipated to be funded by grants, developer contributions, and contributions from other municipalities. The net cost to the City is \$114.5 million.

The Roads and Related program totals \$70.4 million or 62 per cent of the total net cost. It includes provisions for road reconstruction required to accommodate the increased traffic arising from development and redevelopment as well as investments in public works fleet and facilities.

The next largest portion of the program is for Water Services, with a cost of \$24.1 million or 21 per cent of the total net cost. The Water Services capital program includes water distribution projects and water facility upgrades.

The Wastewater Services net capital program totals \$12.4 million or 11 per cent of the total net cost. Most of the program relates to the recovery of debt for previous upgrades to the wastewater treatment plant.

Finally, the Stormwater Drainage and Control capital program totals \$7.6 million and provides for the recovery of a negative reserve fund balance and a storm sewer reconstruction project.

Details of the engineered services capital programs can be found in Appendix C.

TABLE 3

CITY OF OWEN SOUND
SUMMARY OF DEVELOPMENT-RELATED CAPITAL PROGRAM
FOR GENERAL AND ENGINEERED SERVICES
(in \$000)

General Services	Gross Cost	Grants/ Subsidies	Municipal Cost
1.0 LIBRARY SERVICES	\$600.00	\$0.0	\$600.0
2.0 FIRE PROTECTION SERVICES	\$6,900.00	\$0.0	\$6,900.0
3.0 POLICE SERVICES	\$806.70	\$0.0	\$806.7
4.0 OUTDOOR RECREATION	\$8,190.00	\$0.0	\$8,190.0
5.0 INDOOR RECREATION	\$9,285.00	\$0.0	\$9,285.0
6.0 TRANSIT SERVICES	\$420.00	\$0.0	\$420.0
7.0 WASTE COLLECTION	\$3,425.00	\$0.0	\$3,425.0
TOTAL - GENERAL SERVICES (2022-2032)	\$29,626.70	\$0.0	\$29,626.7

Engineered Services	Gross Cost	Grants / Subsidies	Municipal Cost
1.0 SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED	\$92,258.00	\$21,873.3	\$70,384.7
2.0 WATER SERVICES	\$24,085.00	\$0.0	\$24,085.0
3.0 WASTEWATER SERVICES	\$12,431.53	\$0.0	\$12,431.5
4.0 STORMWATER DRAINAGE AND CONTROL	\$7,555.64	\$0.0	\$7,555.6
TOTAL - ENGINEERED SERVICES (2023-2041)	\$136,330.2	\$21,873.3	\$114,456.9

6. DEVELOPMENT CHARGES ARE CALCULATED IN ACCORDANCE WITH THE *DEVELOPMENT CHARGES ACT, 1997*

This section summarizes the calculation of development charges for each service and the resulting total development charge by type of development. For all services, the calculation of the “unadjusted” per capita (residential) and per square metre (non-residential) charges is reviewed. Adjustments to these amounts resulting from a cash flow analysis that accounts for interest earnings and borrowing costs are also discussed.

For residential development, an adjusted total per capita amount is applied to different unit types on the basis average occupancy factors. For non-residential development, the calculated development charges rates are based on gross floor area (GFA) of building space.

It is noted that the calculation of the development charges does not include any provision for exemptions required under the DCA, for example, the exemption for enlargements of up to 50 per cent on existing industrial buildings. Such legislated exemptions, or other exemptions that Council may choose to provide, will result in a loss of development charges revenue for the affected types of development. Any such revenue loss may not be offset, however, by increasing other portions of the calculated charge.

M. DEVELOPMENT CHARGES CALCULATIONS

A summary of the “unadjusted” residential and non-residential development charges for the City-wide general services is presented in Table 4.

i. General Services

The capital forecast for City-wide General Services incorporates those projects identified to be related to development anticipated in the ten-year planning period. However, not all of the capital costs are to be recovered from new development by way of development charges. Table 4 shows that, of the \$29.6 million total municipal cost, \$17.0 million relates to replacement of existing capital facilities, or to shares of projects that provide benefit to the existing community. These portions of capital costs will require funding from other non-development charge sources, such as fundraising and property taxes.

An additional share of \$214,200 has been identified as available development charge reserve funds and represents revenues collected from previous development charge payments. This portion has been netted out of the capital costs.

Another share of the forecast, \$4.4 million, is either attributable to development beyond the recovery period, and may therefore be recovered under future development charges studies, or represents a service level increase in the City.

The remaining \$7.9 million is carried forward to the development charges calculation. Of the development-related costs, \$7.3 million has been allocated to new residential development, and \$650,400 has been allocated to new non-residential development. This results in an unadjusted development charge of \$7,341.28 per capita and \$11.38 per square metre respectively for the provision of general services.

Further details of the calculation for each individual general services are available in Appendix B.

ii. Engineered Services

Table 5 presents the calculated residential and non-residential development charges for Engineered Services. The table shows that of the total gross cost of the engineered services capital program of \$136.3 million, with \$87.6 million being considered to replace existing infrastructure or to benefit existing development. Grants and other subsidies total another \$21.9 million. A deduction is also made for the available development charge reserve funds of \$918,100, while \$6.8 million will benefit development post-2041 and so may be considered for recovery under future by-laws.

The remaining \$19.1 million is carried forward to the development charges calculation. Of the development-related cost, 61 per cent, or \$11.6 million, has been allocated to new residential development and 39 per cent, or \$7.5 million, has been allocated to new non-residential development. The resulting per capita unadjusted charge is \$6,747.81 the unadjusted non-residential charge is \$68.06 per square metre.

Full capital program and calculation details regarding engineered services can be found in Appendix C.

TABLE 4

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
CAPITAL PROGRAM FOR GENERAL SERVICES

10 Year Growth in Population in New Units	991
10 Year Growth in Square Metres	57,123

Service	Development-Related Capital Program (2023 - 2032)								
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Available DC Reserves (\$000)	Post-2032 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)	Residential		Non-Residential	
						%	(\$000)	%	(\$000)
1.0 LIBRARY SERVICES	\$600.0	\$0.0	\$40.4	\$0.0	\$559.6	100%	\$559.6	0%	\$0.00
Unadjusted Development Charge Per Capita							\$564.82		
Unadjusted Development Charge Per Sq.M									\$0.00
2.0 FIRE PROTECTION SERVICES	\$6,900.0	\$3,115.0	\$48.1	\$3,040.0	\$696.9	63%	\$436.2	37%	\$260.66
Unadjusted Development Charge Per Capita							\$440.27		
Unadjusted Development Charge Per Sq.M									\$4.56
3.0 POLICE SERVICES	\$806.7	\$0.0	\$31.3	\$0.0	\$775.4	63%	\$485.4	37%	\$290.04
Unadjusted Development Charge Per Capita							\$489.90		
Unadjusted Development Charge Per Sq.M									\$5.08
3.0 OUTDOOR RECREATION	\$8,190.0	\$6,110.3	\$75.9	\$0.0	\$2,003.8	100%	\$2,003.8	0%	\$0.00
Unadjusted Development Charge Per Capita							\$2,022.46		
Unadjusted Development Charge Per Sq.M									\$0.00
4.0 INDOOR RECREATION	\$9,285.0	\$4,253.3	\$1.7	\$1,408.2	\$3,621.8	100%	\$3,621.8	0%	\$0.00
Unadjusted Development Charge Per Capita							\$3,655.47		
Unadjusted Development Charge Per Sq.M									\$0.00
5.0 TRANSIT SERVICES	\$420.0	\$324.6	\$16.8	\$0.0	\$78.6	63%	\$49.2	37%	\$29.40
Unadjusted Development Charge Per Capita							\$49.66		
Unadjusted Development Charge Per Sq.M									\$0.51
6.0 WASTE COLLECTION	\$3,425.0	\$3,237.1	\$0.0	\$0.0	\$187.9	63%	\$117.6	37%	\$70.28
Unadjusted Development Charge Per Capita							\$118.70		
Unadjusted Development Charge Per Sq.M									\$1.23
TOTAL GENERAL SERVICES (2023-2032)	\$29,626.7	\$17,040.3	\$214.2	\$4,448.2	\$7,923.9		\$7,273.6		\$650.4
Unadjusted Development Charge Per Capita							\$7,341.28		
Unadjusted Development Charge Per Sq.M									\$11.38

TABLE 5

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
CAPITAL PROGRAM FOR ENGINEERED SERVICES

18 Year Growth in Population in New Units	1,723
18 Year Growth in Square Meters	109,721

Service	Development-Related Capital Program (2023 - 2041)									
	Gross Capital Cost (\$000)	Replacement & Benefit to Existing (\$000)	Government & Developer Contributions (\$000)	Available DC Reserves (\$000)	Post-2041 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)				
							Residential Share %	Residential Share (\$000)	Non-Residential Share %	Non-Residential Share (\$000)
1.0 SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED	\$92,258.0	\$57,233.3	\$21,873.3	\$404.0	\$0.0	\$12,747.4	61%	\$7,761.4	39%	\$4,986.01
Unadjusted Development Charge Per Capita								\$4,505.16		
Unadjusted Development Charge Per Sq.M										\$45.44
2.0 WATER SERVICES	\$24,085.0	\$19,674.0	\$0.0	\$422.9	\$0.0	\$3,988.1	61%	\$2,428.2	39%	\$1,559.89
Unadjusted Development Charge Per Capita								\$1,409.46		
Unadjusted Development Charge Per Sq.M										\$14.22
3.0 WASTEWATER SERVICES	\$12,431.5	\$3,872.0	\$0.0	\$91.2	\$6,816.3	\$1,652.1	61%	\$1,005.9	39%	\$646.20
Unadjusted Development Charge Per Capita								\$583.88		
Unadjusted Development Charge Per Sq.M										\$5.89
4.0 STORMWATER DRAINAGE AND CONTROL	\$7,555.6	\$6,850.2	\$0.0	\$0.0	\$0.0	\$705.4	61%	\$429.5	39%	\$275.92
Unadjusted Development Charge Per Capita								\$249.31		
Unadjusted Development Charge Per Sq.M										\$2.51
TOTAL ENGINEERED SERVICES	\$136,330.2	\$87,629.5	\$21,873.3	\$918.1	\$6,816.3	\$19,093.1		\$11,625.0		\$7,468.0
Unadjusted Development Charge Per Capita								\$6,747.81		
Unadjusted Development Charge Per Sq.M										\$68.06



N. ADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES

Final adjustments to the “unadjusted” development charges rates for general and engineered services are made through a cash flow analysis. The analysis, details of which are included in Appendices B and C, considers the borrowing cost and interest earnings associated with the timing of expenditures and development charges receipts for each service category. Table 6 summarizes the results of the cash flow adjustments for the residential development charges rates. The adjusted residential rate is \$13,964.77 per capita after the cash flow analysis.

Persons per unit factors are then applied to the per capita rate to determine the residential rate by unit type. The calculated rates by residential unit type range from a high of \$34,913 for a single or semi-detached unit to a low of \$20,947 for an apartment. The rate for rows and other multiples is \$30,724 per unit.

The non-residential charge is displayed in Table 7. After cash flow consideration, the charge per square metre increases to \$83.57.

O. COMPARISON OF 2023 NEWLY CALCULATED DEVELOPMENT CHARGES WITH CHARGES CURRENTLY IN-FORCE IN OWEN SOUND

In 2019, City Council chose not to implement the maximum permissible development charges calculated in the 2019 Development Charges Background Study. Moreover, the only charges that were imposed were those for the Engineered Services as well as for the recovery of debt associated with the Julie McArthur Regional Recreation Centre.

Tables 8 and 9 compares the newly calculated charges to the residential and non-residential rates that were calculated in the 2019 DC Background Study, indexed to 2022 dollars. Had the 2019 fully calculated rates been implemented, the newly calculated residential rate under this study would be \$16,215 per single or semi-detached unit, or 87 per cent higher. The calculated non-residential rate would have been \$38.68 per square metre higher, or 86 per cent higher, than that calculated in the 2019 study.

Tables 8 and 9 also compare the newly calculated City-wide development charges with development charge rates that are currently in force. Table 8 demonstrates that the residential development charge rate for a single or semi-detached unit would increase by

\$26,913 per unit, or 336 per cent, when compared to the City’s current rate. Table 9 shows that the calculated non-residential charge represents an increase of \$51.29 from the current charge of \$31.04, or 165 per cent.

P. DEVELOPMENT CHARGES RATE COMPARISON

A development charge rate comparison was conducted to compare the current and calculated development charges in Owen Sound to those in similar and surrounding municipalities (see Figures 1 and 2). The comparison includes the total DCs charged by the County, municipality, and selected area-specific charges (if applicable).

As Council opted to not implement the fully calculated rates in the 2019 Development Charges Background Study, the City’s current DCs for both residential and non-residential development fall within the mid-range of DCs imposed in Grey County. The fully calculated rates under this study, should they be implemented, would push the DCs in Owen Sound to the upper end of the range of DCs in comparable municipalities.

Figure 1 - Residential Development Charges Rate Comparison

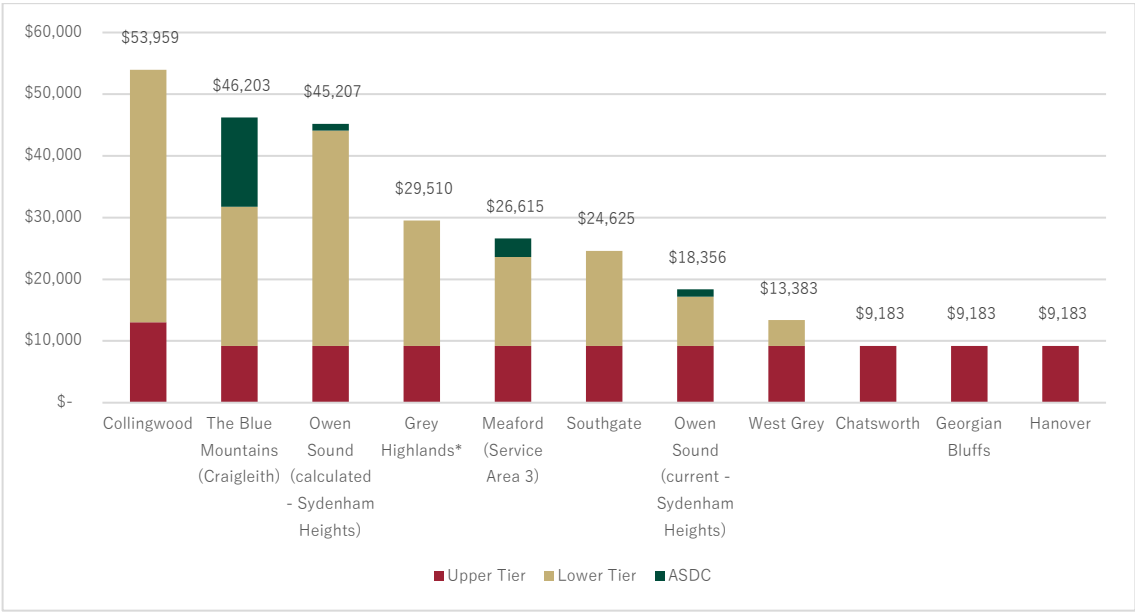


Figure 2 - Non-Residential Development Charges Rate Comparison

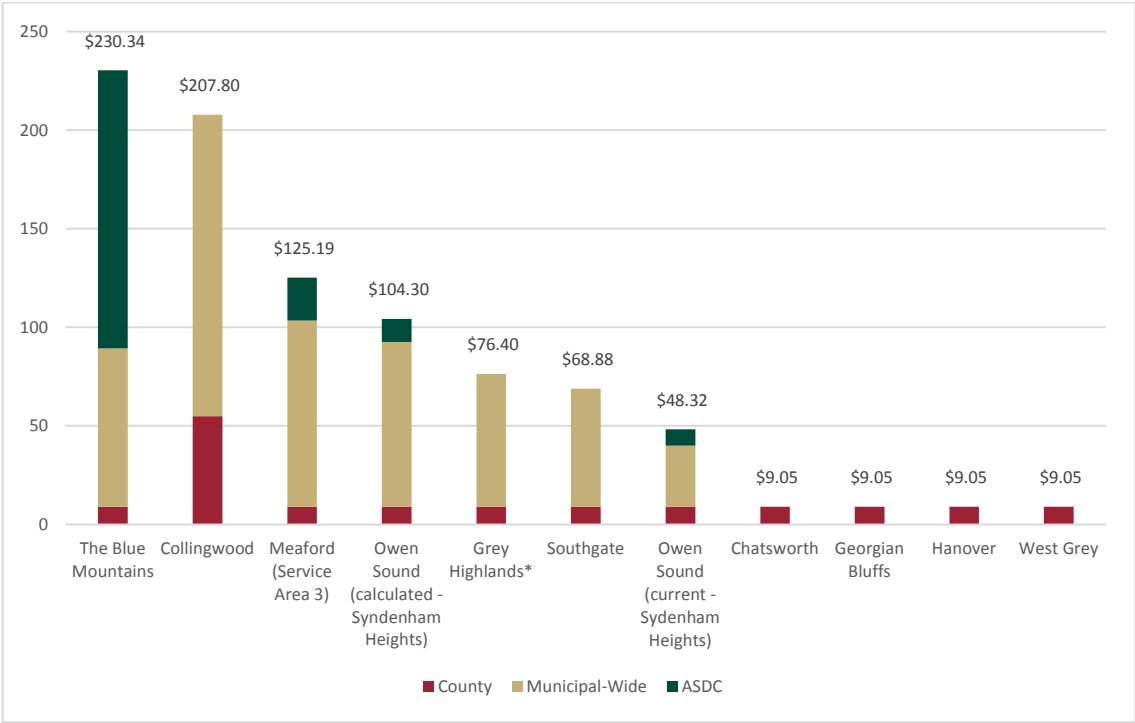


TABLE 6

**CITY OF OWEN SOUND
CITY-WIDE DEVELOPMENT CHARGES
RESIDENTIAL DEVELOPMENT CHARGES**

Service	Unadjusted Charge Per Capita	Adjusted Charge Per Capita	Charge By Unit Type (1)		
			Single & Semi-Detached	Other Multiples	Apartments
Library Services	\$564.82	\$564.36	\$1,411	\$1,242	\$847
Fire Protection Services	\$440.27	\$446.47	\$1,116	\$982	\$670
Police Services	\$489.90	\$483.23	\$1,208	\$1,063	\$725
Outdoor Recreation	\$2,022.46	\$1,981.64	\$4,954	\$4,360	\$2,972
Indoor Recreation	\$3,655.47	\$3,435.71	\$8,589	\$7,559	\$5,154
Transit Services	\$49.66	\$50.23	\$126	\$111	\$75
Waste Collection	\$118.70	\$119.47	\$299	\$263	\$179
City-Wide General Services	\$7,341.29	\$7,081.12	\$17,703	\$15,580	\$10,622
Services Related To A Highway - Roads And Related	\$4,505.16	\$4,517.02	\$11,293	\$9,937	\$6,776
Wastewater Services	\$583.88	\$646.26	\$1,616	\$1,422	\$969
Water Services	\$1,409.46	\$1,455.47	\$3,639	\$3,202	\$2,183
Stormwater Drainage And Control	\$249.31	\$264.91	\$662	\$583	\$397
City-Wide Engineered Services	\$6,747.81	\$6,883.65	\$17,210	\$15,144	\$10,325
TOTAL RESIDENTIAL CHARGE	\$14,089.10	\$13,964.77	\$34,913	\$30,724	\$20,947

(1) Based on Persons Per Unit of:

2.50

2.20

1.50

TABLE 7

**CITY OF OWEN SOUND
CITY-WIDE DEVELOPMENT CHARGES
NON-RESIDENTIAL DEVELOPMENT CHARGES**

Service	Unadjusted Charge (\$/sq.m)	Adjusted Non Residential Charge (\$/sq.m)
Library Services	\$0.00	\$0.00
Fire Protection Services	\$4.56	\$4.65
Police Services	\$5.08	\$5.03
Outdoor Recreation	\$0.00	\$0.00
Indoor Recreation	\$0.00	\$0.00
Transit Services	\$0.51	\$0.52
Waste Collection	\$1.23	\$1.24
City-wide General Services	\$11.39	\$11.44
Services Related To A Highway - Roads And Related	\$45.44	\$46.37
Wastewater Services	\$5.89	\$8.02
Water Services	\$14.22	\$15.01
Stormwater Drainage And Control	\$2.51	\$2.74
City-wide Engineered Services	\$68.06	\$72.13
TOTAL NON-RESIDENTIAL CHARGE	\$79.45	\$83.57

TABLE 8

**CITY OF OWEN SOUND
COMPARISON OF CURRENT AND CALCULATED
RESIDENTIAL DEVELOPMENT CHARGES (SDU)**

Service	Current Residential Charge / SDU	2019 Calculated & Indexed Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge (2019 Calculated to Current Calculated)		Difference in Charge (Current to Calculated)	
Library Services	\$0	\$732	\$1,411	\$679	93%	N/A	N/A
Fire Protection Services	\$0	\$0	\$1,116	\$1,116	N/A	N/A	N/A
Police Services	\$0	\$0	\$1,208	\$1,208	N/A	N/A	N/A
Outdoor Recreation	\$0	\$801	\$4,954	\$4,153	519%	N/A	N/A
Indoor Recreation	\$3,700	\$7,678	\$8,589	\$911	12%	\$4,889	132%
Transit Services	\$0	\$157	\$126	(\$31)	(20%)	N/A	N/A
Waste Collection	\$0	\$72	\$299	\$227	314%	N/A	N/A
City-Wide General Services	\$3,700	\$9,775	\$17,703	\$7,928	81%	\$4,889	132%
Services Related To A Highway - Roads And Related	\$2,096	\$4,349	\$11,293	\$6,944	160%	\$9,197	439%
Wastewater Services	\$918	\$1,904	\$1,616	(\$288)	(15%)	\$698	76%
Water Services	\$1,252	\$2,599	\$3,639	\$1,040	40%	\$2,387	191%
Stormwater Drainage and Control	\$34	\$71	\$662	\$591	835%	\$628	1847%
City-Wide Engineered Services	\$4,300	\$8,923	\$17,210	\$8,287	93%	\$12,910	300%
TOTAL RESIDENTIAL CHARGE	\$8,000	\$18,698	\$34,913	\$16,215	87%	\$26,913	336%

TABLE 9

**CITY OF OWEN SOUND
COMPARISON OF CURRENT AND CALCULATED
NON-RESIDENTIAL DEVELOPMENT CHARGES**

Service	Current Non-Residential Charge / Sq.m	2019 Calculated & Indexed Charge / Sq.m.	Calculated Non-Residential Charge / Sq.m	Difference in Charge (2019 Calculated to Current Calculated)		Difference in Charge (Current to Calculated)	
Library Services	\$0.00	\$0.00	\$0.00	\$0.00	N/A	\$0.00	N/A
Fire Protection Services	\$0.00	\$0.00	\$4.65	\$4.65	N/A	\$4.65	N/A
Police Services	\$0.00	\$0.00	\$5.03	\$5.03	N/A	\$5.03	N/A
Outdoor Recreation	\$0.00	\$0.00	\$0.00	\$0.00	N/A	\$0.00	N/A
Indoor Recreation	\$0.00	\$0.00	\$0.00	\$0.00	N/A	\$0.00	N/A
Transit Services	\$0.00	\$0.51	\$0.52	\$0.01	2%	\$0.52	N/A
Waste Collection	\$0.00	\$0.23	\$1.24	\$1.01	431%	\$1.24	N/A
City-wide General Services	\$0.00	\$1.82	\$11.44	\$9.62	529%	\$10.20	N/A
Services Related To A Highway - Roads And Related	\$14.16	\$19.66	\$46.37	\$26.71	136%	\$32.21	227%
Wastewater Services	\$8.18	\$11.35	\$8.02	(\$3.33)	(29%)	(\$0.16)	(2%)
Water Services	\$8.47	\$11.76	\$15.01	\$3.25	28%	\$6.54	77%
Stormwater Drainage And Control	\$0.23	\$0.31	\$2.74	\$2.42	770%	\$2.51	1090%
City-wide Engineered Services	\$31.04	\$43.08	\$72.13	\$29.05	67%	\$41.09	132%
TOTAL NON-RESIDENTIAL CHARGE	\$31.04	\$44.90	\$83.57	\$38.68	86%	\$51.29	165%

7. COST OF GROWTH ANALYSIS

Q. LONG-TERM CAPITAL AND OPERATING IMPACT ANALYSIS

This section provides an examination of the long-term capital and operating costs for the capital facilities and infrastructure to be included in the development charges by-law. This examination is required as one of the features of the *Development Charges Act, 1997*.

i. **Net Operating Costs for the City's Services to Increase Over the Forecast Period**

Table 10 summarizes the estimated increase in net operating costs that the City will experience for additions associated with the planned capital program. The estimated changes in net operating costs are based on the financial information from the City. Additional details are included in Appendix F.

As shown in Table 10, by 2032 the City's net operating costs for services based on a ten-year planning horizon are estimated to increase by approximately \$1.8 million. The most significant portion of this increase relates to the new fire station expansion. For services with a longer-term benefitting period, the total estimated operating impacts are anticipated to reach \$367,800 annually by 2041.

ii. **Long-Term Capital Financing From Non-Development Charges Sources Totals \$104.7 million**

Table 11 summarizes the components of the development-related capital forecast that will require funding from non-development charges sources. For general services, \$17.0 million will need to be financed from non-DC sources over the 2023-2032 planning period to cover benefit to existing and replacement shares of capital costs. In addition, \$4.5 million in interim DC financing related to post-period shares of projects may be required.

For engineered services, \$87.6 million will need to be financed from non-DC sources over the 2023-2041 planning period to cover benefit to existing and replacement shares of capital costs. In addition, \$6.8 million in interim DC financing may be necessary for post-period shares of engineered services projects.

TABLE 10

CITY OF OWEN SOUND
ESTIMATED NET OPERATING COST OF THE PROPOSED
DEVELOPMENT-RELATED CAPITAL PROGRAM
(in constant 2023 dollars)

	Net Cost (in 2020\$)		2032
Library Services	\$0.04	per \$1.00 of new capital	\$26.3
Police Services	\$0.30	per \$1.00 of new capital	\$242.0
Fire Services			\$1,222.5
Other Capital	\$0.30	per \$1.00 of new capital	
Fire Station Addition		\$1.2 million per annum	
Outdoor Recreation	\$0.02	per \$1.00 of new capital	\$184.6
Indoor Recreation	Debt only		\$0.0
Transit	\$0.10	per \$1.00 of new capital	\$42.0
Waste	\$0.02	per \$1.00 of new capital	\$76.9
TOTAL ESTIMATED OPERATING COSTS (GENERAL SERVICES)			\$1,794.4

	Net Cost (in 2020\$)		2041
Roads and Related	\$320.00	per new household	\$324.1
Water Services	\$0.00	Rate supported service	\$0.0
Wastewater Services	\$0.00	Rate supported service	\$0.0
Stormwater Drainage and Control	\$43.13	per new household	\$43.7
TOTAL ESTIMATED OPERATING COSTS (ENGINEERED SERVICES)			\$367.8

TABLE 11

CITY OF OWEN SOUND
SUMMARY OF DEVELOPMENT-RELATED CAPITAL PROGRAM
FOR GENERAL AND ENGINEERED SERVICES
(in \$000)

General Services	Development-Related Capital Program (2023-2032)				
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Available DC Reserves (\$000)	Post-2032 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)
1.0 LIBRARY SERVICES	\$600.0	\$0.0	\$40.4	\$0.0	\$559.6
2.0 FIRE PROTECTION SERVICES	\$6,900.0	\$3,115.0	\$48.1	\$3,040.0	\$696.9
3.0 POLICE SERVICES	\$806.7	\$0.0	\$31.3	\$0.0	\$775.4
4.0 OUTDOOR RECREATION	\$8,190.0	\$6,110.3	\$75.9	\$0.0	\$2,003.8
5.0 INDOOR RECREATION	\$9,285.0	\$4,253.3	\$1.7	\$1,408.2	\$3,621.8
6.0 TRANSIT SERVICES	\$420.0	\$324.6	\$16.8	\$0.0	\$78.6
7.0 WASTE COLLECTION	\$3,425.0	\$3,237.1	\$0.0	\$0.0	\$187.9
TOTAL - GENERAL SERVICES (2023-2032)	\$29,626.7	\$17,040.3	\$214.2	\$4,448.2	\$7,923.9

Engineered Services	Development-Related Capital Program (2023-2041)				
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Available DC Reserves (\$000)	Post-2041 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)
1.0 SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED	\$70,384.7	\$57,233.3	\$404.0	\$0.0	\$12,747.4
2.0 WATER SERVICES	\$24,085.0	\$19,674.0	\$422.9	\$0.0	\$3,988.1
3.0 WASTEWATER SERVICES	\$12,431.5	\$3,872.0	\$91.2	\$6,816.3	\$1,652.1
4.0 STORMWATER DRAINAGE AND CONTROL	\$7,555.6	\$6,850.2	\$0.0	\$0.0	\$705.4
TOTAL - ENGINEERED SERVICES (2023-2041)	\$114,456.9	\$87,629.5	\$918.1	\$6,816.3	\$19,093.1

TOTAL GENERAL AND ENGINEERED SERVICES	\$144,083.6	\$104,669.8	\$1,132.3	\$11,264.5	\$27,017.0
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R. ASSET MANAGEMENT PLAN

The DCA requires that municipalities complete an Asset Management Plan before the passing of a development charges by-law. A key purpose of the Asset Management Plan is to demonstrate that all assets proposed to be funded under the development charges by-law are financially sustainable over their full life cycle. Further details relating to the Asset Management Plan are discussed in Appendix F.

i. Annual Capital Provisions for Tax and Rate Supported Assets

Tables 12 and 13 summarize the annual capital provisions required to replace the development eligible and ineligible costs associated with the capital infrastructure identified in the DC Background Study. The estimate is based on information obtained through the City's Asset Management Plan as well as discussions with municipal staff regarding useful life assumptions and the capital cost of acquiring and/or emplacing each asset.

Table 13 illustrates that, by 2033, the City will need to fund an additional \$278,000 per annum in order to properly fund the full life cycle costs of the new general services assets supported under the proposed Development Charges By-law. Table 14 shows that for Engineered Services, the calculated annual provision in 2042 for the assets supported under the proposed Development Charges By-law is \$647,000.

ii. Future Revenue Growth

The calculated annual funding provision should be considered within the context of the City's projected growth. Over the next ten years (to 2032) the City is projected to increase by 592 households accommodating 1,749 people. Over the longer-term planning horizon to 2042, the City will add 1,013 households accommodating 2,977 people. In addition, the City will also add roughly 592 new employees over the next ten years that will result in approximately 57,100 square metres of additional non-residential building space. Over the longer planning period to 2041 the City will add 1,107 employees that will be accommodated in 109,721 square metres of new non-residential building space.

This growth will have the effect of increasing the overall assessment base and additional user fee and charges revenues to offset the capital asset provisions required to replace the infrastructure proposed to be funded under the proposed Development Charges By-law.

iii. Assets Are Deemed to be Financially Sustainable

It is anticipated that new assets identified through the 2023 DC Background Study process will be incorporated into the City's ongoing asset management plan analyses. The calculated annual provisions identified are considered to be financially sustainable as it is expected that the increased capital asset management requirements can be absorbed by the tax and user base over the long-term.

TABLE 12

**CITY OF OWEN SOUND
CALCULATED ANNUAL ASSET MANAGEMENT CONTRIBUTION
CITY-WIDE GENERAL SERVICES**

General Services	2023-2032 Capital Program		Calculated Annual AMP Provision by 2033	
	DC Eligible	Non-DC Eligible	DC-Related	Non-DC Related
Library Services	\$ 600,000	\$ -	\$ 62,000	\$ -
Fire Protection Services	\$ 745,000	\$ 6,155,021	\$ 38,000	\$ 352,000
Police Services	\$ 807,000	\$ -	\$ 15,000	\$ -
Outdoor Recreation	\$ 2,080,000	\$ 6,110,000	\$ 124,000	\$ 326,000
Indoor Recreation	\$ 3,623,000	\$ 5,662,000	\$ 19,000	\$ 26,000
Transit Services	\$ 95,000	\$ 325,000	\$ 6,000	\$ 103,000
Waste Collection	\$ 188,000	\$ 3,237,000	\$ 14,000	\$ 240,000
Total (General Services)			\$ 278,000	\$ 1,047,000

TABLE 13

CITY OF OWEN SOUND
CALCULATED ANNUAL ASSET MANAGEMENT CONTRIBUTION - ENGINEERED SERVICES
CITY-WIDE ENGINEERED SERVICES

Engineered Services	2023-2041 Capital Program		Calculated Annual AMP Provision by 2042	
	DC-Eligible	Non DC Eligible	DC-Related	Non-DC Related
Services Related To A Highway - Roads And	\$ 13,114,000	\$ 78,644,000	\$ 548,000	\$ 3,241,000
Wastewater Services	\$ 1,743,000	\$ 10,688,000	\$ 11,000	\$ 103,000
Water Services	\$ 4,411,000	\$ 19,674,000	\$ 79,000	\$ 441,000
Stormwater Drainage And Control	\$ 705,000	\$ 6,850,000	\$ 9,000	\$ 88,000
Total (Engineered Services)			\$ 647,000	\$ 3,873,000

8. DEVELOPMENT CHARGES ADMINISTRATION AND POLICY CONSIDERATIONS

This section sets out the DCA requirements in respect of DC collection and administration.

S. DEVELOPMENT CHARGES ADMINISTRATION AND COLLECTION

The DCA requirements in respect of the collection of DCs, certification and remittance, as well as reserve fund management are outlined in this section.

i. Development Charges Amount Payable and Date of Payment

The total amount of a DC is the amount of the DC that would be determined under the by-law on the day of an application for site plan approval or the day of an application for rezoning or, if neither of these apply, the day of building permit issuance. Full details on determining the DCs payable in any particular case are provided in s.26 and s.26.2 of the DCA.

The default date of payment of a DC is the date of building permit issuance. However, under s.27 of the DCA the City may enter into an agreement with a developer to alter the timing of payment.

For three specific types of development DCs must be paid according to the following plan:

- Six equal annual installments beginning at building occupancy (permit or actual occupancy) and for the following five anniversaries of that date for rental housing and institutional development.
- Twenty-one equal annual installments beginning at building occupancy (permit or actual occupancy) and for the following twenty anniversaries of that date for non-profit housing development.

For required instalments, the City may charge interest from the date the DC would have been payable to the date the instalment is paid. Interest may accrue on each installment until the final payment has been made. Any skipped or late payments can be added to the tax roll (including interest). Full details on the prescribed payment plans are provided in s.26.1 of the DCA.

ii. Reserve Funds

Under the DCA, a municipality that has passed a development charge by-law must establish a separate reserve fund for each service to which the development charge relates and pay each development charge it collects into the respective reserve fund. While the DCA does permit municipalities to borrow from the reserve fund, the amount borrowed is to be repaid with interest at a rate not less than the prescribed minimum interest rate. Additionally, money in the reserve fund is to be spent only on development-related capital costs.

Annual financial statements are to be provided to Council and must include the following:

- Opening and closing balances and in-year transactions
- A description of service or category of service
- Details on credits paid by individual credit holders
- Amounts borrowed and purpose of borrowing
- Interest accrued on borrowing
- Amount and source of money used to repay borrowing
- Projects funded from DCs including amount and source of DC and non-DC funding

Statutory and non-statutory exemptions should be funded from non-DC sources.

iii. Impact of Bill 23

As of November 28, 2022, there are several changes to the DCA due to the enactment and Royal Assent of Bill 23. A list of the changes that are now in force is provided below in Table 14.

Table 14: Bill 23 – DCA Changes In Force as of November 28, 2022

Section	Description
Section 2(1)	Exemptions for existing rental residential buildings and a range of residential units in existing and new houses.
Section 2(4)	Housing services are ineligible for DC funding (repeal of paragraph 17 of ss.2(4) of the DCA). Existing by-laws are deemed to be “amended” and no development charges can be collected for housing services from November 28, 2022 onward.
Section 4.2	Exemptions for non-profit housing development. This does not apply with respect to a DC payable before November 28, 2022.
Section 4.3	Exemption for inclusionary zoning residential units. This does not apply with respect to a DC payable before November 28, 2022.

Section	Description
Section 5(1)	Historical service level calculation period extended from 10 years to 15 years. Does not apply to by-laws in force prior to November 28, 2022.
Section 5(4)	Studies, including DC studies, are no longer a DC-eligible capital cost. Does not apply retroactively to by-laws that were in force prior to November 28, 2022.
Section 5(6) and Section 5(7)	DC by-laws passed on or after November 28, 2022 must be phased-in according to a prescribed schedule. The phase-in also applies retroactively to by-laws passed on or after January 1, 2022 as well as to the DCs “frozen” under s.26.2 of the DCA.
Section 9(1)	Maximum life of a DC by-law extended from 5 years to 10 years. This does not apply to by-laws in-force before November 28, 2022.
Section 26.1	Deferral payments now apply to rental housing and institutional development. Interest on deferral payments is now capped at prime plus 1% in accordance with s.26.3.
Section 26.2	DCs for rental housing development are now discounted based on the number of bedrooms proposed. Interest on DC freeze now capped at prime plus 1% in accordance with section 26.3.
Section 26.3	Maximum interest rates are capped at prime plus 1%. This does not apply with respect to a DC that was payable before November 28, 2022.
Section 35	Municipalities are now required to spend or allocate at least 60% of reserve balances each year for Water Supply, Wastewater, and services related to a highway beginning in 2023.
Section 60(1)(s.4)	Additional services for which municipalities are required to spend or allocate at least 60% of reserve fund balances may be prescribed through Regulations (none are proposed as of yet).

Table 15 summarizes the DCA changes that will take effect at a date to be determined. It is noted that section 60(1)(l) of the DCA allows for future regulations to identify services for which land will be an ineligible capital cost. No regulations have been released in this regard.

Table 15: Bill 23 – DCA Changes Not Currently In Force

Section	Description
DCA, Section 4.1	Exemptions for affordable and attainable residential units. Note: Implementation is contingent on the Minister developing a definition of “attainable residential unit” as well as bulletins to establish eligibility and (possibly) standard forms of agreement to assist with administration.
DCA, Section 44(4)	Rules for front ending agreements as they relate to affordable and attainable residential units.
DCA, Section 60(1)(d.2) and 9d.3)	Prescribes developments and criteria related to attainable residential units (section 4.1).

iv. Policy and By-law Recommendations

The following recommendations are made in respect of the rules and provisions of the proposed development charges by-law:

- As required under the DCA, the City should codify any rules regarding application of the by-laws and any exemptions within the development charges by-laws proposed for adoption;
- It is recommended that the City continue to report policies consistent with the requirements of the DCA.
- It is recommended that Council adopt the development-related capital forecast included in this background study for City-wide services, subject to annual review through the City’s normal capital budget process.
- It is recommended that limited exemptions, other than those required in the DCA, be formally adopted in the by-laws.
- It is recommended that the City continue to include indexing provisions in the by-law so as to ensure that the DC rates incorporate inflationary increases over the by-law term.

T. CONSIDERATON OF AREA RATING

In accordance with the DCA, Council must consider the use of area rating, also known as area-specific development charges, as part of the DC Background Study. As part of the City’s 2023 DC update, the appropriateness of implementing area-specific development charges for the various City services was examined.

The DCA permits the City to designate, in its DC By-law, the areas where development charges shall be imposed. The charges may apply to all lands in the City or to other designated development areas as specified in the DC By-law.

The following was considered with respect to area-specific development charges:

- Is the use of area-specific charges appropriate for some or all services?
- Are there any data limitations with calculating an area-specific development charge?

Area-specific development charges are typically considered when there is clear benefit to a particular area (including the population or population and employment), and have been implemented mostly in stand alone green field developments.

i. Consistent with Historical Practice, City-Wide DCs are Proposed for General Services and Most Engineered Services

Based on discussions with staff, and the analysis of the delivery of services, it is proposed that the City continue to calculate and collect DCs on a uniform, City-wide basis. The following table provides a description of the servicing needs for general and engineered services.

CITY SERVICES CONSIDERATION	SERVICING NEEDS
	Services such as Library, Outdoor Recreation and Indoor Recreation are open and accessible to all residents in the City and are driven and planned for based on City-wide population growth.
General Services	For Fire, Police, Transit Services, Waste Collection and Growth Studies, these services are provided to all residents and employees in the City and are driven and planned for based on City-wide population or population and employment growth.

Engineered Services	Roads and Related are provided through a City-wide network and is planned based on City-wide population and employment growth.
	Stormwater, Water Services and Wastewater are used to provide services to City-wide population and employee growth.

ii. **Consistent with Historical Practice, Area-Specific DCs are Proposed for Wastewater Services in the Sydenham Heights Planning Area**

The City has imposed an area-specific development charge on the Sydenham Heights Planning Area to fund development-related water and wastewater costs in order to accommodate residential greenfield development. More information can be found in Appendix D. The calculated area-specific rates for wastewater infrastructure in Sydenham Heights are:

Single and Semi-Detached Units	\$1,111 per unit
Other Multiples	\$977 per unit
Apartments	\$666 per unit
Non-Residential	\$11.68 per square metre

APPENDIX A

DEVELOPMENT FORECAST

APPENDIX A: DEVELOPMENT FORECAST

This appendix summarizes the development forecasts used to prepare the 2023 Development Charges Background Study for the City of Owen Sound.

The *Development Charges Act* (DCA) requires the City to estimate “the anticipated amount, type and location of development” for which development charges may be imposed. The forecast must cover both residential and non-residential development and be specific enough with regards to the quantum, type, location and timing of such development to allow the City to prepare a reasonable development-related capital program.

The forecast results are presented in the following tables:

Historical Development

Table 1	Population and Households Summary
Table 2	Employment Summary
Table 3	Annual Residential Building Permits
Table 4	Annual Residential Completions (CMHC)
Table 5	Households by Period of Construction Showing Household Size

Forecast Development

Table 6	Population & Household Forecast Summary
Table 7	Employment Forecast Summary
Table 8	Household Growth in Dwellings by Unit Type
Table 9	Population Growth in New Households by Unit Type
Table 10	Non-Residential Space

The development forecasts are based on the County of Grey’s 2021 Growth Management Strategy Update and the growth projections and allocations set out in Section 2.1 of the County’s recently approved Official Plan. The Growth Management Strategy Update provides details on the forecast methodology and key assumptions.

A. KEY ASSUMPTIONS, DEFINITIONS, AND HISTORICAL TRENDS

The forecast is informed by a range of statistical data including Statistics Canada Census and National Household Survey data, as well as Canada Mortgage Housing Corporation (CMHC) housing market information.

Historical population and employment set out in this appendix are used to determine the average service levels attained in the City over the last 15 years (2008-2022).

Population figures shown in the development forecast represent mid-year estimates. Population figures account for population recorded in the Census (“Census population”). This definition does not include the Census net under-coverage which represents those who were missed or double-counted by the Census.

Historical data indicates that the City’s population grew marginally from 21,740 in 2007 to 21,815 in 2022 — an increase of 75 people. However, total occupied dwellings increased from 9,427 to 10,207 over the same period. As a result, the average household size in the City decreased from 2.29 to 2.14 (see Table 1).

“Place of Work Employment” figures in the forecasts record where people work rather than their place of residence. It includes all employment with a regular or no fixed place of work. However, work-at-home employment is excluded from the figures as, for development charge purposes, this type of employment is considered not to require building floorspace for its activities.

Employment is divided into two land-use based categories:

- **Population-Related Employment** is employment that primarily serves a resident population and includes retail, education, healthcare, and local government. This generally grows in line with population growth but is also influenced by tourism. Jobs under this category typically locate in land zoned for commercial and institutional uses, but may also be located in resorts and mixed-use areas.
- **Employment Land Employment** refers to traditional industrial-type employment primarily accommodated in low-rise industrial buildings in business parks and employment areas. Given the spatial and operational needs of these types of jobs, they are almost exclusively located in lands zoned for industrial employment uses.

Historical employment figures are shown in Table 2. There are currently about 14,500 jobs in the City. As with most communities in Ontario, the COVID-19 pandemic resulted in a severe shock to the local economy, the effects of which are still being felt. At the time of the 2021 Census business closures and stay-at-home orders were still in effect. As such, a large portion of the labour force was unemployed and many others were working from home on a full-time basis, and often outside the City.

Total employment in Owen Sound declined by 2,788 jobs between 2019 and 2020, with a significant increase in work at home employment of 324 jobs over the same period. And although employees continue to gradually return to their usual place of work, either full-time or under hybrid arrangements, it is evident that some shifts in work-at-home patterns will be long-lasting (see Table 7).

Table 2 summarizes the growth in historical employment in the City since 2006.

Overall employment has fallen over the last 15 years, in part the result of the 2008 financial crisis and subsequent recession but also due to the pandemic, when many retail and tourism activities in Owen Sound shut down. It is assumed that most pandemic-related job losses returned by 2022. The City's activity rate (the ratio of employment to population) has fallen from 71.4% to 66.3% over the last 15 years.

Details on new housing growth in the City are provided in Tables 3 and 4. The overall market share of single and semi-detached unit completions over the last decade has been 42%, though the number of units completed in any given year varies. The market share of row houses and apartments over the same period has been 27 per cent and 31 per cent respectively. As with the single and semi-detached unit types, the number of completions in any given year is variable, though there has been a marked increase in the number of building permits issued for new apartment units in recent years.

Table 5 provides details on historical occupancy patterns for permanently occupied dwellings in Owen Sound. The overall average occupancy level in the City for single and semi-detached units is 2.09 persons per housing unit (PPU). Occupancy levels for recently constructed low density units are generally higher than the overall average, whereas the opposite trend is true of medium and high density units. However, sample sizes, especially for row houses and apartments, are small.

B. FORECAST METHOD AND RESULTS

A ten-year development forecast, from 2023 to 2032, has been used for all the development charges eligible general services in the City. A planning period from 2023 to 2041 has been used for the engineered services of Services Related to a Highway – Roads & Related, Water, Wastewater, and Stormwater Drainage and Control.

Development charges are levied on residential development as a charge per new unit. Therefore, for the residential forecast, a projection of both the *population growth*¹ as well as the *population in new housing* is required.

- The population growth determines the need for additional facilities and provides the foundation for the development-related capital program.
- When calculating the development charge, however, the development-related net capital costs are spread over the total additional population that occupies new dwelling units. This population in new units represents the population from which development charges will be collected.

Development charges are levied on non-residential development as a charge per unit of gross floor area (GFA). The non-residential forecast includes both a projection of *employment growth* as well as a projection of the *employment growth associated with new floor space* in the City.

i. Residential Development Forecast

The residential development forecast is anchored on the projections and allocations determined in the 2021 Growth Management Strategy Update.

The forecast incorporates anticipated growth in population and occupied dwellings by type. As shown in Table 6, the City's population is forecast to grow from 21,815 in 2022 to 23,564 in 2032. Households are forecast to increase by 592 units over the next 10 years. The majority of new housing (80%) is anticipated to be in apartments (see Table 8).

Population growth in the new units is estimated by applying the following PPU's to the housing unit forecast: 2.50 for single and semi-detached units; 2.20 for rows; and 1.50 for apartments. The assumptions are informed by the historical occupancy patterns for permanently occupied units set out in Table 5. However, given the small sample sizes in this data, these assumptions have been modified based on Hemson's professional judgement and experience with occupancy patterns in similar and surrounding jurisdictions.

The total forecast population in new housing units over the 2023 to 2032 period is 991. The forecast population in new units between 2023 and 2041 is 1,723 (see Table 9).

¹ Commonly referred to as "net population growth" in the context of development charges.

ii. **Non-Residential Development Forecast**

The non-residential forecast is based upon the long-term projections set out in the 2021 Growth Management Strategy Update, which has the City achieving 15,667 jobs by 2041. After removing the share of work at home employment, the projected non-work at home employment for 2041 is 14,347. About 69% of new jobs will be on employment lands (see Table 10).

An assumed floor space per worker (FSW) is applied to the employment forecast in order to project growth in new non-residential space in the City. The FSWs used are:

- 55 m² per employee for Population-Related Employment
- 110 m² per employee for Employment Land Employment

The overall growth in new non-residential building space across the City between 2023 and 2032 is 57,123 m², of which 10,067 m² will be for population-related activities and 47,056 m² will be on employment lands (Table 10).

The total growth in new non-residential building space between 2023 and 2041 across the City is 109,721 m², of which 17,822 m² will be for population-related activities and 91,900 m² will be for employment lands.

APPENDIX A - TABLE 1

CITY OF OWEN SOUND HISTORICAL POPULATION AND HOUSEHOLDS SUMMARY

Mid-Year	Census Population	Growth	Households	Growth
<i>2006</i>	<i>21,753</i>		<i>9,384</i>	
2007	21,740	-13	9,427	43
2008	21,727	-13	9,470	43
2009	21,714	-13	9,513	43
2010	21,701	-13	9,556	43
<i>2011</i>	<i>21,688</i>	<i>-13</i>	<i>9,600</i>	<i>44</i>
2012	21,618	-70	9,606	6
2013	21,548	-70	9,612	6
2014	21,479	-69	9,618	6
2015	21,410	-69	9,624	6
<i>2016</i>	<i>21,341</i>	<i>-69</i>	<i>9,630</i>	<i>6</i>
2017	21,395	54	9,730	100
2018	21,449	54	9,831	101
2019	21,503	54	9,933	102
2020	21,558	54	10,036	103
<i>2021</i>	<i>21,612</i>	<i>54</i>	<i>10,140</i>	<i>104</i>
2022	21,815	203	10,207	67
Growth 2008-2022		75		780

Source: Statistics Canada, Census of Canada 2006-2021.

APPENDIX A - TABLE 2

CITY OF OWEN SOUND
HISTORICAL EMPLOYMENT SUMMARY

Mid-Year	Total Employment	Annual Growth	Activity Rate	Work at Home Employment	Annual Growth	Other Employment	Annual Growth
<i>2006</i>	<i>15,622</i>			<i>684</i>		<i>14,938</i>	
2007	15,523	-99	71.4%	680	-4	14,843	-95
2008	15,425	-98	71.0%	675	-4	14,750	-94
2009	15,327	-98	70.6%	671	-4	14,656	-94
2010	15,230	-97	70.2%	667	-4	14,563	-93
<i>2011</i>	<i>15,133</i>	<i>-97</i>	<i>69.8%</i>	<i>662</i>	<i>-4</i>	<i>14,471</i>	<i>-93</i>
2012	14,971	-162	69.3%	672	9	14,299	-171
2013	14,811	-160	68.7%	681	9	14,130	-169
2014	14,653	-158	68.2%	691	10	13,962	-168
2015	14,496	-157	67.7%	701	10	13,795	-167
<i>2016</i>	<i>14,341</i>	<i>-155</i>	<i>67.2%</i>	<i>711</i>	<i>10</i>	<i>13,631</i>	<i>-165</i>
2017	14,380	39	67.2%	712	2	13,668	37
2018	14,419	39	67.2%	714	2	13,705	37
2019	14,458	39	67.2%	716	2	13,742	37
2020	11,670	-2,788	54.1%	1,040	324	10,630	-3,112
<i>2021</i>	<i>11,670</i>	<i>0</i>	<i>54.0%</i>	<i>1,040</i>	<i>0</i>	<i>10,630</i>	<i>0</i>
2022	14,458	2,788	66.3%	1,218	178	13,240	2,610
Growth 2008-2022		-1,065			538		-1,603

Source: Statistics Canada, Census of Canada 2006-2021.

APPENDIX A - TABLE 3

CITY OF OWEN SOUND
HISTORICAL ANNUAL RESIDENTIAL BUILDING PERMITS

Year	Annual Building Permits				Building Permits - Shares By Unit Type			
	Singles/Semis	Rows	Apartments	Total	Singles/Semis	Rows	Apartments	Total
2010	19	24	7	50	38%	48%	14%	100%
2011	14	14	2	30	47%	47%	7%	100%
2012	19	10	25	54	35%	19%	46%	100%
2013	25	0	3	28	89%	0%	11%	100%
2014	10	0	3	13	77%	0%	23%	100%
2015	17	0	48	65	26%	0%	74%	100%
2016	14	0	4	18	78%	0%	22%	100%
2017	20	23	44	87	23%	26%	51%	100%
2018	12	0	24	36	33%	0%	67%	100%
2019	3	6	45	54	6%	11%	83%	100%
2020	20	16	83	119	17%	13%	70%	100%
2021	20	16	44	80	25%	20%	55%	100%
2022	6	14	98	118	5%	12%	83%	100%
Growth 2013 - 2022	147	75	396	618	24%	12%	64%	100%
<i>Average Last 10 Years</i>	<i>15</i>	<i>8</i>	<i>40</i>	<i>62</i>	<i>24%</i>	<i>12%</i>	<i>64%</i>	<i>100%</i>
<i>Average Last 5 Years</i>	<i>12</i>	<i>10</i>	<i>59</i>	<i>81</i>	<i>15%</i>	<i>13%</i>	<i>72%</i>	<i>100%</i>

Source: Statistics Canada, Building Permits

APPENDIX A - TABLE 4

CITY OF OWEN SOUND
HISTORICAL ANNUAL RESIDENTIAL COMPLETIONS (CMHC)

Year	Annual Housing Completions				Housing Completions - Shares By Unit Type			
	Singles/Semis	Rows	Apartments	Total	Singles/Semis	Rows	Apartments	Total
2006	29	16	40	85	34%	19%	47%	100%
2007	19	0	0	19	100%	0%	0%	100%
2008	31	34	7	72	43%	47%	10%	100%
2009	13	6	4	23	57%	26%	17%	100%
2010	13	11	0	24	54%	46%	0%	100%
2011	16	14	26	56	29%	25%	46%	100%
2012	12	0	0	12	100%	0%	0%	100%
2013	23	0	0	23	100%	0%	0%	100%
2014	7	38	35	80	9%	48%	44%	100%
2015	2	0	0	2	100%	0%	0%	100%
2016	0	0	0	0	N/A	N/A	N/A	0%
2017	0	0	0	0	N/A	N/A	N/A	0%
2018	0	28	16	44	0%	64%	36%	100%
2019	46	9	9	64	72%	14%	14%	100%
2020	11	0	0	11	100%	0%	0%	100%
2021	29	23	40	92	32%	25%	43%	100%
2022	50	11	23	84	60%	13%	27%	100%
Growth, 2013-2022	168	109	123	400	42%	27%	31%	100%
<i>Last 10 Years</i>	<i>17</i>	<i>11</i>	<i>12</i>	<i>40</i>	<i>42%</i>	<i>27%</i>	<i>31%</i>	<i>100%</i>
<i>Last 5 Years</i>	<i>27</i>	<i>14</i>	<i>18</i>	<i>59</i>	<i>46%</i>	<i>24%</i>	<i>30%</i>	<i>100%</i>

Source: Canadian Mortgage and Housing Corporation (CMHC), 2006-2022 for Owen Sound (CY)

APPENDIX A - TABLE 5

CITY OF OWEN SOUND
HISTORICAL HOUSEHOLDS BY PERIOD OF CONSTRUCTION SHOWING HOUSEHOLD SIZE

Dwelling Unit Type	Period of Construction											Summary		
	Pre 1945	1946-1960	1961-1970	1971-1980	1981-1990	1991-1995	1996-2000	2001-2005	2006-2010	2011-2016	2016-2021	Pre 2006	2006-2016	Total
<i>Singles and Semis</i>														
Household Population	4,780	2,005	1,590	1,690	1,430	570	200	355	290	270	230	12,910	500	13,410
Households	1,945	905	705	685	585	175	80	135	115	100	100	5,330	200	5,530
Household Size	2.46	2.22	2.26	2.47	2.44	3.26	2.50	2.63	2.52	2.70	2.30	2.42	2.50	2.42
<i>Rows</i>														
Household Population	140	25	125	335	280	300	85	80	65	75	45	1,435	120	1,555
Households	65	15	55	155	110	95	45	40	30	35	20	610	55	665
Household Size	2.15	1.67	2.27	2.16	2.55	3.16	1.89	2.00	2.17	2.14	2.25	2.35	2.18	2.34
<i>Apartments</i>														
Household Population	1,555	720	845	1,070	715	240	105	45	110	75	155	5,405	230	5,635
Households	935	450	575	650	505	165	65	40	95	65	110	3,480	175	3,655
Household Size	1.66	1.60	1.47	1.65	1.42	1.45	1.62	1.13	1.16	1.15	1.41	1.55	1.31	1.54
<i>Apartments 0-1 Bedrooms</i>														
Household Population	600	220	370	290	235	40	65	0	40	0	35	1,860	35	1,895
Households	475	210	315	265	215	45	50	15	40	10	35	1,630	45	1,675
Household Size	1.26	1.05	1.17	1.09	1.09	0.89	1.30	0.00	1.00	0.00	1.00	1.14	0.78	1.13
<i>Apartments (excl. Duplexes) 2+ Bedrooms</i>														
Household Population	715	415	475	720	480	200	40	45	70	75	120	3,160	195	3,355
Households	345	215	260	370	280	120	15	25	55	55	75	1,685	130	1,815
Household Size	2.07	1.93	1.83	1.95	1.71	1.67	2.67	1.80	1.27	1.36	1.60	1.88	1.50	1.85
<i>All Units</i>														
Household Population	6,475	2,750	2,560	3,095	2,425	1,110	390	480	465	420	430	19,750	850	20,600
Households	2,945	1,370	1,335	1,490	1,200	435	190	215	240	200	230	9,420	430	9,850
Household Size	2.20	2.01	1.92	2.08	2.02	2.55	2.05	2.23	1.94	2.10	1.87	2.10	1.98	2.09

Source: Statistics Canada, 2021 Census Special Run

APPENDIX A - TABLE 6

CITY OF OWEN SOUND
POPULATION & HOUSEHOLD FORECAST SUMMARY

Mid-Year	Census Population	Growth	Households	Growth	Household Size
<i>2021</i>	<i>21,612</i>	<i>54</i>	<i>10,140</i>	<i>104</i>	<i>2.13</i>
2022	21,815	203	10,207	67	2.14
2023	22,019	204	10,275	68	2.14
2024	22,225	206	10,343	68	2.15
2025	22,434	208	10,411	68	2.15
<i>2026</i>	<i>22,644</i>	<i>210</i>	<i>10,480</i>	<i>69</i>	<i>2.16</i>
2027	22,791	147	10,533	53	2.16
2028	22,940	148	10,587	54	2.17
2029	23,089	149	10,641	54	2.17
2030	23,239	150	10,695	54	2.17
<i>2031</i>	<i>23,390</i>	<i>151</i>	<i>10,750</i>	<i>55</i>	<i>2.18</i>
2032	23,564	174	10,800	50	2.18
2033	23,738	175	10,849	50	2.19
2034	23,915	176	10,899	50	2.19
2035	24,092	177	10,950	50	2.20
<i>2036</i>	<i>24,271</i>	<i>179</i>	<i>11,000</i>	<i>50</i>	<i>2.21</i>
2037	24,374	103	11,044	44	2.21
2038	24,478	104	11,087	44	2.21
2039	24,582	104	11,131	44	2.21
2040	24,687	105	11,176	44	2.21
<i>2041</i>	<i>24,792</i>	<i>105</i>	<i>11,220</i>	<i>44</i>	<i>2.21</i>
2023-2032		1,749		592	
2023-2041		2,977		1,013	

Source: Hemson Consulting

APPENDIX A - TABLE 7

CITY OF OWEN SOUND
EMPLOYMENT FORECAST SUMMARY

Mid-Year	Total Employment	Growth	Activity Rate	Work at Home Employment	Growth	Other Employment	Growth
2019	14,458		67.2%	716		13,742	
2020	11,670	-2,788	54.1%	1,040	324	10,630	-3,112
2021	11,670	0	54.0%	1,040	0	10,630	0
2022	14,458	2,788	66.3%	1,218	178	13,240	2,610
2023	14,527	69	66.0%	1,224	6	13,304	64
2024	14,597	70	65.7%	1,230	6	13,368	64
2025	14,667	70	65.4%	1,235	6	13,432	64
2026	14,737	70	65.1%	1,241	6	13,496	64
2027	14,798	61	64.9%	1,246	5	13,552	56
2028	14,860	61	64.8%	1,252	5	13,608	56
2029	14,921	62	64.6%	1,257	5	13,665	56
2030	14,983	62	64.5%	1,262	5	13,721	57
2031	15,045	62	64.3%	1,267	5	13,778	57
2032	15,104	59	64.1%	1,272	5	13,832	54
2033	15,164	60	63.9%	1,277	5	13,887	55
2034	15,224	60	63.7%	1,282	5	13,942	55
2035	15,284	60	63.4%	1,287	5	13,996	55
2036	15,344	60	63.2%	1,292	5	14,052	55
2037	15,408	64	63.2%	1,298	5	14,110	59
2038	15,472	64	63.2%	1,303	5	14,169	59
2039	15,537	64	63.2%	1,309	5	14,228	59
2040	15,601	65	63.2%	1,314	5	14,287	59
2041	15,667	65	63.2%	1,320	5	14,347	60
2023-2032		646			54		592
2023-2041		1,209			102		1,107

Source: Hemson Consulting



APPENDIX A - TABLE 8

CITY OF OWEN SOUND
FORECAST OF HOUSEHOLD GROWTH IN DWELLINGS BY UNIT TYPE

Mid-Year	Growth in Occupied Households				Growth Share By Unit Type			
	Singles & Semis	Rows & Other Multiples	Apartments	Total New Households	Singles & Semis	Rows & Other Multiples	Apartments	Total
2023	8	7	53	68	12%	10%	78%	100%
2024	8	7	53	68	12%	10%	78%	100%
2025	8	7	54	68	12%	10%	78%	100%
2026	8	7	54	69	12%	10%	78%	100%
2027	5	4	44	53	10%	8%	82%	100%
2028	6	4	44	54	10%	8%	82%	100%
2029	6	4	44	54	10%	8%	82%	100%
2030	6	4	44	54	10%	8%	82%	100%
2031	6	4	45	55	10%	8%	82%	100%
2032	5	5	40	50	10%	10%	80%	100%
2033	5	5	40	50	10%	10%	80%	100%
2034	5	5	40	50	10%	10%	80%	100%
2035	5	5	40	50	10%	10%	80%	100%
2036	5	5	40	50	10%	10%	80%	100%
2037	9	7	28	44	20%	16%	64%	100%
2038	9	7	28	44	20%	16%	64%	100%
2039	9	7	28	44	20%	16%	64%	100%
2040	9	7	28	44	20%	16%	64%	100%
2041	9	7	29	44	20%	16%	64%	100%
2023-2032	64	54	474	592	11%	9%	80%	100%
2023-2041	127	109	777	1,013	13%	11%	77%	100%

Source: Hemson Consulting

APPENDIX A - TABLE 9

CITY OF OWEN SOUND
FORECAST POPULATION GROWTH IN NEW HOUSEHOLDS BY UNIT TYPE*

Mid-Year	Singles & Semis	Rows & Other Multiples	Apartments	Total Pop. in New Households
2023	19	15	79	114
2024	20	15	80	115
2025	20	15	80	115
2026	20	15	81	116
2027	14	9	65	89
2028	14	10	66	89
2029	14	10	66	90
2030	14	10	66	90
2031	14	10	67	91
2032	12	11	60	83
2033	12	11	60	83
2034	12	11	60	83
2035	12	11	60	84
2036	12	11	61	84
2037	21	15	42	79
2038	22	15	42	79
2039	22	15	43	80
2040	22	16	43	80
2041	22	16	43	80
2023-2032	160	120	711	991
2023-2041	317	241	1,165	1,723

*Based on PPUs

2.50

2.20

1.50

Source: Hemson Consulting Ltd.

APPENDIX A - TABLE 10

CITY OF OWEN SOUND
NON-RESIDENTIAL SPACE FORECAST

Population Related Employment 55 m² per employee
Employment Land Employment 120 m² per employee

Mid-Year	Population Related Employment	Annual Growth	Growth in Space (m ²)	Employment Land Employment	Annual Growth	Growth in Space (m ²)	Total Non Work At Home Employment	Annual Growth	Growth in Space (m ²)
2019	8,111	53	0	5,631	-16	0	13,742	37	0
2020	5,015	-3,096	0	5,615	-16	0	10,630	-3,112	0
2021	5,030	16	0	5,600	-16	0	10,630	0	0
2022	7,599	2,568	0	5,642	42	5,053	13,240	2,610	5,053
2023	7,620	21	232	5,684	42	5,091	13,304	64	5,323
2024	7,641	21	1,159	5,727	43	5,129	13,368	64	6,289
2025	7,662	21	1,158	5,770	43	5,168	13,432	64	6,326
2026	7,683	21	1,158	5,813	43	5,207	13,496	64	6,364
2027	7,702	19	1,036	5,850	37	4,449	13,552	56	5,484
2028	7,721	19	1,035	5,888	37	4,477	13,608	56	5,512
2029	7,739	19	1,035	5,925	38	4,506	13,665	56	5,541
2030	7,758	19	1,035	5,963	38	4,534	13,721	57	5,569
2031	7,777	19	1,034	6,001	38	4,563	13,778	57	5,598
2032	7,798	22	1,185	6,034	33	3,932	13,832	54	5,117
2033	7,820	22	1,187	6,067	33	3,954	13,887	55	5,140
2034	7,842	22	1,188	6,100	33	3,975	13,942	55	5,164
2035	7,863	22	1,190	6,133	33	3,997	13,996	55	5,188
2036	7,885	22	1,192	6,167	33	4,019	14,052	55	5,211
2037	7,896	11	613	6,214	47	5,691	14,110	59	6,304
2038	7,907	11	606	6,262	48	5,735	14,169	59	6,341
2039	7,918	11	600	6,310	48	5,779	14,228	59	6,379
2040	7,929	11	593	6,359	49	5,824	14,287	59	6,416
2041	7,939	11	586	6,407	49	5,869	14,347	60	6,454
2023-2032		200	10,067		392	47,056		592	57,123
2023-2041		341	17,822		766	91,900		1,107	109,721

Source: Hemson Consulting

APPENDIX B

CITYWIDE GENERAL SERVICES

TECHNICAL APPENDIX

INTRODUCTION AND OVERVIEW

The following appendix provides the detailed analysis undertaken to establish the development charge rates for each of the services in the City of Owen Sound.

The appendix is divided into seven sub-sections, with one section for each of the general services:

Appendix B.1	Library Services
Appendix B.2	Fire Protection Services
Appendix B.3	Police Services
Appendix B.4	Outdoor Recreation
Appendix B.5	Indoor Recreation
Appendix B.6	Transit Services
Appendix B.7	Waste Collection

Every sub-section, with the exception of Fire Protection and Police Services contains a set of three tables. The tables provide the background data and analysis undertaken to arrive at the calculated development charge rates for that particular service. An overview of the content and purpose of each of the tables is given below.

TABLE 1: HISTORICAL SERVICE LEVELS

Table 1 presents the data used to determine the 15-year historical service level. The DCA and O. Reg. 82/98 require that development charges be set at a level no higher than the average service level provided in the City over the 15-year period immediately preceding the preparation of the background study, on a service-by-service basis. For the purpose of this study, the historical inventory period has been defined as 2008 to 2022.

O. Reg. 82/98 requires that, when defining and determining historical service levels, both the quantity and quality of service be taken into consideration. In most cases, the service levels are initially established in quantitative terms. For example, service levels for buildings are presented in terms of square feet. The qualitative aspect is introduced by considering the monetary value of the facility or service. In the case of buildings, for example, the cost would be shown in terms of cost per square foot to replace or construct a facility of the same quality. This approach helps to ensure that the development-related capital facilities that are to be funded by new growth reflect not only the quantity (number and size), but also the quality (replacement value or cost) of service provided by the City in the past. Both

the quantitative and qualitative aspects of service levels used in the current analysis are based on information provided by municipal staff. This information is generally based on historical records and experience with costs to acquire or construct similar facilities, equipment and infrastructure.

The value of land used in the inventory of capital assets for each service varies based on the location of the land within the City. Land values were estimated based on discussions with City staff.

Table 1 also shows the calculation of the “maximum allowable funding envelope”, net of uncommitted excess capacity. The maximum allowable is defined as the 15-year historical service level (expressed as \$/capita or \$/capita & employment) multiplied by the forecast increase in net population, or net population and employment growth, over the planning period. The resulting figure is the value of capital infrastructure that must be constructed for that particular service so that the 15-year historical service level is maintained.

There is also a requirement in the DCA to consider “excess capacity” within the City’s existing infrastructure that may be available to partially meet the future servicing requirements. If Council has expressed its intent before or at the time the capacity was created to recoup the cost of providing the capacity from new development, it is considered “committed excess capacity” under the DCA, and the associated capital cost is eligible for recovery. Should uncommitted excess capacity exist, it is determined whether or not this capacity will be available to service new development and, if so, deductions to the maximum allowable funding envelope are required.

For those services with only a residential impact — Library Services, Indoor Recreation, and Outdoor Recreation — a service level measure based solely on net population has been used. For services where a residential and non-residential charge is calculated, a service level measure based on net population and employment has been used.

**TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM
AND THE CALCULATION OF THE UNADJUSTED
DEVELOPMENT CHARGE**

The DCA requires that Council express its intent to provide future capital facilities to support future growth. Based on the development forecasts presented in Appendix A Hemson, in collaboration with City staff, has developed a development-related capital program which sets out the projects required to service anticipated development for the ten-year period from 2023 to 2032.

To determine the share of the program that is eligible for recovery through development charges, the gross cost of each capital project are reduced by any anticipated grants or subsidies and “benefit to existing” (BTE) shares.

A benefit to existing share represents that portion of a capital project that will benefit the existing community. It could, for example, represent a portion of a new facility that, at least in part, replaces a facility that is demolished, redeployed or will otherwise not be available to serve its former function (a “replacement” share). The benefit to existing share of the capital program is not deemed to be development-related and is therefore removed from the development charge calculation. The capital cost for benefit to existing shares will require funding from non-development charge sources, typically property taxes or user fees.

The capital program less any replacement or benefit-to-existing shares yields the development-related costs. Although deemed development-related, not all of the net development-related capital program may be recoverable from development charges in the period from 2023 to 2032. For some of the services, a portion of the capital program will service growth that will not occur until after 2032. This portion of the capital program is either deemed “other development-related” service capacity to be considered as committed excess capacity and recovered under future development, or is a service level increase.

The remaining portion of the net capital program represents the development-related cost that may be included in the development charge. In all cases, as required, this amount is equal to or less than the maximum allowable capital amount as calculated at the end of Table 1. The result is the development-related net capital cost that is eligible for recovery against development over the period from 2023 to 2032.

i. Calculation of the Unadjusted Development Charges Rates

The section below the capital program displays the calculation of the “unadjusted” development charge rates. The term “unadjusted” development charge is used to distinguish the charge that is calculated prior to cash flow financing considerations. The cash flow analysis is shown in Table 3.

The first step when determining the unadjusted development charge rate is to allocate the development-related net capital cost between the residential and non-residential sectors. For Fire Protection Services, Police Services, Transit Services and Waste Collection the development-related costs have been allocated as 63% residential and 37% non-residential. The allocation is based on the anticipated shares of population and employment growth over the ten-year forecast period. The development-related costs associated with Library, Outdoor Recreation and Indoor Recreation have been allocated 100% to the residential

sector because the need for these services is considered to be driven entirely by residential development.

The residential share of the in-period DC eligible costs are then divided by ten-year forecast population in new units. This gives the unadjusted residential development charge per capita. The non-residential development-related net capital costs are divided by the forecast increase in non-residential gross floor area (GFA). This yields a charge per square metre of new non-residential GFA.

TABLE 3: CASH FLOW ANALYSIS

A cash flow analysis is also undertaken to account for the timing of projects and receipt of development charges. Interest earnings or borrowing costs are therefore, accounted for in the calculation as allowed under the DCA. Based on the development forecast, the analysis calculates the development charges rate that is required to finance the net development-related capital spending plan including provisions for any borrowing costs or interest earnings on the reserve funds. The cash flow analysis is designed so that the closing cash balance at the end of the planning period is as close to nil as possible.

In order to determine appropriate development charges rates reflecting borrowing and earnings necessary to support the net development-related funding requirement, assumptions are used for the inflation rate and interest rate. An inflation rate of 2.0% is used for the funding requirements, an interest rate of 3.5% is used for positive opening balances, and a rate of 5.5% is used for negative opening balances.

Table 3 displays the results of the cash flow analysis and provides the adjusted or final per capita residential and per square metre (of GFA) non-residential development charges.

APPENDIX B.1

LIBRARY SERVICES

APPENDIX B.1: LIBRARY SERVICES

The City provides Library Services from one branch. The branch provides a wide range of resources in a variety of formats as well as a number of programs for residents. The municipalities of Meaford, Georgian Bluffs and Chatsworth also contribute financially to and benefit from the Owen Sound branch as part of the North Grey Union Public Library. As a result of this arrangement, 40% of the inventory of capital assets has been attributed to the other municipalities.

The benefits of Library Services are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

Table 1 displays the Library’s 15-year historical inventory for buildings, land, materials, and furniture and equipment (excluding computer equipment). The building space amounts to 33,118 square feet and Owen Sound’s share is valued at \$11.1 million. The library building occupies approximately 0.33 acres of land; Owen Sound’s share of the land value is \$181,400. The City’s 60% share of collection materials is valued at \$6.4 million and its share of library furniture and equipment associated is valued at \$551,600.

The 2023 full replacement value of the City’s share of library capital assets amounts to \$18.3 million and the 15-year historical average service level is \$807.86 per capita.

The historical service level, multiplied by the ten-year forecast of population growth, results in a ten-year maximum allowable funding envelope of \$1.4 million (\$807.86 per capita x 1,749 net population growth).

Paragraph 5 of s.5(1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Library Services, as any deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

The maximum allowable funding envelope brought forward to the DC calculation is therefore the full \$1.4 million.

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The Library Services’ ten-year capital program amounts to \$600,000. The program provides for outdoor programmable space in 2027, an annual provision to purchase new collection materials, and a provision for offsite services, for example an automated locker, in 2028.

There are no grants and subsidies identified. As such, the net cost of the program remains \$600,000. Given that all capital projects are new assets, no benefit-to-existing shares have been determined.

Of the \$600,000 development-related capital costs, \$40,400 can be funded through the existing Library DC reserve fund. The remaining \$559,600, being lower than the maximum allowable funding envelope, is related to growth between 2023 and 2032 and is allocated entirely against future residential development in the City. This results in an unadjusted development charge of \$564.82.

TABLE 3: CASH FLOW ANALYSIS

After cash flow, the residential calculated charge decreases slightly to \$564.36 per capita. The following table summarizes the calculation of the Library Services development charge.

LIBRARY SERVICES SUMMARY						
15-year Hist.	2023 - 2032		Unadjusted		Adjusted	
Service Level	Development-Related Capital Program		Development Charge		Development Charge	
per capita	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$807.86	\$600,000	\$559,608	\$564.82	\$0.00	\$564.36	\$0.00

APPENDIX B.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
LIBRARY SERVICES

BUILDINGS Branch Name	# of Square Feet															UNIT COST (\$/sq.ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Public Library	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	33,118	\$560
Less other Municipal Share (40%)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	(13,247)	\$560
							-									
Total (sq.ft.)	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	19,871	
Total (\$000)	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	

LAND Branch Name	# of Acres															UNIT COST (\$/acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Public Library	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	\$916,000
Less other Municipal Share (40%)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	(0.13)	\$916,000
Total (acre)	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
Total (\$000)	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$181.4	\$181.4	\$181.4	

MATERIALS Type of Collection	# of Collection Materials															UNIT COST (\$/item)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Books, CDs DVDs, Magazines	93,215	93,215	93,215	93,215	93,215	93,215	92,257	90,706	102,089	102,402	99,560	93,379	95,064	100,032	100,032	\$50
Electronic Resources	53,825	53,825	53,825	53,825	53,825	53,825	74,819	80,118	108,794	127,584	147,891	151,126	112,921	113,951	113,951	\$50
Less other Municipal Share (40%)	(58,816)	(58,816)	(58,816)	(58,816)	(58,816)	(58,816)	(66,830)	(68,330)	(84,353)	(91,994)	(98,980)	(97,802)	(83,194)	(85,593)	(85,593)	\$50
Total (#)	88,224	88,224	88,224	88,224	88,224	88,224	100,246	102,494	126,530	137,992	148,471	146,703	124,791	128,390	128,390	
Total (\$000)	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$5,012.3	\$5,124.7	\$6,326.5	\$6,899.6	\$7,423.5	\$7,335.2	\$6,239.6	\$6,419.5	\$6,419.5	

FURNITURE AND EQUIPMENT Branch Name	Total Value of Furniture and Equipment (\$)															
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Branch Furniture and Equipment (Owen Sound Share)	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$536,185	\$551,627	
Total (\$000)	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$551.6	

APPENDIX B.1
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
LIBRARY SERVICES

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815

INVENTORY SUMMARY (\$000)

Buildings	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6	\$11,127.6
Land	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$178.6	\$181.4	\$181.4
Materials	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$4,411.2	\$5,012.3	\$5,124.7	\$6,326.5	\$6,899.6	\$7,423.5	\$7,335.2	\$6,239.6	\$6,419.5	\$6,419.5
Furniture And Equipment	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$536.2	\$551.6
Total (\$000)	\$16,253.7	\$16,253.7	\$16,253.7	\$16,253.7	\$16,253.7	\$16,253.7	\$16,854.7	\$16,967.2	\$18,168.9	\$18,742.0	\$19,266.0	\$19,177.6	\$18,084.8	\$18,264.7	\$18,280.1

SERVICE LEVEL (\$/capita)

																Average Service Level
Buildings	\$512.16	\$512.46	\$512.77	\$513.08	\$514.74	\$516.41	\$518.07	\$519.74	\$521.42	\$520.11	\$518.80	\$517.49	\$516.18	\$514.88	\$510.10	\$515.89
Land	\$8.22	\$8.23	\$8.23	\$8.24	\$8.26	\$8.29	\$8.32	\$8.34	\$8.37	\$8.35	\$8.33	\$8.31	\$8.41	\$8.39	\$8.31	\$8.31
Materials	\$203.03	\$203.15	\$203.27	\$203.39	\$204.05	\$204.72	\$233.36	\$239.36	\$296.45	\$322.49	\$346.10	\$341.12	\$289.44	\$297.03	\$294.28	\$258.75
Furniture And Equipment	\$24.68	\$24.69	\$24.71	\$24.72	\$24.80	\$24.88	\$24.96	\$25.04	\$25.12	\$25.06	\$25.00	\$24.94	\$24.87	\$24.81	\$25.29	\$24.91
Total (\$/capita)	\$748.09	\$748.53	\$748.98	\$749.43	\$751.86	\$754.30	\$784.71	\$792.49	\$851.36	\$876.00	\$898.22	\$891.85	\$838.91	\$845.12	\$837.98	\$807.86

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
LIBRARY SERVICES

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$807.86
Population Growth 2023 - 2032	1,749
Maximum Allowable Funding Envelope	\$1,412,977

APPENDIX B.1

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
LIBRARY SERVICES

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
1.0 LIBRARY SERVICES										
1.1 Materials										
1.1.1 Provision for Collection Materials	2023 - 2032	\$ 450,000	\$ -	\$ 450,000	0%	\$ -	\$ 450,000	\$ 40,392	\$ 409,608	\$ -
Subtotal Materials		\$ 450,000	\$ -	\$ 450,000		\$ -	\$ 450,000	\$ 40,392	\$ 409,608	\$ -
1.2 Other										
1.2.1 Off Site Service Provision	2028 - 2028	\$ 100,000	\$ -	\$ 100,000	0%	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ -
1.2.2 Outdoor Programmable Space	2027 - 2027	\$ 50,000	\$ -	\$ 50,000	0%	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -
Subtotal Other		\$ 150,000	\$ -	\$ 150,000		\$ -	\$ 150,000	\$ -	\$ 150,000	\$ -
TOTAL LIBRARY SERVICES		\$ 600,000	\$ -	\$ 600,000		\$ -	\$ 600,000	\$ 40,392	\$ 559,608	\$ -

Residential Development Charge Calculation		
Residential Share of 2023 - 2032 DC Eligible Costs	100%	\$559,608
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$564.82
Non-Residential Development Charge Calculation		
Non-Residential Share of 2023 - 2032 DC Eligible Costs	0%	\$0
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$0.00

2023 - 2032 Net Funding Envelope	\$1,412,977
Reserve Fund Balance	
Balance as at December 31, 2022	\$40,392

APPENDIX B.1

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
LIBRARY SERVICES
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

LIBRARY SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.0	\$23.7	\$49.2	\$76.5	\$105.8	\$64.0	(\$36.6)	(\$27.6)	(\$17.6)	(\$6.5)	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Library Services: Non Inflated	\$41.0	\$41.0	\$41.0	\$41.0	\$91.0	\$141.0	\$41.0	\$41.0	\$41.0	\$41.0	\$559.6
- Library Services: Inflated	\$41.0	\$41.8	\$42.6	\$43.5	\$98.5	\$155.6	\$46.1	\$47.1	\$48.0	\$49.0	\$613.0
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$64.3	\$66.0	\$67.8	\$69.6	\$54.2	\$55.5	\$56.9	\$58.4	\$59.8	\$55.7	\$608.3
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.8	\$1.7	\$2.7	\$3.7	\$2.2	(\$2.0)	(\$1.5)	(\$1.0)	(\$0.4)	\$6.3
- Interest on In-year Transactions	\$0.4	\$0.4	\$0.4	\$0.5	(\$1.2)	(\$2.8)	\$0.2	\$0.2	\$0.2	\$0.1	(\$1.5)
TOTAL REVENUE	\$64.7	\$67.3	\$69.9	\$72.7	\$56.7	\$55.0	\$55.1	\$57.1	\$59.1	\$55.5	\$613.0
CLOSING CASH BALANCE	\$23.7	\$49.2	\$76.5	\$105.8	\$64.0	(\$36.6)	(\$27.6)	(\$17.6)	(\$6.5)	\$0.0	

2023 Adjusted Charge Per Capita **\$564.36**

Allocation of Capital Program

Residential Sector 100.0%
Non-Residential Sector 0.0%

Rates for 2023

Inflation Rate 2.0%
Interest Rate on Positive Balances 3.5%
Interest Rate on Negative Balances 5.5%

APPENDIX B.2

FIRE PROTECTION SERVICES

APPENDIX B.2: FIRE PROTECTION SERVICES

The City’s Fire Department provides services out of one fire station and is responsible for education, fire prevention, rescue operations, fire suppression, and basic life support services. The benefits of Fire Protection Services are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The Fire Department operates out of one fire hall, which is 11,495 square feet, and a 560 square foot garage; the two buildings are valued at \$6.0 million. The land area associated with the buildings is approximately 0.7 acres and is valued at \$634,800. The total cost of furniture and equipment at the station is approximately \$800,200, and the six fire vehicles in service have a replacement value of \$6.8 million

The current replacement value of all Fire Services capital assets is \$14.2 million, which has provided the City with a 15-year historical average service level of \$297.67 per capita and employment.

The calculated maximum allowable funding envelope recoverable through development charges over the 2023 to 2032 planning period is \$696,900 (\$297.67 per capita and employment x 2,341 net population and employment growth).

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Fire Protection Services as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

TABLE 2: 2032-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The 2023-2032 development-related capital program for Fire Protection Services amounts to \$6.9 million, which provides for:

- A 6,000 square feet expansion to the main fire station at a cost of \$4.2 million;
- A new utility truck in 2023 (\$75,000); and
- A new pumper (\$800,000) and aerial (\$1.8 million) vehicle

No grants, subsidies, or other recoveries have been identified to fund the program. A benefit-to-existing share of approximately \$3.1 million has been removed from the development charge calculation to account for the renovation of the existing fire station and the replacement of the pumper and aerial. The remaining \$3.8 million is deemed to be DC eligible.

Of the \$3.8 million development-related capital cost, \$48,100 can be funded through the existing DC reserve fund. The share of development-related costs exceeding the maximum allowable funding envelope, \$3.0 million, is determined to benefit development beyond 2032 and may be eligible for funding under subsequent development charge studies. The remaining share of \$696,900, equal to the funding envelope, is eligible for recovery through development charges in the 2023-2032 period.

The development related net capital cost is allocated 63% to residential development (\$436,200) and 37% (\$260,700) to non-residential development. The residential share is divided by the growth in population in new dwelling units to 2032 (991) to derive an unadjusted charge of \$440.27 per capita. The non-residential share is divided by the forecast growth in floor space to 2032 (57,123), resulting in an unadjusted charge of \$4.56.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow consideration, the residential and non-residential calculated charges increases slightly to \$446.47 per capita and \$4.65 per square meter. The following table summarizes the calculation of the Fire Protection Services development charge.

FIRE PROTECTION SERVICES SUMMARY						
15-year Hist.	2023 - 2032		Unadjusted		Adjusted	
Service Level	Development-Related Capital Program		Development Charge		Development Charge	
per pop&emp	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$297.67	\$6,900,000	\$696,869	\$440.27	\$4.56	\$446.47	\$4.65

APPENDIX B.2
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
FIRE PROTECTION SERVICES

BUILDINGS Station Name	# of Square Feet															UNIT COST (\$/sq. ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Main Fire Station	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	11,495	\$510
Garage	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	\$190
Total (sq.ft.)	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	12,055	
Total (\$000)	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	

LAND Station Name	# of Acres															UNIT COST (\$/acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Main Fire Station	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	\$920,000
Total (acres)	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	0.69	
Total (\$000)	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$634.8	\$634.8	\$634.8	

FURNITURE & EQUIPMENT Value of Equipment	Total Value of Furniture & Equipment (\$)															
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Equipment and Gear																
Equipment in Stations	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$525,143	\$543,381	\$794,551	\$800,211	
Air Compressor	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$0	\$0	\$0	\$0	
Total (\$000)	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$543.4	\$794.6	\$800.2	

APPENDIX B.2
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
FIRE PROTECTION SERVICES

VEHICLES Vehicle Type	# of Vehicles															UNIT COST (\$/vehicle)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Pumper 1 (P-5)	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$1,389,100
Pumper 2 (P-2)	-	-	-	-	-	-	-	-	-	-	1	1	1	1	1	\$1,000,000
Aerial/Platform 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	\$1,800,000
Ladder Truck 1 (A-3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	\$2,000,000
Ladder Truck 2 (L-4)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,000,000
Rescue Boat 1 (R-7)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$425,000
Trailer 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,921
Trailer 2	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	\$31,900
SUV	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	\$79,800
Total (#)	6	6	6	6	7	7	7	6	5	5	6	6	6	6	6	
Total (\$000)	\$4,362.6	\$4,362.6	\$4,362.6	\$4,362.6	\$5,751.7	\$5,751.7	\$5,751.7	\$5,671.9	\$5,640.0	\$5,640.0	\$6,640.0	\$6,640.0	\$6,640.0	\$6,640.0	\$6,840.0	

**APPENDIX B.2
TABLE 1**

**CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
FIRE PROTECTION SERVICES**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815
Historical Employment	<u>21,727</u>	<u>21,714</u>	<u>21,701</u>	<u>21,688</u>	<u>21,618</u>	<u>21,548</u>	<u>21,479</u>	<u>21,410</u>	<u>21,341</u>	<u>21,395</u>	<u>21,449</u>	<u>21,503</u>	<u>21,558</u>	<u>21,612</u>	<u>21,815</u>
Total Historical Population & Employment	43,454	43,428	43,402	43,376	43,236	43,096	42,958	42,820	42,682	42,790	42,898	43,006	43,115	43,224	43,629

INVENTORY SUMMARY (\$000)

Buildings	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9	\$5,968.9
Land	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$638.5	\$634.8	\$634.8
Furniture & Equipment	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$525.1	\$543.4	\$794.6
Vehicles	\$4,362.6	\$4,362.6	\$4,362.6	\$4,362.6	\$5,751.7	\$5,751.7	\$5,751.7	\$5,671.9	\$5,640.0	\$5,640.0	\$6,640.0	\$6,640.0	\$6,640.0	\$6,640.0	\$6,840.0
Total (\$000)	\$11,495.1	\$11,495.1	\$11,495.1	\$11,495.1	\$12,884.2	\$12,884.2	\$12,884.2	\$12,804.4	\$12,772.5	\$12,772.5	\$13,772.5	\$13,772.5	\$13,787.1	\$14,038.2	\$14,243.9

SERVICE LEVEL (\$/pop & emp)

**Service
Level**

Buildings	\$137.36	\$137.44	\$137.52	\$137.61	\$138.05	\$138.50	\$138.95	\$139.39	\$139.84	\$139.49	\$139.14	\$138.79	\$138.44	\$138.09	\$136.81	\$138.36
Land	\$14.69	\$14.70	\$14.71	\$14.72	\$14.77	\$14.82	\$14.86	\$14.91	\$14.96	\$14.92	\$14.88	\$14.85	\$14.72	\$14.69	\$14.55	\$14.78
Furniture & Equipment	\$12.09	\$12.09	\$12.10	\$12.11	\$12.15	\$12.19	\$12.22	\$12.26	\$12.30	\$12.27	\$12.24	\$12.21	\$12.60	\$18.38	\$18.34	\$13.04
Vehicles	\$100.40	\$100.46	\$100.52	\$100.58	\$133.03	\$133.46	\$133.89	\$132.46	\$132.14	\$131.81	\$154.79	\$154.40	\$154.01	\$153.62	\$156.78	\$131.49
Total (\$/pop & emp)	\$264.53	\$264.69	\$264.85	\$265.01	\$298.00	\$298.96	\$299.93	\$299.03	\$299.25	\$298.49	\$321.05	\$320.24	\$319.77	\$324.78	\$326.48	\$297.67

**CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
FIRE PROTECTION SERVICES**

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$297.67
Net Population & Employment Growth 2023 - 2032	2,341
Maximum Allowable Funding Envelope	\$696,869

APPENDIX B.2

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
FIRE PROTECTION SERVICES

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
2.0 FIRE PROTECTION SERVICES										
2.1 Buildings										
2.1.1 Fire Station Renovation & Addition (6,000 new sqft)	2028 - 2028	\$ 4,225,000	\$ -	\$ 4,225,000	28%	\$ 1,165,000	\$ 3,060,000	\$ -	\$ 669,979	\$ 2,390,021
Subtotal Buildings		\$ 4,225,000	\$ -	\$ 4,225,000		\$ 1,165,000	\$ 3,060,000	\$ -	\$ 669,979	\$ 2,390,021
2.2 Vehicles, Equipment, etc.										
2.2.1 Utility Truck	2023 - 2023	\$ 75,000	\$ -	\$ 75,000	0%	\$ -	\$ 75,000	\$ 48,110	\$ 26,890	\$ -
2.2.2 Pumper #5 Replacement & Capacity Upgrade	2029 - 2029	\$ 800,000	\$ -	\$ 800,000	75%	\$ 600,000	\$ 200,000	\$ -	\$ -	\$ 200,000
2.2.3 Aerial (A-4) Replacement & Capacity Upgrade	2027 - 2027	\$ 1,800,000	\$ -	\$ 1,800,000	75%	\$ 1,350,000	\$ 450,000	\$ -	\$ -	\$ 450,000
Subtotal Vehicles, Equipment, etc.		\$ 2,675,000	\$ -	\$ 2,675,000		\$ 1,950,000	\$ 725,000	\$ 48,110	\$ 26,890	\$ 650,000
TOTAL FIRE PROTECTION SERVICES		\$ 6,900,000	\$ -	\$ 6,900,000		\$ 3,115,000	\$ 3,785,000	\$ 48,110	\$ 696,869	\$ 3,040,021

Residential Development Charge Calculation		
Residential Share of 2023 - 2032 DC Eligible Costs	63%	\$436,210
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$440.27
Non-Residential Development Charge Calculation		
Non-Residential Share of 2023 - 2032 DC Eligible Costs	37%	\$260,659
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$4.56

2023 - 2032 Net Funding Envelope	\$696,869
Reserve Fund Balance	
Balance as at December 31, 2022	\$48,110

APPENDIX B.2
TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
FIRE PROTECTION SERVICES
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

FIRE PROTECTION SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.0	\$34.6	\$89.0	\$146.6	\$207.8	\$258.7	(\$162.9)	(\$126.0)	(\$86.0)	(\$42.5)	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Fire Protection Services: Non Inflated	\$16.8	\$0.0	\$0.0	\$0.0	\$0.0	\$419.4	\$0.0	\$0.0	\$0.0	\$0.0	\$436.2
- Fire Protection Services: Inflated	\$16.8	\$0.0	\$0.0	\$0.0	\$0.0	\$463.0	\$0.0	\$0.0	\$0.0	\$0.0	\$479.9
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$50.9	\$52.2	\$53.6	\$55.0	\$42.9	\$43.9	\$45.0	\$46.2	\$47.3	\$44.1	\$481.2
INTEREST											
- Interest on Opening Balance	\$0.0	\$1.2	\$3.1	\$5.1	\$7.3	\$9.1	(\$9.0)	(\$6.9)	(\$4.7)	(\$2.3)	\$2.8
- Interest on In-year Transactions	\$0.6	\$0.9	\$0.9	\$1.0	\$0.8	(\$11.5)	\$0.8	\$0.8	\$0.8	\$0.8	(\$4.2)
TOTAL REVENUE	\$51.5	\$54.3	\$57.7	\$61.1	\$50.9	\$41.5	\$36.9	\$40.1	\$43.4	\$42.5	\$479.9
CLOSING CASH BALANCE	\$34.6	\$89.0	\$146.6	\$207.8	\$258.7	(\$162.9)	(\$126.0)	(\$86.0)	(\$42.5)	\$0.0	

2023 Adjusted Charge Per Capita	\$446.47
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Allocation of Capital Program	
Residential Sector	62.6%
Non-Residential Sector	37.4%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.2

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
FIRE PROTECTION SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

FIRE PROTECTION SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$14.94	\$45.79	\$78.52	\$113.21	\$145.24	(\$104.90)	(\$81.17)	(\$55.38)	(\$27.41)	
2023 - 2032 NON-RESIDENTIAL FUNDING REQUIREMENTS											
- Fire Protection Services: Non Inflated	\$10.1	\$0.0	\$0.0	\$0.0	\$0.0	\$250.6	\$0.0	\$0.0	\$0.0	\$0.0	\$260.7
- Fire Protection Services: Inflated	\$10.1	\$0.0	\$0.0	\$0.0	\$0.0	\$276.7	\$0.0	\$0.0	\$0.0	\$0.0	\$286.7
NEW NON-RESIDENTIAL DEVELOPMENT											
- Growth in Square Metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	57,123
REVENUE											
- DC Receipts: Inflated	\$24.7	\$29.8	\$30.6	\$31.4	\$27.6	\$28.3	\$29.0	\$29.7	\$30.5	\$28.4	\$290.0
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.5	\$1.6	\$2.7	\$4.0	\$5.1	(\$5.8)	(\$4.5)	(\$3.0)	(\$1.5)	(\$0.9)
- Interest on In-year Transactions	\$0.3	\$0.5	\$0.5	\$0.5	\$0.5	(\$6.8)	\$0.5	\$0.5	\$0.5	\$0.5	(\$2.4)
TOTAL REVENUE	\$25.0	\$30.9	\$32.7	\$34.7	\$32.0	\$26.5	\$23.7	\$25.8	\$28.0	\$27.4	\$286.7
CLOSING CASH BALANCE	\$14.9	\$45.8	\$78.5	\$113.2	\$145.2	(\$104.9)	(\$81.2)	(\$55.4)	(\$27.4)	\$0.0	

Note: Borrowed funds are not inflated.

2023 Adjusted Charge Per Square Metre	\$4.65
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Allocation of Capital Program	
Residential Sector	62.6%
Non-Residential Sector	37.4%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.3

POLICE SERVICES

APPENDIX B.3: POLICE SERVICES

Policing for the City of Owen Sound is provided from one police station and a backup dispatch centre. Police Services respond to calls and also undertake traffic safety, crime prevention and community service initiatives. The benefits of the Police Services are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The 15-year historical inventory of capital assets for the Police Department includes the 28,960 square foot police station and 600 square foot backup dispatch centre, which together are valued at \$16.6 million. The 0.5 acres of land associated with the buildings are valued at \$467,200. The total cost of furniture and equipment in the station is \$3.0 million and the cost to outfit 41 police officers is \$273,700. The Police Department also has a fleet of 20 vehicles that are valued at \$1.5 million.

The current replacement value of the Police Department’s capital infrastructure including buildings, land, vehicles and equipment is approximately \$21.8 million. This has provided a 15-year average historical service level of \$543.25 per population and employment. This average historical service level multiplied by the 10-year forecast growth in net population and employment results in a maximum allowable funding envelope of \$1.3 million (\$543.25 per capita and employment x 2,341 net population and employment growth).

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Police Services as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The Police Services capital program totals \$806,700 and includes a provision to outfit new officers with equipment and gear (\$26,700), as well as a provision for two new police

vehicles (\$110,000). Additional projects include land acquisition and parking space development totalling \$670,000.

There are no grants, subsidies, or other recoveries identified to fund the program and given all of the capital works represent new assets, there are no benefit-to-existing shares. Of the \$806,700 development-related cost, \$31,279 can be funded through the existing DC reserve fund. The remaining share of \$775,400 is eligible for recovery through development charges in the 2023-2032 period.

The development-related net capital cost is allocated 63% (\$485,400) to residential development and 37% (\$290,000) to non-residential development. The residential share is divided by the growth in population in new dwelling units to 2032 (991) to derive an unadjusted charge of \$489.90 per capita. The non-residential share is divided by the forecast growth in floor space to 2032 (57,123), resulting in an unadjusted charge of \$5.08.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow consideration, the residential and non-residential calculated charges decrease slightly to \$483.23 per capita and \$5.03 per square meter respectively. The following table summarizes the calculation of the Police Services development charge.

POLICE SERVICES SUMMARY						
15-year Hist. Service Level per pop & emp	2023 - 2032		Unadjusted		Adjusted	
	Development-Related Capital Program		Development Charge		Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$543.25	\$806,700	\$775,421	\$489.90	\$5.08	\$483.23	\$5.03

APPENDIX B.3
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
POLICE SERVICES

BUILDINGS		# of Square Feet														UNIT COST (\$/sq. ft.)
Station Name	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Police Station	11,584	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	28,960	\$560
Backup Dispatch	200	200	200	200	200	200	200	200	200	200	200	200	200	600	600	\$560
Total (sq.ft.)	11,784	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,160	29,560	29,560	
Total (\$000)	\$6,599.0	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$0.0	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,553.6	\$16,553.6	

LAND		# of Acres														UNIT COST (\$/acre)
Station Name	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Police Station	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	\$916,100
Total (acres)	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	
Total (\$000)	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$467.2	\$467.2	\$467.2	

EQUIPMENT AND GEAR		# of Pieces of Equipment														UNIT COST (\$/unit)
Type of Police	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Sworn Officers	40	40	40	40	40	40	40	40	40	40	40	40	41	41	41	\$6,675
Total (#)	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	41.00	41.00	41.00	
Total (\$000)	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$273.7	\$273.7	\$273.7	

APPENDIX B.3
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
POLICE SERVICES

VEHICLES Vehicle Type	# of Vehicles															UNIT COST (\$/vehicle)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Patrol Wagon	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	\$55,700
Trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$9,467
258020 - 2002 Harley Davidson Motorcycle	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$31,091
2010 Ford Econoline E350	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$49,716
2010 Toyota Camry	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$35,495
2010 Ford Expedition	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$51,462
2015 Ford Taurus Police Interceptor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$26,516
2016 Ford Taurus	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$26,516
2016 Ford Explorer AWD PIU	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$45,691
2017 Ford Explorer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$37,342
2018 Dodge Durango GT AWD	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$45,000
2018 Ford Explorer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$48,972
2018 Dodge Caravan	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$28,358
2018 Dodge Grand Caravan	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$28,848
2019 Ford F-150	-	-	-	-	-	-	-	-	-	-	-	1	1	1	1	\$45,871
2021 Jeep Grand Cherokee	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$41,645
2021 Nissan Rogue	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$35,000
2022 Ford Explorer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$40,000
2022 Ford Interceptor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$40,000
2022 Ford Edge	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$40,000
Total (#)	20	20	20	20	20	20	19	19	19	19	19	20	20	20	20	
Total (\$000)	\$832.0	\$832.0	\$968.7	\$968.7	\$968.7	\$968.7	\$857.3	\$883.8	\$956.0	\$993.3	\$1,144.5	\$1,236.3	\$1,286.3	\$1,311.4	\$1,478.6	

FURNITURE AND EQUIPMENT IN STATIONS Station Name	Total Value of Furniture and Equipment (\$)														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Station Equipment	\$1,064,749	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,661,873	\$2,916,107	\$3,021,727	\$3,049,645
Total (\$000)	\$1,064.7	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,916.1	\$3,021.7	\$3,049.6

APPENDIX B.3
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
POLICE SERVICES

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815
Historical Employment	<u>14,750</u>	<u>14,656</u>	<u>14,563</u>	<u>14,471</u>	<u>14,299</u>	<u>14,130</u>	<u>13,962</u>	<u>13,795</u>	<u>13,631</u>	<u>13,668</u>	<u>13,705</u>	<u>13,742</u>	<u>10,630</u>	<u>10,630</u>	<u>13,240</u>
Total Historical Population & Employment	36,477	36,370	36,264	36,159	35,917	35,678	35,441	35,205	34,972	35,062	35,154	35,245	32,188	32,242	35,055

INVENTORY SUMMARY (\$000)

Buildings	\$6,599.0	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$0.0	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,329.6	\$16,553.6	\$16,553.6
Land	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$470.0	\$467.2	\$467.2
Equipment And Gear	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$267.0	\$273.7	\$273.7
Vehicles	\$832.0	\$832.0	\$968.7	\$968.7	\$968.7	\$968.7	\$857.3	\$883.8	\$956.0	\$993.3	\$1,144.5	\$1,236.3	\$1,286.3	\$1,311.4	\$1,478.6
Furniture And Equipment In Stations	\$1,064.7	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$2,661.9	\$3,021.7	\$3,049.6
Total (\$000)	\$9,232.8	\$20,560.4	\$20,697.1	\$20,697.1	\$20,697.1	\$20,697.1	\$4,256.1	\$20,612.2	\$20,684.4	\$20,721.8	\$20,873.0	\$20,964.7	\$21,272.9	\$21,627.7	\$21,822.7

SERVICE LEVEL (\$/pop & emp)

Average
Service
Level

Buildings	\$180.9	\$449.0	\$450.3	\$451.6	\$454.6	\$457.7	\$0.00	\$463.84	\$466.94	\$465.73	\$464.52	\$463.32	\$507.33	\$513.42	\$472.22	\$417.43
Land	\$12.88	\$12.92	\$12.96	\$13.00	\$13.08	\$13.17	\$13.26	\$13.35	\$13.44	\$13.40	\$13.37	\$13.33	\$14.52	\$14.49	\$13.33	\$13.37
Equipment And Gear	\$7.32	\$7.34	\$7.36	\$7.38	\$7.43	\$7.48	\$7.53	\$7.58	\$7.63	\$7.61	\$7.60	\$7.58	\$8.50	\$8.49	\$7.81	\$7.64
Vehicles	\$22.81	\$22.88	\$26.71	\$26.79	\$26.97	\$27.15	\$24.19	\$25.10	\$27.34	\$28.33	\$32.56	\$35.08	\$39.96	\$40.68	\$42.18	\$29.91
Furniture And Equipment In Stations	\$29.19	\$73.19	\$73.40	\$73.62	\$74.11	\$74.61	\$75.11	\$75.61	\$76.12	\$75.92	\$75.72	\$75.53	\$90.60	\$93.72	\$87.00	\$74.90
Total (\$/pop & emp)	\$253.11	\$565.31	\$570.73	\$572.40	\$576.25	\$580.11	\$120.09	\$585.49	\$591.46	\$591.00	\$593.76	\$594.83	\$660.90	\$670.79	\$622.53	\$543.25

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
POLICE SERVICES

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$543.25
Net Population & Employment Growth 2023 - 2032	2,341
Maximum Allowable Funding Envelope	\$1,271,791

APPENDIX B.3

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
POLICE SERVICES

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
3.0 POLICE SERVICES										
3.1 New Officers										
3.1.1 Provision for New Officers	2028 - 2028	\$ 26,700	\$ -	\$ 26,700	0%	\$ -	\$ 26,700	\$ -	\$ 26,700	\$ -
Subtotal New Officers		\$ 26,700	\$ -	\$ 26,700		\$ -	\$ 26,700	\$ -	\$ 26,700	\$ -
3.2 Parking Expansion										
3.2.1 New Parking Area Land Acquisition	2029 - 2029	\$ 550,000	\$ -	\$ 550,000	0%	\$ -	\$ 550,000	\$ 31,279	\$ 518,721	\$ -
3.2.2 New Parking Area - Parking Space Development	2030 - 2030	\$ 120,000	\$ -	\$ 120,000	0%	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -
3.2.3 Provision for New Vehicles	2028 - 2028	\$ 110,000	\$ -	\$ 110,000	0%	\$ -	\$ 110,000	\$ -	\$ 110,000	\$ -
Subtotal Parking Expansion		\$ 780,000	\$ -	\$ 780,000		\$ -	\$ 780,000	\$ 31,279	\$ 748,721	\$ -
TOTAL POLICE SERVICES		\$ 806,700	\$ -	\$ 806,700		\$ -	\$ 806,700	\$ 31,279	\$ 775,421	\$ -

Residential Development Charge Calculation		
Residential Share of 2023 - 2041 DC Eligible Costs	63%	\$485,380
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$489.90
Non-Residential Development Charge Calculation		
Non-Residential Share of 2023 - 2041 DC Eligible Costs	37%	\$290,041
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$5.08

2023 - 2032 Net Funding Envelope	\$1,271,791
Reserve Fund Balance	
Balance as at December 31, 2022	\$31,279

APPENDIX B.3

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
POLICE SERVICES
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

POLICE SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.0	\$56.0	\$115.5	\$178.6	\$245.4	\$301.2	\$263.6	(\$52.8)	(\$93.0)	(\$46.0)	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Police Services: Non Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$85.6	\$324.7	\$75.1	\$0.0	\$0.0	\$485.4
- Police Services: Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$94.5	\$365.7	\$86.3	\$0.0	\$0.0	\$546.4
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$55.0	\$56.5	\$58.0	\$59.6	\$46.4	\$47.6	\$48.8	\$50.0	\$51.2	\$47.7	\$520.8
INTEREST											
- Interest on Opening Balance	\$0.0	\$2.0	\$4.0	\$6.2	\$8.6	\$10.5	\$9.2	(\$2.9)	(\$5.1)	(\$2.5)	\$30.1
- Interest on In-year Transactions	\$1.0	\$1.0	\$1.0	\$1.0	\$0.8	(\$1.3)	(\$8.7)	(\$1.0)	\$0.9	\$0.8	(\$4.4)
TOTAL REVENUE	\$56.0	\$59.5	\$63.1	\$66.9	\$55.8	\$56.8	\$49.3	\$46.1	\$47.0	\$46.0	\$546.4
CLOSING CASH BALANCE	\$56.0	\$115.5	\$178.6	\$245.4	\$301.2	\$263.6	(\$52.8)	(\$93.0)	(\$46.0)	(\$0.0)	

2023 Adjusted Charge Per Capita **\$483.23**

Allocation of Capital Program

Residential Sector	62.6%
Non-Residential Sector	37.4%

Rates for 2023

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.3

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
POLICE SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

POLICE SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$27.23	\$60.99	\$96.79	\$134.73	\$169.81	\$149.18	(\$37.88)	(\$59.90)	(\$29.65)	
2023 - 2032 NON-RESIDENTIAL FUNDING REQUIREMENTS											
- Police Services: Non Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$51.1	\$194.0	\$44.9	\$0.0	\$0.0	\$290.0
- Police Services: Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$56.5	\$218.5	\$51.6	\$0.0	\$0.0	\$326.5
NON-RESIDENTIAL SPACE GROWTH											
- Growth in Square Metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	57,123
REVENUE											
- DC Receipts: Inflated	\$26.8	\$32.2	\$33.1	\$34.0	\$29.8	\$30.6	\$31.4	\$32.2	\$33.0	\$30.7	\$313.7
INTEREST											
- Interest on Opening Balance	\$0.0	\$1.0	\$2.1	\$3.4	\$4.7	\$5.9	\$5.2	(\$2.1)	(\$3.3)	(\$1.6)	\$15.3
- Interest on In-year Transactions	\$0.5	\$0.6	\$0.6	\$0.6	\$0.5	(\$0.7)	(\$5.1)	(\$0.5)	\$0.6	\$0.5	(\$2.5)
TOTAL REVENUE	\$27.2	\$33.8	\$35.8	\$37.9	\$35.1	\$35.8	\$31.4	\$29.5	\$30.3	\$29.6	\$326.5
CLOSING CASH BALANCE	\$27.2	\$61.0	\$96.8	\$134.7	\$169.8	\$149.2	(\$37.9)	(\$59.9)	(\$29.6)	\$0.0	

2023 Adjusted Charge Per Square Metre

\$5.03

Allocation of Capital Program

Residential Sector	62.6%
Non-Residential Sector	37.4%

Rates for 2023

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.4

OUTDOOR RECREATION

APPENDIX B.4: OUTDOOR RECREATION

The City owns a number of Outdoor Recreation facilities and amenities within its developed parks and trails. The City also operates a fleet of vehicles to maintain parkland. The benefits of the Outdoor Recreation service are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The 15-year historical inventory of capital assets for Outdoor Recreation includes 49,750 square feet of building space that includes washrooms, workshops, change rooms, gazebos and boathouses. This space has a replacement value of \$7.6 million. Neighbourhood, Community, and City Parks amount to 386.7 acres of land and the City also operates another 26.4 acres of open space; the combined replacement value to develop the parks is \$28.8 million.

Outdoor Recreation amenities include sports fields such as baseball diamonds, rinks, soccer pitches, playgrounds, a splash pad, and a skate and bike park. These amenities combine for a total value of \$16.6 million. The City also has 20.9 kilometers of trails valued at \$258,300, and operates a 47-vehicle fleet valued at \$2.5 million.

The total value of the Outdoor Recreation capital assets is estimated to be \$55.8 million. The 15-year historical average service level is \$2,588.46 per capita and this, multiplied by the ten-year net population growth, results in a ten-year maximum allowable funding envelope of \$4.5 million.

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Outdoor Recreation as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The Outdoor Recreation capital program contains development-related projects based on the City’s five-year capital forecast. The projects include a range of enhancements and expansions to existing parks, including a new \$350,000 asphalt fitness trail, \$2.0 million for interior parks roads reconstruction projects, and provisions for waterfront trail development.

The gross cost of the Outdoor Recreation capital program totals \$8.2 million. No grants, subsidies, or other recoveries have been identified. The majority of the project costs have been assigned a benefit to existing share, as the works typically include the maintenance, rehabilitation and replacement of existing infrastructure. Where the benefit to existing share is 96%, the benefits of the project are deemed to accrue to new and existing development in equal measure. Lower benefit to existing shares have been determined for projects such as waterfront trails and playgrounds where a substantial component of the work includes the construction of entirely new infrastructure. The total benefit-to-existing share amounts to \$6.1 million.

Development charge reserve funds of \$75,901 are available to fund a portion of the capital program.

After these adjustments, the development charge costs eligible for recovery over the 2023 to 2032 planning period amount to \$2.0 million and are allocated 100% against new residential development. This yields an unadjusted residential development charge of \$2,022.46 per capita.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow and reserve fund analysis, the residential calculated charge decreases slightly to \$1,981.64 per capita. This reflects the balanced timing of the program. The following table summarizes the calculation of the Outdoor Recreation development charge.

OUTDOOR RECREATION SUMMARY						
15-year Hist.	2023 - 2032		Unadjusted		Adjusted	
Service Level	Development-Related Capital Program		Development Charge		Development Charge	
per capita	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$2,588.46	\$8,190,000	\$2,003,799	\$2,022.46	\$0.00	\$1,981.64	\$0.00

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
OUTDOOR RECREATION

OUTDOOR REC BUILDINGS Facility Name	# of Square Feet															UNIT COST (\$/sq. ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Duncan Field House & Washroom	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	\$100
Duncan Shelter	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	\$70
Eastside Boat Launch Building & Washroom	950	950	950	950	950	950	950	950	950	950	950	950	950	950	950	\$100
Greenwood Workshop (20% parks)	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	\$70
Harrison Park Ball Field Washroom	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	\$210
Harrison Park Bandstand	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$210
Harrison Park Bird Barns (several)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$210
Harrison Park Wood Shed	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	\$210
Harrison Park Kitchen	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	\$140
Harrison Park Registration Booth	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	\$210
Harrison Park South Washroom	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	\$140
Harrison Park Inn Washrooms	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	\$100
Harrison Park Island Shelter	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	\$210
Harrison Park Pool Changeroom and Washroom	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	\$100
Harrison Park Main Washroom	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	\$100
Harrison Park Pool Mechanical Room	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	\$100
Harrison Park Washroom 3	700	700	700	700	700	700	700	700	700	700	700	700	700	700	700	\$100
Harrison Park Vehicle Bays	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	\$70
Harrison Park Workshop	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$100
Harrison Park Community Centre	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	\$262

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
OUTDOOR RECREATION

OUTDOOR REC BUILDINGS	# of Square Feet															UNIT COST
Facility Name	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	(\$/sq. ft.)
Harrison Park Inn Restaurant	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	3,070	\$491
Kelso Beach Splash Pad Pump House	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	\$90
Kelso Beach Good Cheer Washroom	-	-	-	-	-	-	-	-	900	900	900	900	900	900	900	\$100
Kelso Beach Amphitheatre	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	\$210
Kelso Beach Washroom	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	\$100
Kelso Beach Gazebo	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	\$140
Kelso Campground Washroom	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	-	\$100
Kelso Campground Shelter	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	\$210
Kelso Campgorund Booth	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	\$210
Kinsman Washroom	810	810	810	810	810	810	810	810	810	810	810	810	810	810	810	\$100
Kiwanis Fieldhouse & Washroom	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	\$100
Queens Park Bandstand	860	860	860	860	860	860	860	860	860	860	860	860	860	860	860	\$210
Queens Park Boathouse	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	\$210
Bayshore Good Cheer Gazebo	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	\$70
St George Washroom	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	\$140
Tom Williams Washroom	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	\$100
Westside Boat Launch Building & Washroom	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	\$100
Westside Workshop	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$210
Total (sq.ft.)	49,925	49,925	49,925	49,925	49,925	49,925	49,925	49,925	50,825	50,825	50,825	50,825	50,825	50,825	49,750	
Total (\$000)	\$7,632.4	\$7,632.4	\$7,632.4	\$7,632.4	\$7,632.4	\$7,632.4	\$7,632.4	\$7,632.4	\$7,722.4	\$7,722.4	\$7,722.4	\$7,722.4	\$7,722.4	\$7,722.4	\$7,614.9	

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
OUTDOOR RECREATION

PARK LAND IMPROVEMENTS Park Type	# of Acres															UNIT COST (\$/Acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Neighbourhood Parks	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	20.78	\$72,600
Community Parks	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	99.36	\$72,600
City Parks	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	266.60	\$72,600
Open Space	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	26.36	\$29,000
Total (acres)	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	413.1	
Total (\$000)	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	\$28,841.8	

PARKLAND AMENITIES Description	# of Parkland Amenities															UNIT COST (\$/unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Ball Diamonds Tom Williams Lit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$609,700
Ball Diamonds St Georges Lit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$609,700
Ball Diamonds Duncan Lit	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$609,700
Ball Diamonds Harrision Field Unlit	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$319,400
Ball Diamonds Kelso Beach Unlit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$319,400
Ball Diamonds Kinsmen Unlit	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$319,400
Ball Diamond St Julien Unlit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$319,400
Ball Diamond Harrision Park Unlit	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	\$319,400
Soccer Fields Kiwanis Lit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$486,300
Soccer Fields Kiwanis Unlit	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	\$362,900
Soccer Fields Victoria Unlit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$362,900
Soccer Fields Kelso Beach Unlit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$362,900
Playgrounds	21	21	22	22	22	22	22	22	22	22	22	22	22	22	22	\$202,100
Pool	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	\$814,100
Campgrounds	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$224,800
Boat Launches - East, West, RCA	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$187,000
Beaches	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$0
Ice Rink	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	\$282,700
Tennis Courts & Pickleball	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$10,400
Basketball Courts	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$94,200
Skate & Bike Park	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$293,600
Splash Pad	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$495,300
Total (#)	60.0	60.0	61.0	61.0	61.0	61.0	61.0	61.0	60.0	60.0	59.0	59.0	60.0	60.0	60.0	
Total (\$000)	\$17,251.1	\$17,251.1	\$17,453.2	\$17,453.2	\$17,453.2	\$17,453.2	\$17,453.2	\$17,453.2	\$17,133.8	\$17,133.8	\$16,319.7	\$16,319.7	\$16,602.4	\$16,602.4	\$16,602.4	

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
OUTDOOR RECREATION

PARKLAND TRAILS Trail Type	# of Linear kilometres															UNIT COST (\$/km)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Stone Dust Trails	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	8.6	8.6	8.6	8.1	\$12,600
Natural Trails	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	\$7,600
Paved Trails	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	4.7	4.7	4.7	5.2	\$18,900
Total (km)	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	
Total (\$000)	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$248.7	\$255.0	\$255.0	\$255.0	\$258.3	

VEHICLES AND EQUIPMENT Description	# of Vehicles and Equipment															UNIT COST (\$/unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Parks 1/2-Ton	-	-	1	1	1	1	1	1	1	1	1	1	-	-	-	\$75,000
Parks 1-Ton Truck 1	-	-	1	1	1	1	1	1	1	1	1	1	1	1	-	\$43,328
Parks 1-Ton Truck 2	-	-	-	-	-	1	1	1	1	1	1	1	1	1	1	\$75,000
Parks 1-Ton Truck 3	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$120,000
Parks 1-Ton Truck 4	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$75,000
Parks 1-Ton Truck 5	-	-	-	-	-	-	-	-	-	-	-	1	1	1	1	\$75,000
Parks 1-Ton Truck 6	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$120,000
Parks 2-Ton Truck 1	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$110,000
Parks 2-Ton Truck 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000
Parks Garbage Truck	-	-	1	1	1	1	1	1	1	1	1	1	1	1	-	\$250,000
Parks Bucket Truck	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$400,000
Parks Street Sweeper	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$45,000
Parks Utility Trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Parks Landscape Trailer	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$10,000
Parks Dump Trailer 1	-	-	-	-	-	-	-	-	-	-	1	1	1	1	1	\$10,000
Parks Dump Trailer 2	-	-	-	-	-	1	1	1	1	2	2	2	2	2	2	\$10,629
Parks Mower 1	-	-	-	-	-	-	-	-	1	1	1	1	1	1	-	\$8,000
Parks Mower 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,000
Parks Mower 3	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,000
Parks Mower 4	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Parks Mower 5	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$21,000
Parks Mower 6	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$30,000
Parks Mower 7	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$30,000
Parks Mower 8	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$30,000
Parks Mower 9	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$30,000
Parks Mower 10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	\$30,000
Parks Tractor 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$85,000
Parks Tractor 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000
Parks Tractor 3	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$75,000
Parks Tractor 4	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$75,000

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
OUTDOOR RECREATION

VEHICLES AND EQUIPMENT Description	# of Vehicles and Equipment															UNIT COST (\$/unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Parks Utility Vehicle 1	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$35,000
Parks Utility Vehicle 2	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Parks Utility Vehicle 3	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$35,000
Parks Utility Vehicle 4	-	-	-	-	-	-	-	-	-	-	1	1	1	1	1	\$35,000
Parks Golf Cart	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$10,000
Parks Ice Resurfacer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Parks Snowblower 1 (Walk Behind)	-	-	-	-	1	1	1	1	1	1	1	1	-	-	-	\$2,500
Parks Snowblower 2	-	-	-	-	-	-	1	1	1	1	1	1	1	1	-	\$7,000
Parks Snowblower 3	-	-	-	-	-	-	1	1	1	1	2	2	2	2	2	\$2,500
Parks Loader (with bucket & snowblower)	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$100,000
Parks Backhoe/Loader	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$200,000
Parks Wood Chipper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$65,663
Parks Diamond Groomer 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$10,000
Parks Diamond Groomer 2	-	-	-	-	-	-	-	-	-	-	-	1	1	1	1	\$12,000
Parks Aerator	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$7,197
Parks Irrigation Unit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	\$10,000
Parks Casket Lift	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	\$22,975
Parks Casket Lowering Device	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$6,500
Parks Plate Tamper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,500
Parks Tiller	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$3,300
Parks Small Equipment	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$10,000
Total (#)	13	14	20	22	25	27	35	37	43	47	50	52	51	51	47	
Total (\$000)	\$593.3	\$614.3	\$1,107.7	\$1,192.7	\$1,505.2	\$1,590.8	\$2,304.8	\$2,408.1	\$2,531.1	\$2,676.7	\$2,724.2	\$2,811.2	\$2,778.7	\$2,778.7	\$2,490.4	

APPENDIX B.4
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
OUTDOOR RECREATION

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815

INVENTORY SUMMARY (\$000)

Outdoor Rec Buildings	\$7,632	\$7,632	\$7,632	\$7,632	\$7,632	\$7,632	\$7,632	\$7,632	\$7,722	\$7,722	\$7,722	\$7,722	\$7,722	\$7,722	\$7,615
Park Land Improvements	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842	\$28,842
Parkland Amenities	\$17,251	\$17,251	\$17,453	\$17,453	\$17,453	\$17,453	\$17,453	\$17,453	\$17,134	\$17,134	\$16,320	\$16,320	\$16,602	\$16,602	\$16,602
Trails	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$255	\$255	\$258
Vehicles And Equipment	\$593	\$614	\$1,108	\$1,193	\$1,505	\$1,591	\$2,305	\$2,408	\$2,531	\$2,677	\$2,724	\$2,811	\$2,779	\$2,779	\$2,490
Total (\$000)	\$54,567.2	\$54,588.2	\$55,283.6	\$55,368.6	\$55,681.1	\$55,766.8	\$56,480.8	\$56,584.1	\$56,477.7	\$56,623.3	\$55,856.7	\$55,950.0	\$56,200.2	\$56,200.2	\$55,807.7

SERVICE LEVEL (\$/capita)																Average Service Level
Outdoor Rec Buildings	\$351.3	\$351.5	\$351.7	\$351.9	\$353.1	\$354.2	\$355.3	\$356.5	\$361.9	\$360.9	\$360.0	\$359.1	\$358.2	\$357.3	\$349.1	\$355.5
Park Land Improvements	\$1,327.5	\$1,328.3	\$1,329.1	\$1,329.8	\$1,334.2	\$1,338.5	\$1,342.8	\$1,347.1	\$1,351.5	\$1,348.1	\$1,344.7	\$1,341.3	\$1,337.9	\$1,334.5	\$1,322.1	\$1,337.2
Parkland Amenities	\$794.0	\$794.5	\$804.3	\$804.7	\$807.3	\$810.0	\$812.6	\$815.2	\$802.9	\$800.8	\$760.9	\$758.9	\$770.1	\$768.2	\$761.1	\$791.0
Trails	\$11.4	\$11.5	\$11.5	\$11.5	\$11.5	\$11.5	\$11.6	\$11.6	\$11.7	\$11.6	\$11.6	\$11.9	\$11.8	\$11.8	\$11.8	\$11.6
Vehicles And Equipment	\$27.3	\$28.3	\$51.0	\$55.0	\$69.6	\$73.8	\$107.3	\$112.5	\$118.6	\$125.1	\$127.0	\$130.7	\$128.9	\$128.6	\$114.2	\$93.2
Total (\$/capita)	\$2,511.5	\$2,514.0	\$2,547.5	\$2,553.0	\$2,575.7	\$2,588.0	\$2,629.6	\$2,642.9	\$2,646.4	\$2,646.6	\$2,604.2	\$2,601.9	\$2,607.0	\$2,600.4	\$2,558.3	\$2,588.46

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
OUTDOOR RECREATION

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$2,588.46
Net Population 2023 - 2032	1,749
Maximum Allowable Funding Envelope	\$4,527,312

APPENDIX B.4

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
OUTDOOR RECREATION

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023- 2032	Post 2032
4.0 OUTDOOR RECREATION										
4.1 Parkland Development										
4.1.1 Alexandra Park Improvements	2025 - 2025	\$ 75,000	\$ -	\$ 75,000	96%	\$ 72,000	\$ 3,000	\$ -	\$ 3,000	\$ -
4.1.2 Alexandra Playground	2030 - 2030	\$ 75,000	\$ -	\$ 75,000	96%	\$ 72,000	\$ 3,000	\$ -	\$ 3,000	\$ -
4.1.3 Asphalt Fitness Trail	2027 - 2027	\$ 350,000	\$ -	\$ 350,000	96%	\$ 336,000	\$ 14,000	\$ -	\$ 14,000	\$ -
4.1.4 Waterfront Trail Resurfacing - Health Unit to Bayshore	2025 - 2025	\$ 75,000	\$ -	\$ 75,000	60%	\$ 45,000	\$ 30,000	\$ -	\$ 30,000	\$ -
4.1.5 Owen Heights Playground Enhancement	2024 - 2024	\$ 45,000	\$ -	\$ 45,000	96%	\$ 43,200	\$ 1,800	\$ -	\$ 1,800	\$ -
4.1.6 Kelso Beach Playground Enhancement	2023 - 2023	\$ 200,000	\$ -	\$ 200,000	96%	\$ 192,000	\$ 8,000	\$ 8,000	\$ -	\$ -
4.1.7 McArthur / High Park Trail Link	2023 - 2023	\$ 100,000	\$ -	\$ 100,000	60%	\$ 60,000	\$ 40,000	\$ 40,000	\$ -	\$ -
4.1.8 Bill Inglis - New Structure	2023 - 2023	\$ 25,000	\$ -	\$ 25,000	60%	\$ 15,000	\$ 10,000	\$ 10,000	\$ -	\$ -
4.1.9 Maitland Park Playground Enhancement	2025 - 2025	\$ 45,000	\$ -	\$ 45,000	96%	\$ 43,200	\$ 1,800	\$ -	\$ 1,800	\$ -
4.1.10 Waterfront Trail Resurfacing - Millers to TTT	2025 - 2025	\$ 250,000	\$ -	\$ 250,000	96%	\$ 240,000	\$ 10,000	\$ -	\$ 10,000	\$ -
4.1.11 St Julien Park Playground Enhancement	2026 - 2026	\$ 60,000	\$ -	\$ 60,000	96%	\$ 57,600	\$ 2,400	\$ -	\$ 2,400	\$ -
4.1.12 Kinsmen Park Chain Link Dugouts	2026 - 2026	\$ 15,000	\$ -	\$ 15,000	80%	\$ 12,000	\$ 3,000	\$ -	\$ 3,000	\$ -
4.1.13 Interior Parks Roads Reconstruction	2026 - 2026	\$ 2,000,000	\$ -	\$ 2,000,000	96%	\$ 1,920,000	\$ 80,000	\$ -	\$ 80,000	\$ -
4.1.14 Waterfront Trail Development - East Harbour Wall to Health Unit	2029 - 2029	\$ 500,000	\$ -	\$ 500,000	60%	\$ 300,000	\$ 200,000	\$ -	\$ 200,000	\$ -
4.1.15 Victoria Park Skate Park & Concrete Features	2027 - 2027	\$ 500,000	\$ -	\$ 500,000	75%	\$ 375,000	\$ 125,000	\$ -	\$ 125,000	\$ -
4.1.16 J Irvine Playground (Bayshore)	2031 - 2031	\$ 500,000	\$ -	\$ 500,000	96%	\$ 480,000	\$ 20,000	\$ -	\$ 20,000	\$ -
4.1.17 Stoney Orchard Park Playground - NEW	2032 - 2032	\$ 500,000	\$ -	\$ 500,000	0%	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ -
4.1.18 28th St W Tot Lot Park	2028 - 2028	\$ 45,000	\$ -	\$ 45,000	50%	\$ 22,500	\$ 22,500	\$ -	\$ 22,500	\$ -
4.1.19 Westmount Park Playground	2029 - 2029	\$ 45,000	\$ -	\$ 45,000	96%	\$ 43,200	\$ 1,800	\$ -	\$ 1,800	\$ -
4.1.20 Ed Taylore Park Playground	2031 - 2031	\$ 100,000	\$ -	\$ 100,000	96%	\$ 96,000	\$ 4,000	\$ -	\$ 4,000	\$ -
4.1.21 Comm-R-Ette Playground	2024 - 2024	\$ 75,000	\$ -	\$ 75,000	96%	\$ 72,000	\$ 3,000	\$ -	\$ 3,000	\$ -
4.1.22 Parkview Playground	2026 - 2026	\$ 65,000	\$ -	\$ 65,000	96%	\$ 62,400	\$ 2,600	\$ -	\$ 2,600	\$ -
4.1.23 Ryerson Park Lighting - NEW	2028 - 2028	\$ 150,000	\$ -	\$ 150,000	0%	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ -
4.1.24 14th St E and 14th St W Park - NEW	2029 - 2029	\$ 300,000	\$ -	\$ 300,000	0%	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ -
4.1.25 Waterfront Trail East Harbour to Health Unit NEW	2026 - 2026	\$ 250,000	\$ -	\$ 250,000	50%	\$ 125,000	\$ 125,000	\$ -	\$ 125,000	\$ -
4.1.26 Asphalt FHT to West Boat Launch	2024 - 2024	\$ 100,000	\$ -	\$ 100,000	60%	\$ 60,000	\$ 40,000	\$ -	\$ 40,000	\$ -
4.1.27 Kelso Playground to Bridge	2027 - 2027	\$ 300,000	\$ -	\$ 300,000	96%	\$ 288,000	\$ 12,000	\$ -	\$ 12,000	\$ -
4.1.28 Harrison Park Road to Pool	2024 - 2024	\$ 200,000	\$ -	\$ 200,000	96%	\$ 192,000	\$ 8,000	\$ -	\$ 8,000	\$ -
4.1.29 Kelso Beach Solar Trail Lighting - NEW	2028 - 2028	\$ 300,000	\$ -	\$ 300,000	0%	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ -
4.1.30 Tom Williams Washroom Building	2023 - 2023	\$ 100,000	\$ -	\$ 100,000	75%	\$ 75,000	\$ 25,000	\$ 17,901	\$ 7,099	\$ -
4.1.31 Garafraxa Playground	2029 - 2029	\$ 45,000	\$ -	\$ 45,000	96%	\$ 43,200	\$ 1,800	\$ -	\$ 1,800	\$ -
4.1.32 Kelso Parking Improvements	2031 - 2031	\$ 800,000	\$ -	\$ 800,000	96%	\$ 768,000	\$ 32,000	\$ -	\$ 32,000	\$ -
Subtotal Parkland Development		\$ 8,190,000	\$ -	\$ 8,190,000		\$ 6,110,300	\$ 2,079,700	\$ 75,901	\$ 2,003,799	\$ -
TOTAL OUTDOOR RECREATION		\$ 8,190,000	\$ -	\$ 8,190,000		\$ 6,110,300	\$ 2,079,700	\$ 75,901	\$ 2,003,799	\$ -

Residential Development Charge Calculation

Residential Share of 2023 - 2032 DC Eligible Costs	100%	\$2,003,799
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$2,022.46

Non-Residential Development Charge Calculation

Non-Residential Share of 2023 - 2032 DC Eligible Costs	0%	\$0
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$0.00

2023 - 2032 Net Funding Envelope \$4,527,312

Reserve Fund Balance
Balance as at December 31, 2022 \$75,901

APPENDIX B.4

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
OUTDOOR RECREATION
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

OUTDOOR RECREATION	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$222.45	\$411.26	\$620.35	\$660.68	\$711.06	\$400.32	\$37.04	\$243.40	\$398.99	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Outdoor Recreation: Non Inflated	\$7.1	\$52.8	\$44.8	\$213.0	\$151.0	\$472.5	\$503.6	\$3.0	\$56.0	\$500.0	\$2,003.8
- Outdoor Recreation: Inflated	\$7.1	\$53.9	\$46.6	\$226.0	\$163.4	\$521.7	\$567.1	\$3.4	\$65.6	\$597.5	\$2,252.5
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$225.7	\$231.8	\$238.0	\$244.3	\$190.2	\$195.0	\$199.9	\$205.0	\$210.2	\$195.6	\$2,135.8
INTEREST											
- Interest on Opening Balance	\$0.0	\$7.8	\$14.4	\$21.7	\$23.1	\$24.9	\$14.0	\$1.3	\$8.5	\$14.0	\$129.7
- Interest on In-year Transactions	\$3.8	\$3.1	\$3.3	\$0.3	\$0.5	(\$9.0)	(\$10.1)	\$3.5	\$2.5	(\$11.1)	(\$13.0)
TOTAL REVENUE	\$229.6	\$242.7	\$255.7	\$266.4	\$213.8	\$210.9	\$203.9	\$209.8	\$221.2	\$198.6	\$2,252.5
CLOSING CASH BALANCE	\$222.5	\$411.3	\$620.4	\$660.7	\$711.1	\$400.3	\$37.0	\$243.4	\$399.0	(\$0.0)	

2023 Adjusted Charge Per Capita **\$1,981.64**

Allocation of Capital Program

Residential Sector 100.0%
Non-Residential Sector 0.0%

Rates for 2023

Inflation Rate: 2.0%
Interest Rate on Positive Balances 3.5%
Interest Rate on Negative Balances 5.5%

APPENDIX B.5

INDOOR RECREATION

APPENDIX B.5: INDOOR RECREATION

The City owns and operates several Indoor Recreation facilities, including community centres, a seniors centre, and the Julie McArthur Regional Recreational Centre. The benefits of Indoor Recreation services are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The 15-year historical inventory of capital assets for Indoor Recreation includes two community and seniors centres, and the Julie McArthur Regional Recreational Centre. These facilities total 134,551 square feet and are valued at \$73.0 million. They are located on 12.4 acres of land valued at \$11.3 million. Furniture and equipment associated with the facilities is valued at \$2.6 million.

The total value of the inventory of Indoor Recreation capital assets is \$87.0 million. The resulting 15-year historical average service level is \$3,552.58 per capita. When multiplied by the ten-year forecast net population growth, this results in a ten-year maximum allowable funding envelope of \$6.2 million.

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Indoor Recreation as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The ten-year development-related capital plan for Indoor Recreation includes the funding of a portion of debt payments incurred to finance the 2012 construction of the Julie McArthur Regional Recreation Centre (JMRRRC). The debt has been self-financed by the City and is being repaid at \$500,000 per annum, or \$5.0 million over the ten-year planning horizon.

A replacement share of 44% has been removed from the debt payments to reflect the fact that the new facility replaced the old Coliseum facility nearby. Benefit to existing shares of 50% and 80% have also been deducted from the development charge calculations to account for the broad benefit of paving the North Parking Lot and to purchase a JMRRC generator and transfer switch. After removing the \$4.3 million benefit to existing shares, the development charge eligible costs total \$5.0 million.

Of this cost, \$1,689 can be funded from existing development charge reserve funds.

Another \$1.4 million, equivalent to debt principal payments on the JMRRC beyond the ten-year planning horizon, is deemed to benefit development beyond 2032. This post-period benefit will be considered for recovery in future development charge background studies.

The remaining \$3.6 million, is related to development occurring between 2023 and 2032 and is included in the development charges calculation.

The development-related cost is allocated 100% to residential development, resulting in an unadjusted charge of \$3,655.47 per capita.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow analysis, the residential calculated charge decreases to \$3,435.71 per capita. This is a reflection of the timing of the capital program and development charges revenues.

The following table summarizes the calculation of the Indoor Recreation development charge.

INDOOR RECREATION SUMMARY						
15-year Hist.	2023 - 2032		Unadjusted		Adjusted	
Service Level	Development-Related Capital Program		Development Charge		Development Charge	
per capita	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$3,522.58	\$9,285,000	\$3,621,752	\$3,655.47	\$0.00	\$3,435.71	\$0.00

APPENDIX B.5
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
INDOOR RECREATION

BUILDINGS Facility Name	# of Square Feet															UNIT COST (\$/sq. ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Bayshore Community Centre	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	65,956	\$500
Coliseum	27,487	27,488	27,489	27,490	27,491	-	-	-	-	-	-	-	-	-	-	\$200
Julie McArthur Regional Recreational Centre	-	-	-	-	-	62,950	62,950	62,950	62,950	62,950	62,950	62,950	62,950	62,950	62,950	\$600
McQuay Tannery Seniors Centre (ALCGB)	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	\$400
Harrison Park Community Centre	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	\$400
Harrison Park Seniors Centre	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	\$400
Total (sq.ft.)	99,088	99,089	99,090	99,091	99,092	134,551	134,551	134,551	134,551	134,551	134,551	134,551	134,551	134,551	134,551	
Total (\$000)	\$40,733.4	\$40,733.6	\$40,733.8	\$40,734.0	\$40,734.2	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	

LAND Facility Name	# of Acres															UNIT COST (\$/acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Bayshore Community Centre	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	11.79	\$916,100
McQuay Tannery Seniors Centre (ALCGB)	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	\$916,100
Harrison Park Community Centre	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	\$916,100
Julie McArthur Regional Rec Centre	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	\$916,100
Harrison Park Seniors Centre	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	\$916,100
Total (acres)	12.35	12.35	12.35	12.35	12.35	12.35	12.35	12.35	12.35	12.35	12.35	12.36	12.36	12.36	12.36	
Total (\$000)	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,319.9	\$11,323.0	\$11,323.0	\$11,323.0	

APPENDIX B.5
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
INDOOR RECREATION

FURNITURE & EQUIPMENT Facility Name	Total Value of Furniture & Equipment (\$)														
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bayshore - Entrance Doors	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750	\$10,750
Bayshore - Brine Pump	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129	\$11,129
Bayshore - Sump Pump	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583	\$12,583
Bayshore - Heat Recovery System	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500
Bayshore - Drop Down Power System	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777	\$24,777
Bayshore - Refrigeration Plant	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000	\$580,000
Bayshore - R.O. Water System	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Bayshore - Natural Gas Refueling System	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Bayshore - Compressor Room Electrical Panel	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381	\$46,381
Bayshore - Floor Scrubber	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799	\$12,799
Bayshore - Arena Shield	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300
Bayshore - Blinds	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317	\$21,317
Bayshore - Water Bottle Filling Stations	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771	\$17,771
Bayshore - Truck	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$32,286	\$35,000
Bayshore - Ice Resurfacer	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$53,693	\$64,441	\$64,441
Bayshore - PA System	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159	\$68,159
Bayshore - SST18 Hockey Scoreboard	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235
Bayshore - SST18 Hockey Scoreboard	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235	\$13,235
Bayshore - Scoreboard	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054	\$32,054
Bayshore - LED Lightbulbs	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637	\$35,637
Bayshore - LED Lighting	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468	\$82,468
Bayshore - Lighting	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809	\$58,809
JMRRC - Refrigeration Plant	\$0	\$0	\$0	\$0	\$0	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000
JMRRC - Heat Reclaim/Radiant In Floor Heating	\$0	\$0	\$0	\$0	\$0	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
JMRRC - Natural Gas Refueling System	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
JMRRC - VRA STATION	\$0	\$0	\$0	\$0	\$0	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069	\$20,069
JMRRC - LED Lighting	\$0	\$0	\$0	\$0	\$0	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359	\$24,359
JMRRC - Walk Behind Floor Scrubber	\$0	\$0	\$0	\$0	\$0	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589	\$12,589
JMRRC - Walk Behind Floor Scrubber	\$0	\$0	\$0	\$0	\$0	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904	\$13,904
JMRRC - Electronic Sign	\$0	\$0	\$0	\$0	\$0	\$53,638	\$53,638	\$53,638	\$53,638	\$53,638	\$53,638	\$53,638	\$53,638	\$73,363	\$73,363
JMRRC - Zamboni	\$0	\$0	\$0	\$0	\$0	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392	\$67,392
JMRRC - Ice Resurfacer	\$0	\$0	\$0	\$0	\$0	\$79,220	\$79,220	\$79,220	\$79,220	\$79,220	\$79,220	\$79,220	\$79,220	\$79,220	\$90,000
Coliseum - Provision for Furniture and Equipment	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total (\$000)	\$1,868.9	\$1,868.9	\$1,868.9	\$1,868.9	\$1,868.9	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,615.5	\$2,615.5	\$2,629.0

APPENDIX B.5
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
INDOOR RECREATION

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815

INVENTORY SUMMARY (\$000)

Buildings	\$40,733.4	\$40,733.6	\$40,733.8	\$40,734.0	\$40,734.2	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0	\$73,006.0
Land	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,316.6	\$11,319.9	\$11,323.0	\$11,323.0	\$11,323.0
Furniture & Equipment	\$1,868.9	\$1,868.9	\$1,868.9	\$1,868.9	\$1,868.9	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,585.1	\$2,615.5	\$2,615.5	\$2,629.0
Total (\$000)	\$53,918.9	\$53,919.1	\$53,919.3	\$53,919.5	\$53,919.7	\$86,907.6	\$86,907.6	\$86,907.6	\$86,907.6	\$86,907.6	\$86,907.6	\$86,910.9	\$86,944.5	\$86,944.5	\$86,958.0

SERVICE LEVEL (\$/capita)

Average
Service
Level

Buildings	\$1,874.78	\$1,875.91	\$1,877.05	\$1,878.18	\$1,884.27	\$3,388.06	\$3,398.95	\$3,409.90	\$3,420.93	\$3,412.30	\$3,403.70	\$3,395.12	\$3,386.57	\$3,378.03	\$3,346.66	\$2,888.70
Land	\$520.85	\$521.17	\$521.48	\$521.79	\$523.48	\$525.18	\$526.87	\$528.57	\$530.27	\$528.94	\$527.60	\$526.43	\$525.25	\$523.92	\$519.06	\$524.72
Furniture & Equipment	\$86.02	\$86.07	\$86.12	\$86.17	\$86.45	\$119.97	\$120.35	\$120.74	\$121.13	\$120.83	\$120.52	\$120.22	\$121.33	\$121.02	\$120.52	\$109.16
Total (\$/capita)	\$2,481.65	\$2,483.15	\$2,484.64	\$2,486.14	\$2,494.20	\$4,033.21	\$4,046.17	\$4,059.21	\$4,072.33	\$4,062.07	\$4,051.83	\$4,041.77	\$4,033.14	\$4,022.97	\$3,986.24	\$3,522.58

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
INDOOR RECREATION

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$3,522.58
Net Population Growth 2023 - 2032	1,749
Maximum Allowable Funding Envelope	\$6,161,122

APPENDIX B.5

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
INDOOR RECREATION

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/ Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
5.0 INDOOR RECREATION										
5.1 Debt (Principal Payments Only)										
5.1.1 Julie McArthur Regional Recreation Centre Debt	2023 - 2023	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.2 Julie McArthur Regional Recreation Centre Debt	2024 - 2024	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.3 Julie McArthur Regional Recreation Centre Debt	2025 - 2025	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.4 Julie McArthur Regional Recreation Centre Debt	2026 - 2026	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.5 Julie McArthur Regional Recreation Centre Debt	2027 - 2027	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.6 Julie McArthur Regional Recreation Centre Debt	2028 - 2028	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.7 Julie McArthur Regional Recreation Centre Debt	2029 - 2029	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.8 Julie McArthur Regional Recreation Centre Debt	2030 - 2030	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.9 Julie McArthur Regional Recreation Centre Debt	2031 - 2031	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.10 Julie McArthur Regional Recreation Centre Debt	2032 - 2032	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ 281,644	\$ -
5.1.11 Julie McArthur Regional Recreation Centre Debt	2033 - 2033	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ -	\$ 281,644
5.1.12 Julie McArthur Regional Recreation Centre Debt	2034 - 2034	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ -	\$ 281,644
5.1.15 Julie McArthur Regional Recreation Centre Debt	2035 - 2035	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ -	\$ 281,644
5.1.16 Julie McArthur Regional Recreation Centre Debt	2036 - 2036	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ -	\$ 281,644
5.1.17 Julie McArthur Regional Recreation Centre Debt	2037 - 2037	\$ 500,000	\$ -	\$ 500,000	44%	\$ 218,356	\$ 281,644	\$ -	\$ -	\$ 281,644
Subtotal Debt (Principal Payments Only)		\$ 7,500,000	\$ -	\$ 7,500,000		\$ 3,275,338	\$ 4,224,662	\$ -	\$ 2,816,442	\$ 1,408,221
5.2 Other										
5.2.1 North Parking Lot Paving (Bayshore)	2027 - 2027	\$ 1,500,000	\$ -	\$ 1,500,000	50%	\$ 750,000	\$ 750,000	\$ -	\$ 750,000	\$ -
5.2.2 JMRRC Generator and Transfer Switch	2026 - 2026	\$ 285,000	\$ -	\$ 285,000	80%	\$ 228,000	\$ 57,000	\$ 1,689	\$ 55,311	\$ -
Subtotal Other		\$ 1,785,000	\$ -	\$ 1,785,000		\$ 978,000	\$ 807,000	\$ 1,689	\$ 805,311	\$ -
TOTAL INDOOR RECREATION		\$ 9,285,000	\$ -	\$ 9,285,000		\$ 4,253,338	\$ 5,031,662	\$ 1,689	\$ 3,621,752	\$ 1,408,221

Residential Development Charge Calculation		
Residential Share of 2023 - 2032 DC Eligible Costs	100%	\$3,621,752
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$3,655.47
Non-Residential Development Charge Calculation		
Non-Residential Share of 2023 - 2032 DC Eligible Costs	0%	\$0
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$0.00

2023 - 2032 Net Funding Envelope	\$6,161,122
Reserve Fund Balance	
Balance as at December 31, 2022	\$1,689

**APPENDIX B.5
TABLE 3**

**CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
INDOOR RECREATION
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)**

INDOOR RECREATION	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.0	\$111.6	\$237.8	\$379.4	\$477.4	(\$290.6)	(\$249.1)	(\$196.6)	(\$132.4)	(\$55.5)	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Indoor Recreation: Debt: Non Inflated	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$2,816.4
- Indoor Recreation: Other: Non Inflated	\$0.0	\$0.0	\$0.0	\$55.3	\$750.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$805.3
- Indoor Recreation: Other: Inflated	\$0.0	\$0.0	\$0.0	\$58.7	\$811.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$870.5
- Indoor Recreation: Total Requirement	\$281.6	\$281.6	\$281.6	\$340.3	\$1,093.5	\$281.6	\$281.6	\$281.6	\$281.6	\$281.6	\$3,687.0
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$391.4	\$401.8	\$412.6	\$423.6	\$329.8	\$338.1	\$346.7	\$355.4	\$364.4	\$339.2	\$3,702.9
INTEREST											
- Interest on Opening Balance	\$0.0	\$3.9	\$8.3	\$13.3	\$16.7	(\$16.0)	(\$13.7)	(\$10.8)	(\$7.3)	(\$3.1)	(\$8.6)
- Interest on In-year Transactions	\$1.9	\$2.1	\$2.3	\$1.5	(\$21.0)	\$1.0	\$1.1	\$1.3	\$1.4	\$1.0	(\$7.4)
TOTAL REVENUE	\$393.3	\$407.8	\$423.2	\$438.3	\$325.5	\$323.1	\$334.1	\$345.9	\$358.5	\$337.2	\$3,687.0
CLOSING CASH BALANCE	\$111.6	\$237.8	\$379.4	\$477.4	(\$290.6)	(\$249.1)	(\$196.6)	(\$132.4)	(\$55.5)	\$0.0	

2023 Adjusted Charge Per Capita \$3,435.71

Allocation of Capital Program

Residential Sector 100.0%

Non-Residential Sector 0.0%

Rates for 2023

Inflation Rate 2.0%

Interest Rate on Positive Balances 3.5%

Interest Rate on Negative Balances 5.5%

APPENDIX B.6

TRANSIT SERVICES

APPENDIX B.6: TRANSIT SERVICES

This appendix provides details of the Transit Services ridership forecast and capital program used in the 2023 DC Background Study for the City of Owen Sound. The forecast method and key assumptions are discussed and the results of the forecasts are presented in the following sections.

The City's public transit system runs four regularly scheduled bus routes during the day between Monday and Saturday. The routes provide 30-minute service and are serviced by accessible buses. The benefits of Transit Services are deemed to be Citywide for the purposes of calculating the development charge.

TRANSIT RIDERSHIP

In accordance with the DCA, Transit services must be based on a “planned level of service” rather than the “10-year historical average level of service”. For the purposes of determining the “planned level of service” for transit, the City's Transit service development-related capital program is based on existing and proposed capital budget and forecast documents and consultation with City staff.

In addition, any background study that incorporates Transit services into the calculation must include the following:

- An assessment of ridership forecast for **all modes** of transit and whether ridership is generated from existing or planned development (O. Reg. 82/98 s.8(2)4).
- An assessment of ridership capacity for **all modes** of transit over the 10-year forecast period (O. Reg. 82/98 s.8(2)4).

The City's 2021 *Owen Sound Route Optimization Report* provides an annual forecast of Transit ridership to 2026. This forecast has been extended to cover the remainder of the ten-year planning period to 2032. It is assumed that ridership will increase at the rate of population growth between 2027 and 2028 and at a rate of 2 percent per annum after 2029, subsequent to the introduction of a new east end bus route (see Table 1A).

The City's annual transit ridership is anticipated to increase from 239,000 in 2023 to 285,985 in 2032, an increase of 47,000 rides over the 2023-2032 period.

Table 1A – Transit Ridership Forecast

YEAR	ANNUAL RIDERSHIP	PERCENTAGE INCREASE
2023	239,000	8%
2024	253,000	6%
2025	257,000	2%
2026	259,000	1%
2027	261,590	1%
2028	264,206	1%
2029	269,490	2%
2030	274,880	2%
2031	280,377	2%
2032	285,985	2%
Average Annual Increase (2023-2032):		3%

Source: Owen Sound Route Optimization Report, December 1, 2021; Hemson Consulting

TRANSIT RIDERSHIP ALLOCATIONS

Using the ridership forecast above, the benefit to existing share is calculated based on the 2022 ridership plus the growth in 2023-2032 ridership (see Table 1B). This results in a total of 285,985 trips over the 2023-2032 period. Of the total trips, 77% is attributed to the existing population in the City and the remaining 23% is attributed to new development occurring over the planning period.

Table 1B – Benefit to Existing Shares

TRANSIT DC CAPITAL PROGRAM ALLOCATIONS			
Allocation	Year	Annual Ridership	Allocation %
BTE	2022	221,000	77%
In-Period Growth	2023-2032	64,985	23%
Total		285,985	

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The capital program for Transit Services includes provision for a new bus to service a new East End Route, as well provision for 10 shelters and transfer stations to service the new route. The gross cost development-related capital program totals \$420,000.

No grants or subsidies are anticipated to offset this cost. A benefit-to-existing share, amounting to \$324,600, equivalent to the 77% of future ridership assumed to be existing Transit riders, has been deducted from the cost.

Of this cost, \$16,833 can be funded from existing development charge reserve funds. The remaining \$78,600 is eligible for development charge recovery in the 2023-2032 time period.

The \$78,600 is allocated 63% to residential development and 37% to non-residential development, resulting in an unadjusted development charge of \$49.66 per capita and an unadjusted non-residential charge of \$0.51 per square metre.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow analysis, the residential charge increases slightly to \$50.23 per capita and the non-residential charge increases to \$0.52 per square metre. This is a reflection of the balanced timing of the capital program and development charges revenues.

The following table summarizes the calculation of the Transit Services development charge.

TRANSIT SERVICES SUMMARY					
2023 - 2032		Unadjusted		Adjusted	
Development-Related Capital Program		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$420,000	\$78,604	\$49.66	\$0.51	\$50.23	\$0.52

APPENDIX B.6

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
TRANSIT SERVICES

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
6.0 TRANSIT SERVICES										
6.1 Equipment										
6.1.1 Bus for Additional East End Route (18 passenger bus)	2028 - 2028	\$ 170,000	\$ -	\$ 170,000	77%	\$ 131,371	\$ 38,629	\$ 16,833	\$ 21,796	\$ -
6.1.2 Provision for 10 Shelters and Transfer Locations	2028 - 2028	\$ 250,000	\$ -	\$ 250,000	77%	\$ 193,192	\$ 56,808	\$ -	\$ 56,808	\$ -
Subtotal Equipment		\$ 420,000	\$ -	\$ 420,000		\$ 324,563	\$ 95,437	\$ 16,833	\$ 78,604	\$ -
TOTAL TRANSIT SERVICES		\$ 420,000	\$ -	\$ 420,000		\$ 324,563	\$ 95,437	\$ 16,833	\$ 78,604	\$ -

Residential Development Charge Calculation		
Residential Share of 2023 - 2032 DC Eligible Costs	63%	\$49,203
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$49.66
Non-Residential Development Charge Calculation		
Non-Residential Share of 2023 - 2032 DC Eligible Costs	37%	\$29,401
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$0.51

Reserve Fund Balance	
Balance as at December 31, 2022	\$16,833

APPENDIX B.6

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
TRANSIT SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

TRANSIT SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$2.83	\$6.34	\$10.07	\$14.01	\$17.66	(\$11.80)	(\$9.13)	(\$6.23)	(\$3.08)	
2023 - 2032 NON-RESIDENTIAL FUNDING REQUIREMENTS											
- Transit Services: Non Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$29.4	\$0.0	\$0.0	\$0.0	\$0.0	\$29.4
- Transit Services: Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$32.5	\$0.0	\$0.0	\$0.0	\$0.0	\$32.5
NON-RESIDENTIAL SPACE GROWTH											
- Growth in Square Metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	57,123
REVENUE											
- DC Receipts: Inflated	\$2.8	\$3.4	\$3.4	\$3.5	\$3.1	\$3.2	\$3.3	\$3.3	\$3.4	\$3.2	\$32.6
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.1	\$0.2	\$0.4	\$0.5	\$0.6	(\$0.6)	(\$0.5)	(\$0.3)	(\$0.2)	\$0.1
- Interest on In-year Transactions	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	(\$0.8)	\$0.1	\$0.1	\$0.1	\$0.1	(\$0.3)
TOTAL REVENUE	\$2.8	\$3.5	\$3.7	\$3.9	\$3.6	\$3.0	\$2.7	\$2.9	\$3.1	\$3.1	\$32.5
CLOSING CASH BALANCE	\$2.8	\$6.3	\$10.1	\$14.0	\$17.7	(\$11.8)	(\$9.1)	(\$6.2)	(\$3.1)	\$0.0	

2023 Adjusted Charge Per Square Metre

\$0.52

Allocation of Capital Program

Residential Sector	62.6%
Non-Residential Sector	37.4%

Rates for 2023

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.6

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
TRANSIT SERVICES
NON-RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

TRANSIT SERVICES	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$2.83	\$6.34	\$10.07	\$14.01	\$17.66	(\$11.80)	(\$9.13)	(\$6.23)	(\$3.08)	
2023 - 2032 NON-RESIDENTIAL FUNDING REQUIREMENTS											
- Transit Services: Non Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$29.4	\$0.0	\$0.0	\$0.0	\$0.0	\$29.4
- Transit Services: Inflated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$32.5	\$0.0	\$0.0	\$0.0	\$0.0	\$32.5
NON-RESIDENTIAL SPACE GROWTH											
- Growth in Square Metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	57,123
REVENUE											
- DC Receipts: Inflated	\$2.8	\$3.4	\$3.4	\$3.5	\$3.1	\$3.2	\$3.3	\$3.3	\$3.4	\$3.2	\$32.6
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.1	\$0.2	\$0.4	\$0.5	\$0.6	(\$0.6)	(\$0.5)	(\$0.3)	(\$0.2)	\$0.1
- Interest on In-year Transactions	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	(\$0.8)	\$0.1	\$0.1	\$0.1	\$0.1	(\$0.3)
TOTAL REVENUE	\$2.8	\$3.5	\$3.7	\$3.9	\$3.6	\$3.0	\$2.7	\$2.9	\$3.1	\$3.1	\$32.5
CLOSING CASH BALANCE	\$2.8	\$6.3	\$10.1	\$14.0	\$17.7	(\$11.8)	(\$9.1)	(\$6.2)	(\$3.1)	\$0.0	

2023 Adjusted Charge Per Square Metre

\$0.52

Allocation of Capital Program

Residential Sector	62.6%
Non-Residential Sector	37.4%

Rates for 2023

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.7

WASTE COLLECTION

APPENDIX B.7: WASTE COLLECTION

The DCA permits the City to impose a development charge for waste diversion services (i.e. not landfill or waste incineration services). The City has a contract with Miller Waste to collect and process recyclable materials. The benefits of Waste Collection services are deemed to be Citywide for the purposes of calculating the development charge.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The 15-year historical inventory of capital assets for Waste Collection includes three trucks valued at \$791,100. Owen Sound’s recycling comprises an approximate 25% share of the Recycling Centre, with the rest split between other nearby municipalities. As a result, a 25% share of the area of the Centre and the land it sits on has been included in the inventory. The resulting 20,050 square feet and 4.8 acres are valued at \$10.0 million and \$4.4 million respectively.

The total combined value of the inventory of Waste Collection capital assets is \$15.2 million. This results in a 15-year historical average service level of \$431.95 per capita. When multiplied by the ten-year forecast net population growth, this results in a ten-year maximum allowable funding envelope of \$1.0 million.

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within Waste Collection as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new facilities.

TABLE 2: 2023-2032 DEVELOPMENT-RELATED CAPITAL PROGRAM AND CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

The 10-year development-related capital plan for Waste Collection includes provision for the purchase of a \$225,000 organic waste collection truck, \$500,000 for the provision of green bins to support a new organics collection program, and \$2.7 million for a new

Environmental Processing Facility. The capital program totals \$3.4 million with no grants or subsidies anticipated being available to fund the program.

The program will benefit new and existing development in equal measure. As such, a 95% benefit to existing share has been applied based on the ratio of household growth between 2023 and 2032 to the number current households. The benefit to existing share amounts to \$3.2 million; the remaining \$187,900 is related to development occurring between 2023 and 2032 and is brought forward to the development charges calculation.

The development-related cost is allocated 63% to residential development and 37% to non-residential development, resulting in a residential unadjusted charge of \$118.70 per capita and a non-residential unadjusted charge of \$1.23 per square metre.

TABLE 3: CASH FLOW AND RESEVE FUND ANALYSIS

After cash flow analysis, the residential calculated charge increases slightly to \$119.47 per capita and the non-residential charge increases slightly to \$1.24 per square metre. This is a reflection of the balanced timing of the capital program and development charges revenues.

The following table summarizes the calculation of the Waste Collection development charge.

WASTE COLLECTION SUMMARY						
15-year Hist. Service Level per pop&emp	2023 - 2032		Unadjusted		Adjusted	
	Development-Related Capital Program		Development Charge		Development Charge	
	Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$431.95	\$3,425,000	\$187,887	\$118.70	\$1.23	\$119.47	\$1.24

APPENDIX B.7
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
WASTE COLLECTION

EQUIPMENT Name	# of units															UNIT COST (\$/Unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Trucks	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$263,700
Total (Units)	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Total (\$000)	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	

FACILITY Name	# of Square Feet															UNIT COST (\$/sq. ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Recycling Centre (25% Share)	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	\$500
Total (Sq. ft.)	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	20,050	
Total (\$000)	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	

LAND Name	# of Acres															UNIT COST (\$/Acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Recycling Centre (25% Share)	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	\$916,100
Total (Acre)	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	
Total (\$000)	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	

APPENDIX B.7
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
WASTE COLLECTION

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815
Historical Employment	<u>14,750</u>	<u>14,656</u>	<u>14,563</u>	<u>14,471</u>	<u>14,299</u>	<u>14,130</u>	<u>13,962</u>	<u>13,795</u>	<u>13,631</u>	<u>13,668</u>	<u>13,705</u>	<u>13,742</u>	<u>10,630</u>	<u>10,630</u>	<u>13,240</u>
Total	36,477	36,370	36,264	36,159	35,917	35,678	35,441	35,205	34,972	35,062	35,154	35,245	32,188	32,242	35,055

INVENTORY SUMMARY (\$000)

Equipment	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1	\$791.1
Facility	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0	\$10,025.0
Land	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5	\$4,351.5
Total (\$000)	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6	\$15,167.6

SERVICE LEVEL (\$/pop & emp)

																Average Service Level
Equipment	21.69	21.75	21.81	21.88	22.03	22.17	22.32	22.47	22.62	22.56	22.50	22.45	24.58	24.54	22.57	22.53
Facility	274.83	275.64	276.44	277.25	279.11	280.99	282.86	284.76	286.66	285.92	285.18	284.44	311.46	310.93	285.98	285.50
Land	119.29	119.64	119.99	120.34	121.15	121.97	122.78	123.60	124.43	124.11	123.78	123.46	135.19	134.96	124.13	123.92
Total (\$/pop & emp)	415.81	417.03	418.25	419.47	422.29	425.13	427.97	430.83	433.71	432.59	431.47	430.35	471.23	470.43	432.68	431.95

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
WASTE COLLECTION

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$431.95
Net Population and Employment Growth 2023 - 2032	2,341
Maximum Allowable Funding Envelope	\$1,011,229

APPENDIX B.7

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
WASTE COLLECTION

Project Description	Timing	Gross Project Cost	Grants/ Subsidies/Other Recoveries	Net Municipal Cost	Ineligible Costs		Total DC Eligible Costs	DC Eligible Costs		
					BTE (%)	Replacement & BTE Shares		Available DC Reserves	2023-2032	Post 2032
7.0 WASTE COLLECTION										
7.1 Facility and Equipment										
7.1.1 Organics Collection Truck	2025 - 2025	\$ 225,000	\$ -	\$ 225,000	95%	\$ 212,657	\$ 12,343	\$ -	\$ 12,343	\$ -
7.1.2 Green Bins	2025 - 2025	\$ 500,000	\$ -	\$ 500,000	95%	\$ 472,571	\$ 27,429	\$ -	\$ 27,429	\$ -
7.1.3 Environmental Processing Facility (EA)	2026 - 2026	\$ 400,000	\$ -	\$ 400,000	95%	\$ 378,057	\$ 21,943	\$ -	\$ 21,943	\$ -
7.1.4 Environmental Processing Facility (Eng. & Design)	2028 - 2028	\$ 300,000	\$ -	\$ 300,000	95%	\$ 283,543	\$ 16,457	\$ -	\$ 16,457	\$ -
7.1.5 Environmental Processing Facility (Construction)	2029 - 2029	\$ 2,000,000	\$ -	\$ 2,000,000	95%	\$ 1,890,285	\$ 109,715	\$ -	\$ 109,715	\$ -
Subtotal Facility and Equipment		\$ 3,425,000	\$ -	\$ 3,425,000		\$ 3,237,113	\$ 187,887	\$ -	\$ 187,887	\$ -
TOTAL WASTE COLLECTION		\$ 3,425,000	\$ -	\$ 3,425,000		\$ 3,237,113	\$ 187,887	\$ -	\$ 187,887	\$ -

Residential Development Charge Calculation

Residential Share of 2023 - 2032 DC Eligible Costs	63%	\$117,609
10-Year Growth in Population in New Units		991
Unadjusted Development Charge Per Capita		\$118.70

Non-Residential Development Charge Calculation

Non-Residential Share of 2023 - 2032 DC Eligible Costs	37%	\$70,278
10-Year Growth in Square Metres		57,123
Unadjusted Development Charge Per Square Metre		\$1.23

2023 - 2032 Net Funding Envelope \$1,011,229

Reserve Fund Balance
Balance as at December 31, 2022 \$0

APPENDIX B.7

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
TOTAL WASTE COLLECTION
RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

TOTAL WASTE COLLECTION	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$13.85	\$28.55	\$17.67	\$18.45	\$30.77	\$32.23	(\$33.72)	(\$23.00)	(\$11.38)	
2023 - 2032 RESIDENTIAL FUNDING REQUIREMENTS											
- Total Waste Collection: Non Inflated	\$0.0	\$0.0	\$24.9	\$13.7	\$0.0	\$10.3	\$68.7	\$0.0	\$0.0	\$0.0	\$117.6
- Total Waste Collection: Inflated	\$0.0	\$0.0	\$25.9	\$14.6	\$0.0	\$11.4	\$77.3	\$0.0	\$0.0	\$0.0	\$129.2
NEW RESIDENTIAL DEVELOPMENT											
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	991
REVENUE											
- DC Receipts: Inflated	\$13.6	\$14.0	\$14.3	\$14.7	\$11.5	\$11.8	\$12.1	\$12.4	\$12.7	\$11.8	\$128.8
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.5	\$1.0	\$0.6	\$0.6	\$1.1	\$1.1	(\$1.9)	(\$1.3)	(\$0.6)	\$1.2
- Interest on In-year Transactions	\$0.2	\$0.2	(\$0.3)	\$0.0	\$0.2	\$0.0	(\$1.8)	\$0.2	\$0.2	\$0.2	(\$0.8)
TOTAL REVENUE	\$13.8	\$14.7	\$15.0	\$15.4	\$12.3	\$12.8	\$11.4	\$10.7	\$11.6	\$11.4	\$129.2
CLOSING CASH BALANCE	\$13.8	\$28.5	\$17.7	\$18.4	\$30.8	\$32.2	(\$33.7)	(\$23.0)	(\$11.4)	\$0.0	

2023 Adjusted Charge Per Capita **\$119.47**

Allocation of Capital Program	
Residential Sector	62.6%
Non-Residential Sector	37.4%
Rates for 2023	
Inflation Rate:	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX B.7

TABLE 3

CITY OF OWEN SOUND
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE
WASTE COLLECTION
NON-RESIDENTIAL DEVELOPMENT CHARGE
(in \$000)

WASTE COLLECTION	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
OPENING CASH BALANCE	\$0.00	\$6.73	\$15.08	\$8.11	\$8.08	\$15.87	\$17.20	(\$21.71)	(\$14.81)	(\$7.33)	
2023 - 2032 NON-RESIDENTIAL FUNDING REQUIREMENTS											
- Waste Collection: Non Inflated	\$0.0	\$0.0	\$14.9	\$8.2	\$0.0	\$6.2	\$41.0	\$0.0	\$0.0	\$0.0	\$70.3
- Waste Collection: Inflated	\$0.0	\$0.0	\$15.5	\$8.7	\$0.0	\$6.8	\$46.2	\$0.0	\$0.0	\$0.0	\$77.2
NON-RESIDENTIAL SPACE GROWTH											
- Growth in Square Metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	57,123
REVENUE											
- DC Receipts: Inflated	\$6.6	\$8.0	\$8.2	\$8.4	\$7.4	\$7.6	\$7.8	\$8.0	\$8.2	\$7.6	\$77.6
INTEREST											
- Interest on Opening Balance	\$0.0	\$0.2	\$0.5	\$0.3	\$0.3	\$0.6	\$0.6	(\$1.2)	(\$0.8)	(\$0.4)	\$0.1
- Interest on In-year Transactions	\$0.1	\$0.1	(\$0.2)	(\$0.0)	\$0.1	\$0.0	(\$1.1)	\$0.1	\$0.1	\$0.1	(\$0.5)
TOTAL REVENUE	\$6.7	\$8.3	\$8.5	\$8.7	\$7.8	\$8.1	\$7.3	\$6.9	\$7.5	\$7.3	\$77.2
CLOSING CASH BALANCE	\$6.7	\$15.1	\$8.1	\$8.1	\$15.9	\$17.2	(\$21.7)	(\$14.8)	(\$7.3)	\$0.0	

2023 Adjusted Charge Per Square Metre

\$1.24

Allocation of Capital Program

Residential Sector	62.6%
Non-Residential Sector	37.4%

Rates for 2023

Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX C

ENGINEERED SERVICES

TECHNICAL APPENDIX

INTRODUCTION AND OVERVIEW

The Engineering Services Division ensures that the City of Owen Sound's municipal services such as Services Related to a Highway – Roads and Related, Stormwater Drainage and Control, Water, and Wastewater Services are designed for the appropriate protection, health and quality of life of the public and good engineering practices. The department also provides review and inspection services to facilitate new development and maintains service standards to sustain existing infrastructure.

This appendix provides the detailed analysis undertaken to establish the development charge rates for each of the engineered services in the City.

The appendix is divided into four sub-sections, with one section for each of the engineered services:

- C.1 Services Related to a Highway – Roads and Related
- C.2 Water Services
- C.3 Wastewater Services
- C.4 Storm Water Drainage and Control

The sub-sections generally contain a set of three tables. The tables provide the background data and analysis undertaken to arrive at the calculated development charge rates for that particular service. An overview of the content and purpose of each of the tables is given below.

HISTORICAL SERVICE LEVELS

The *Development Charges Act* (DCA) and *O. Reg. 82/98* require that development charges be set at a level no higher than the average service level provided in the City over the 15-year period immediately preceding the preparation of the background study, on a service-by-service basis.

However, *O. Reg. 82/98* s. 4 (3) provides for the “standard level of service” to substitute for the average level of service where the standard level of service is required by another Act. The standard level of service applies to all engineered services except for the Services Related to a Highway – Roads and Related.

The method for determining the average level of service for the Services Related to a Highway – Roads and Related is set out in subsection C.1 below.

TABLE 1: 2023-2041 DEVELOPMENT-RELATED CAPITAL PROGRAM

The DCA requires that Council express its intent to provide future capital facilities at the level incorporated in the development charges calculation. Based on the development forecasts presented in Appendix A, and the 10-year capital budget and forecast, City staff and the consulting team have compiled a development-related capital program for the engineered services. The program sets out those projects that are required to service the development for the period to 2041.

The development-related capital program for each engineered service is shown on Table 1 of each sub-section with the exception of Services Related to a Highway – Roads and Related, where it appears as Table 2. Gross and net cost estimates are provided in 2023 dollars.

To determine the share of the program that is eligible for recovery through development charges, the net project costs are reduced by any “benefit to existing” shares. A benefit to existing share represents that portion of a capital project that will benefit existing development. It could, for example, represent a portion of a new facility that, at least in part, replaces a facility that is demolished, redeployed or will otherwise not be available to serve its former function (a “replacement” share). The benefit to existing share of the capital program is not deemed to be development-related and is therefore removed from the development charge calculation. The capital cost for benefit to existing shares will require funding from non-development charge sources, typically property taxes or user fees.

The net capital program less any benefit to existing shares yields the development-related costs. Certain capital projects have been determined to benefit development occurring after 2041, and these post-period benefit shares may be recoverable under future development charges by-laws.

TABLE 2: CALCULATION OF UNADJUSTED DEVELOPMENT CHARGE

Table 2 displays the calculation of the unadjusted development charge rates. The term “unadjusted” development charge is used to distinguish the charge that is calculated prior to cash flow financing consideration. The cash flow analysis is shown in Table 3.

The first step in the determination of the unadjusted development charges rate is the allocation of the development-related net capital costs between the residential and the non-residential sectors. For all engineered services, development-related costs have been allocated 61% residential and 39% non-residential based on the ratio of forecast changes in population in new housing units and employment in new non-residential floorspace over the planning period.

The residential development-related costs are then divided by the forecast population in new housing units. This gives the unadjusted residential development charge per capita. The non-residential development-related costs are divided by the forecast increase in non-residential gross floor area (GFA). This yields a charge per square metre of new non-residential GFA.

TABLE 3: CASH FLOW ANALYSIS

A cash flow analysis is also undertaken to account for the timing of projects and receipt of development charges. Interest earnings or borrowing costs are accounted for in the calculation as allowed under the DCA. Based on the development forecast, the analysis calculates the development charges rate that is required to finance the net development-related capital-spending plan including provisions for any borrowing costs or interest earnings on the reserve funds. The cash flow analysis is designed so that the closing cash balance at the end of the planning period is as close to nil as possible.

In the cash flow analysis, an inflation rate of 2.0% is used for the funding requirements, and interest rates of 5.5% (negative balance) and 3.5% (positive balance) are used for borrowing/earnings on the funds.

Table 3 displays the results of the cash flow analysis and provides the adjusted or final per capita residential and per square foot (of GFA) non-residential development charges.

APPENDIX C.1

SERVICES RELATED TO A HIGHWAY –

ROADS AND RELATED

APPENDIX C.1: SERVICES RELATED TO A HIGHWAY – ROADS AND RELATED

This appendix provides the analysis undertaken to establish the development charges rates for Services Related to a Highway – Roads and Related. The service includes all new construction and reconstruction works including bridges and culverts, streetlights, intersection improvements, and traffic signalization, as well as public works projects such as facility expansions and fleet vehicle additions.

TABLE 1: 2008-2022 HISTORICAL SERVICE LEVELS

The DCA and *Ontario Regulation 82/98* require that development charges be set at a level no higher than the average service level provided in the City over the 15-year period immediately preceding the preparation of the background study, on a service-by-service basis. For the purpose of this study, the historical inventory period has been defined as 2008 to 2022. *O. Reg. 82/98* also requires that when defining and determining historical service levels both the quantity and quality of service be taken into consideration.

The method for establishing the historical service level for the Services Related to a Highway expresses the service level as a dollar per capita and employment based on a valuation of the inventory of capital assets used to provide the service. The quantum and value of the inventory is based on the City’s historical records and experience with costs to acquire or construct similar infrastructure.

Table 1 demonstrates that the City’s current road infrastructure comprises 240 lane km of roads with a current replacement value estimated at \$515.7 million. The City’s 107 km of sidewalks add another \$33.3 million to the value of the inventory, and its 24 traffic signals add \$9.7 million. Finally, the City’s 27 bridges and culverts are valued at \$62.1 million.

Public Works assets are also included in the inventory. Public Works occupies 34,493 square feet of building space, including the roads building and the sand storage building, which together are valued at \$10.6 million. These facilities occupy 4.98 acres of land valued at \$4.6 million. In addition, the Public Works fleet numbers 55 vehicles worth \$7.6 million.

The 2023 full replacement value of the inventory of capital assets for the Services Related to a Highway – Roads and Related is \$643.6 million. The 15-year historical average service level is calculated at \$17,937.91 per capita and employment.

The maximum allowable funding envelope is defined as the 15-year historical service level (\$17,937.91 per capita and employment) multiplied by the forecast increase in net population and employment over the planning period (4,084). The resulting maximum allowable funding envelope is calculated at \$73.3 million.

Paragraph 5 of s.5 (1) of the DCA requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the City’s “excess capacity” that is “uncommitted”. “Excess capacity” is undefined in the DCA, but is considered to relate to the capacity available to meet some or all of the increase in need for service in order to potentially represent a deduction. It is assumed that no “surplus” capacity exists within the road network as the deduction of uncommitted excess capacity would occur as part of conceptual planning and feasibility work associated with planning new roadworks and public works facilities.

TABLE 2: 2023-2041 DEVELOPMENT-RELATED CAPITAL PROGRAM

Table 2 provides a summary of the development-related capital program for Services Related to a Highway – Roads and Related.

As shown in Table 2, the gross capital program totals \$92.3 million. This includes \$91.1 million in roadworks projects, including major projects such as:

- The \$14.4 million 2nd Avenue East Reconstruction;
- The \$9.3 million Alpha Street reconstruction project;
- Phase 2 of the Downtown River Precinct project (\$2.0 million); and
- Phases 1 to 3 of the 3rd Avenue E/GR 15 project (\$7.0 million).

Other roads projects include various street widening and upgrades, construction of retaining walls, installation of traffic signals and new streetlights. In respect of public works, the program includes a provision for new vehicles and equipment upgrades at a total cost of \$450,000, as well as a \$750,000 sand dome expansion slated for 2029.

Grant funding and direct developer contributions in the amount of \$21.9 million are available to fund the program. After deducting this external funding, the net municipal cost of the program is \$70.4 million.

Approximately \$57.2 million of the cost of the program has been removed from the development charge calculation to reflect the substantial components of the projects that are related to maintenance, rehabilitation, and replacement of existing infrastructure or other wise provide a benefit to existing development in the City. Where applicable, this

benefit to existing (BTE) share is the ratio of population and employment growth between 2023 and 2041 to the current population and employment. Some projects have smaller BTE shares: the sand dome expansion, at 80% BTE, will be about 20% larger than the dome it is replacing; the additional vehicles and equipment have been assigned a 50% BTE to reflect their additional capacity; and some roads projects have been assigned a 75% (or greater) BTE to reflect the incremental benefit to traffic arising from new development in the City.

Of the remaining \$13.2 million in development-related costs, \$403,957 can be funded from existing development charges reserve funds. The development charge recoverable share is therefore \$12.7 million.

TABLE 3: CALCULATION OF UNADJUSTED DEVELOPMENT CHARGES

Tables 3 displays the DC recoverable costs apportioned to the residential and non-residential sectors: 61% to residential and 39% to the non-residential, based on shares of forecast population and employment growth between 2023 and 2041. The residential sector’s share of \$7.8 million in development-related net capital costs yields an “unadjusted” development charge of \$4,505.16 per capita. The non-residential sector’s share of \$5.0 million in development-related net capital costs results in an unadjusted charge of \$45.44 per square metre of GFA.

TABLE 4: CASH FLOW ANALYSIS

After cash flow and reserve fund analysis, the residential and non-residential calculated charges both increase slightly, to \$4,517.02 per capita and \$46.37 per square metre respectively. The similar charges reflect of the balanced timing of the capital program.

The following table summarizes the calculation of the Services Related to a Highway – Roads and Related development charge:

ROADS AND RELATED SUMMARY					
2023 - 2041		Unadjusted		Adjusted	
Development-Related Capital Program		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$92,258,000	\$12,747,443	\$4,505.16	\$45.44	\$4,517.02	\$46.37

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED
PUBLIC WORKS

BUILDINGS Facility Name	# of Square Feet															UNIT COST (\$/sq.ft.)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Roads Building	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	27,190	\$320
Sand Storage Building	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	\$260
							-									
Total (#)	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	34,493	
Total (\$000)	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	\$10,599.6	

LAND Facility Name	# of Acres															UNIT COST (\$/acre)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Roads Building	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	4.86	\$920,000
Sands Storage Building	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	\$920,000
Total (acres)	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	4.98	
Total (\$000)	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	\$4,581.6	

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED
PUBLIC WORKS

FLEET Description	# of Vehicles															UNIT COST
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	(\$/unit)
PW 1/2-Ton Truck 1	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$50,000
PW 1/2-Ton Truck 2	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$50,000
PW 1/2-Ton Truck 3	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$75,000
PW 1/2-Ton Truck 4	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$75,000
PW 1/2-Ton Truck 5	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$50,000
PW 1-Ton Truck 1	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$80,000
PW 1-Ton Truck 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	\$80,000
PW 1-Ton Truck 3	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$80,000
PW 2-Ton Hot Box	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$80,000
PW 6-Ton Truck 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$400,000
PW 6-Ton Truck 2	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$400,000
PW 6-Ton Truck 3	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$400,000
PW 6-Ton Truck 4	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$400,000
PW 6-Ton Truck 5	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$400,000
PW Street Sweeper 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	\$650,000
PW Street Sweeper 2	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$650,000
PW Vactor	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$800,000
PW Lift Truck	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$19,100
PW Paint Trailer 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$7,000
PW Paint Trailer 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$7,000
PW Sewer Trailer	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$8,225
PW Roller Trailer	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$30,000
PW Dump Trailer	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$12,100
PW Trailer	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$15,000
PW Grader 1	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$350,000
PW Grader 2	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$350,000
PW Loader 1	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$325,000
PW Loader 2	-	-	-	-	1	1	1	1	1	1	1	1	1	1	1	\$325,000
PW Backhoe 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED
PUBLIC WORKS

FLEET Description	# of Vehicles															UNIT COST
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	(\$/unit)
PW Backhoe 2	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$167,000
PW Mower	-	-	-	-	1	1	1	1	1	1	1	1	1	-	-	\$109,000
PW Tractor	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	\$72,100
PW Snowblower 1	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$130,000
PW Snowblower 2	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$10,000
PW Sidewalk Plow 1	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	\$160,000
PW Sidewalk Plow 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$160,000
PW Sidewalk Plow 3	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$160,000
PW Sidewalk Plow 4	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$160,000
PW Sidewalk Plow 4	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	\$252,600
PW Tapping Machine 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$5,000
PW Tapping Machine 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
PW Chainsaw 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,500
PW Chainsaw 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,500
PW Cement Saw	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,500
PW Stump Grinder	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$45,000
PW Sidewalk Grinder	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$2,500
PW Pressure Washer	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$3,000
PW Weed Eater	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,500
PW Compressor 1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
PW Compressor 2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
PW Pump	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$2,000
PW 3-Ton Roller	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$65,000
PW Line Striper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
PW Steamer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$11,000
PW Planer	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	\$30,000
PW Pipe Cutter	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$9,500
PW Hydraulic Hammer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$69,200
PW Sewer Camera	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$15,000
Total (#)	23	23	24	27	31	31	33	33	39	47	47	47	52	53	55	
Total (\$000)	\$1,517.9	\$1,517.9	\$1,567.9	\$2,617.9	\$3,456.9	\$3,456.9	\$3,917.8	\$3,917.8	\$4,226.4	\$5,403.6	\$5,403.6	\$5,403.6	\$6,788.6	\$6,889.6	\$7,619.6	

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED
ROADS

ROADS Type of Road	# of Lane Kilometres															UNIT COST (\$/km)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Arterial paved 1 Lane	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	\$1,977,200
Arterial paved 2 Lane	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	34.7	\$2,612,400
Arterial paved 3 Lane	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	\$1,977,200
Arterial paved 4 Lane	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1	\$1,977,200
Arterial paved 5 Lane	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	\$1,977,200
Collector Paved 1 Lane	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	\$1,959,300
Collector Paved 2 Lane	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	35.9	\$2,612,400
CCI Paved 2 Lane	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	\$2,612,400
CCI Paved 3 Lane	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	\$2,873,600
CCI Paved 4 Lane	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	\$3,134,900
LR Paved 1 Lane	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	\$1,477,300
LR Paved 2 Lane	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	112.3	\$1,969,700
LR Paved 3 Lane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$2,166,700
LCI Paved 2 Lane	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	\$1,969,700
LR Gravel 1 Lane	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	\$388,400
LR Gravel 2 Lane	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	\$188,400
Total (km)	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	
Total (\$000)	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	\$515,703.8	

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
INVENTORY OF CAPITAL ASSETS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED
ROADS

SIDEWALKS Description	km of Sidewalks															UNIT COST (\$/km)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Boulevard	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	59.1	\$312,300
Boulevard/Curbside	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$312,300
Curbside	47	47	47	47	47	47	47	47	47	47	47	47	47	47	47	\$312,300
Total (km)	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	106.6	
Total (\$000)	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	\$33,291.2	

TRAFFIC SIGNALS Description	Number of Units															UNIT COST (\$/unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Traffic Signals	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	\$405,300
Total (units)	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	
Total (\$000)	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	\$9,727.2	

BRIDGES AND CULVERTS Description	Number of Units															UNIT COST (\$/unit)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Bridges - 3.0 metre span or larger	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	11.0	11.0	11.0	\$4,949,900
Culverts - 3.0 metre span or larger	9	9	9	9	9	9	9	9	9	9	9	9	16	16	16	\$478,900
Total (units)	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	27.0	27.0	27.0	
Total (\$000)	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$48,859.2	\$62,111.3	\$62,111.3	\$62,111.3	

APPENDIX C.1
TABLE 1

CITY OF OWEN SOUND
CALCULATION OF SERVICE LEVELS
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Historical Population	21,727	21,714	21,701	21,688	21,618	21,548	21,479	21,410	21,341	21,395	21,449	21,503	21,558	21,612	21,815
Historical Employment	14,750	14,656	14,563	14,471	14,299	14,130	13,962	13,795	13,631	13,668	13,705	13,742	10,630	10,630	13,240
Total Historical Pop. & Emp.	36,477	36,370	36,264	36,159	35,917	35,678	35,441	35,205	34,972	35,062	35,154	35,245	32,188	32,242	35,055

INVENTORY SUMMARY (\$000)

Public Works	\$16,699.1	\$16,699.1	\$16,749.1	\$17,799.1	\$18,638.1	\$18,638.1	\$19,099.0	\$19,099.0	\$19,407.6	\$20,584.8	\$20,584.8	\$20,584.8	\$21,969.8	\$22,070.8	\$22,800.8
Roads	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$607,581.4	\$620,833.5	\$620,833.5	\$620,833.5
Total (\$000)	\$624,280.4	\$624,280.4	\$624,330.4	\$625,380.4	\$626,219.4	\$626,219.4	\$626,680.3	\$626,680.3	\$626,988.9	\$628,166.2	\$628,166.2	\$628,166.2	\$642,803.3	\$642,904.3	\$643,634.3

SERVICE LEVEL (\$/pop & emp)

Average
Service
Level

Public Works	\$457.80	\$459.14	\$461.86	\$492.25	\$518.92	\$522.40	\$538.89	\$542.50	\$554.95	\$587.09	\$585.57	\$584.05	\$682.56	\$684.54	\$650.43	\$554.86
Roads	\$16,656.67	\$16,705.55	\$16,754.26	\$16,803.23	\$16,916.18	\$17,029.73	\$17,143.42	\$17,258.22	\$17,373.55	\$17,328.55	\$17,283.63	\$17,238.88	\$19,288.01	\$19,255.43	\$17,710.39	\$17,383.05
Total (\$/pop & emp)	\$17,114.48	\$17,164.69	\$17,216.12	\$17,295.48	\$17,435.10	\$17,552.13	\$17,682.32	\$17,800.73	\$17,928.50	\$17,915.64	\$17,869.20	\$17,822.93	\$19,970.57	\$19,939.96	\$18,360.82	\$17,937.91

CITY OF OWEN SOUND
CALCULATION OF MAXIMUM ALLOWABLE
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED

15-Year Funding Envelope Calculation	
15 Year Average Service Level 2008 - 2022	\$17,937.91
Net Population & Employment Growth 2023 - 2041	4,084
Maximum Allowable Funding Envelope	\$73,261,437

APPENDIX C.1

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED

NO.	Location	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Costs	Replacement/Benefit to Existing		Total DC Eligible Costs	Available DC Reserves	DC Eligible Costs 2023-2041	Post Period Allocation	
Roads												
1	9th Ave E: 20 to 23rd St E (Upgrade to Urban)	2025 - 2029	\$4,040,000	\$4,000,000	\$40,000	75%	\$30,000	\$10,000	\$0	\$10,000	0%	\$0
2	6th Ave W - 2100 Block - Culvert Replacement	2024 - 2025	\$880,000	\$0	\$880,000	93%	\$814,400	\$65,600	\$0	\$65,600	0%	\$0
3	26th Street W Storm Sewer Replacement and Enhancement - 7th Ave W to 5th Ave W/ravine outfall	2026 - 2026	\$330,000	\$0	\$330,000	93%	\$305,400	\$24,600	\$0	\$24,600	0%	\$0
4	15th St B East Sidewalk Construction - 15th St A East to Keeling Condo - NEW	2023 - 2023	\$250,000	\$0	\$250,000	80%	\$200,000	\$50,000	\$50,000	\$0	0%	\$0
5	11th Ave East Sidewalk Construction - 8th St E to 10th St E	2024 - 2024	\$175,000	\$0	\$175,000	80%	\$140,000	\$35,000	\$0	\$35,000	0%	\$0
6	6th Avenue West - 5th St W to 7th St W - west side	2025 - 2025	\$175,000	\$0	\$175,000	80%	\$140,000	\$35,000	\$0	\$35,000	0%	\$0
7	5th Street West - 4th Ave W to 6th Ave W - south side	2026 - 2026	\$145,000	\$0	\$145,000	80%	\$116,000	\$29,000	\$0	\$29,000	0%	\$0
8	11th Street West - 7th Avenue West to Alpha Street - 200 m southside	2027 - 2027	\$200,000	\$0	\$200,000	80%	\$160,000	\$40,000	\$0	\$40,000	0%	\$0
9	28th Street West - 3rd Ave W to 6th Ave W - north side	2028 - 2028	\$200,000	\$0	\$200,000	80%	\$160,000	\$40,000	\$0	\$40,000	0%	\$0
10	20th St E - 5th Ave E to 9th Ave E - north side	2029 - 2029	\$260,000	\$0	\$260,000	80%	\$208,000	\$52,000	\$0	\$52,000	0%	\$0
11	3rd Ave E/GR15 - 10th St E to 18th St E - Phase 1	2030 - 2033	\$2,500,000	\$0	\$2,500,000	93%	\$2,313,500	\$186,500	\$0	\$186,500	0%	\$0
12	Downtown River Precinct Phase 2- 1st Ave E - 900 Block	2023 - 2023	\$2,000,000	\$930,000	\$1,070,000	93%	\$990,200	\$79,800	\$79,800	\$0	0%	\$0
13	Retaining Walls (10th St W Hill - N/S Upper Wall)	2028 - 2028	\$605,000	\$544,500	\$60,500	93%	\$56,000	\$4,500	\$0	\$4,500	0%	\$0
14	Retaining Walls (10th St W Hill - S/S Upper Wall)	2030 - 2030	\$292,000	\$262,800	\$29,200	93%	\$27,200	\$2,000	\$0	\$2,000	0%	\$0
15	7th St E Storm Sewer Outfall Replacement	2026 - 2026	\$325,000	\$0	\$325,000	93%	\$300,800	\$24,200	\$0	\$24,200	0%	\$0
16	3rd Avenue E/GR 15 - 10th St E to 18th St E - Phase 2	2030 - 2034	\$2,500,000	\$0	\$2,500,000	93%	\$2,313,500	\$186,500	\$0	\$186,500	0%	\$0
17	3rd Avenue E/GR 15 - 10th St E to 18th St E - Phase 3	2032 - 2036	\$2,000,000	\$0	\$2,000,000	93%	\$1,850,800	\$149,200	\$0	\$149,200	0%	\$0
18	12th St W - 4th Ave W to 6th Ave W	2028 - 2028	\$1,200,000	\$0	\$1,200,000	93%	\$1,110,500	\$89,500	\$0	\$89,500	0%	\$0
19	4th Ave W - 15th St W to 20th St W	2025 - 2028	\$4,456,000	\$4,456,000	\$0	93%	\$0	\$0	\$0	\$0	0%	\$0
20	Moore's Hill Road / 2nd Ave W Intersection	2028 - 2028	\$2,450,000	\$2,450,000	\$0	93%	\$0	\$0	\$0	\$0	0%	\$0

APPENDIX C.1

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED

NO.	Location	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Costs	Replacement/Benefit to Existing		Total DC Eligible Costs	Available DC Reserves	DC Eligible Costs 2023-2041	Post Period Allocation	
21	Alpha Street - 6th Ave W to 9th Ave W	2023 - 2029	\$9,330,000	\$0	\$9,330,000	93%	\$8,676,900	\$653,100	\$0	\$653,100	0%	\$0
22	9th Ave E -23rd St E to 28th St E (Rehab and Lane Configuration)	2030 - 2030	\$500,000	\$0	\$500,000	93%	\$462,700	\$37,300	\$0	\$37,300	0%	\$0
23	28th Ave E - 20th St E to 26th St E - Road Reconstruction	2031 - 2031	\$600,000	\$0	\$600,000	93%	\$555,200	\$44,800	\$0	\$44,800	0%	\$0
24	Superior Street - 9th Ave E to 28th Ave E Road Reconstruction	2032 - 2032	\$400,000	\$0	\$400,000	93%	\$370,200	\$29,800	\$0	\$29,800	0%	\$0
25	15th St E - 3rd Ave E to 6th Ave E	2031 - 2035	\$5,550,000	\$0	\$5,550,000	93%	\$5,136,000	\$414,000	\$0	\$414,000	0%	\$0
26	2nd Ave E Reconstruction	2033 2039	\$14,440,000	\$0	\$14,440,000	80%	\$11,552,000	\$2,888,000	\$0	\$2,888,000	0%	\$0
27	7th Ave E - 6th St E to 8th St E	2032 2033	\$1,100,000	\$0	\$1,100,000	93%	\$1,023,000	\$77,000	\$0	\$77,000	0%	\$0
28	22nd St W - 5th Ave W to 7th Ave W	2033 2033	\$2,200,000	\$0	\$2,200,000	93%	\$2,046,000	\$154,000	\$0	\$154,000	0%	\$0
29	12th St W - 4th Ave W to 6th Ave W - Reconstruction	2034 2034	\$1,750,000	\$0	\$1,750,000	93%	\$1,627,500	\$122,500	\$0	\$122,500	0%	\$0
30	9th Ave E - 17th St E to 20th St E - Reconstruction	2036 2036	\$5,500,000	\$0	\$5,500,000	93%	\$5,115,000	\$385,000	\$0	\$385,000	0%	\$0
31	9th Ave E* - 23rd St E to 28th St E - Minor Rehabilitation and Lane Reconfiguration (Future)	2037 2037	\$2,500,000	\$0	\$2,500,000	93%	\$2,325,000	\$175,000	\$0	\$175,000	0%	\$0
32	11th Street West - 6th Ave W to Alpha St	2038 2038	\$3,500,000	\$0	\$3,500,000	93%	\$3,255,000	\$245,000	\$0	\$245,000	0%	\$0
33	17th Street West - 3rd Ave W to 4th Ave W	2039 2039	\$1,750,000	\$0	\$1,750,000	93%	\$1,627,500	\$122,500	\$0	\$122,500	0%	\$0
34	8th St E/Grey Road 5 from end of curb to 20th Ave - NEW	2027 2028	\$440,000	\$0	\$440,000	0%	\$0	\$440,000	\$0	\$440,000	0%	\$0
35	2nd Ave W/Grey Road 1 - 10th St W to 14th St W	2028 2029	\$550,000	\$0	\$550,000	80%	\$440,000	\$110,000	\$0	\$110,000	0%	\$0
36	Telfer Creek Subdivision (City Capital Contribution)	2023 2023	\$510,000	\$0	\$510,000	0%	\$0	\$510,000	\$274,157	\$235,843	0%	\$0
37	16th St E & 20th Ave E Intersection Upgrading and 20th Ave E Construction to 17th St E - Sydenham Heights Centre - Hwy 26 & 20th Commercial Inc. Servicing Agreement - By-law 2022-XXX	2029 2029	\$478,000	\$0	\$478,000	0%	\$0	\$478,000	\$0	\$478,000	0%	\$0
38	17th St E & 20th Ave E Intersection Upgrading and 20th Ave E Construction to 17th St E - Sydenham Heights Centre - Hwy 26 & 20th Commercial Inc. Servicing Agreement - By-law 2022-XXX	2034 2034	\$377,000	\$0	\$377,000	0%	\$0	\$377,000	\$0	\$377,000	0%	\$0
39	22nd Avenue East Construction - Heritage Grove and Exquisite Properties	2023 2023	\$1,000,000	\$1,000,000	\$0	0%	\$0	\$0	\$0	\$0	0%	\$0
40	10th St E - 18th Ave E to 20th Ave E - Smart REIT Residential Development (Servicing Agreement?)	2028 2028	\$2,800,000	\$2,520,000	\$280,000	0%	\$0	\$280,000	\$0	\$280,000	0%	\$0

APPENDIX C.1

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED

NO.	Location	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Costs	Replacement/Benefit to Existing		Total DC Eligible Costs	Available DC Reserves	DC Eligible Costs 2023-2041	Post Period Allocation	
41	32nd St E Reconstruction - East Bayshore Road to 9th Ave E - Sky Dev Servicing Agreement	2027 2027	\$2,400,000	\$1,200,000	\$1,200,000	0%	\$0	\$1,200,000	\$0	\$1,200,000	0%	\$0
42	9th Ave E Reconstruction - "Beta" St to 32nd St E - Sky Dev Servicing Agreement	2028 2028	\$1,500,000	\$160,000	\$1,340,000	0%	\$0	\$1,340,000	\$0	\$1,340,000	0%	\$0
43	16th St E & 22nd Ave E Intersection Upgrading - Install Traffic Signals - Exquisite and 16th St E North side Developer at 22nd Ave E Servicing Agreement	2028 2028	\$300,000	\$270,000	\$30,000	0%	\$0	\$30,000	\$0	\$30,000	0%	\$0
44	16th St E Widening - south side - 20th Ave E to 150 m east of 22nd Ave E - Exquisite Servicing Agreement	2028 2028	\$600,000	\$540,000	\$60,000	0%	\$0	\$60,000	\$0	\$60,000	0%	\$0
45	16th St E Widening - north side - 18th Ave E to 150 m east of 22nd Ave E - 16th St E north side developer Servicing Agreement	2029 2029	\$1,200,000	\$1,080,000	\$120,000	0%	\$0	\$120,000	\$0	\$120,000	0%	\$0
46	17th St E Road Construction - 20th Ave E south leg to 20th Ave E north leg - 17th St E North and South side (Halton Horse) Developers Servicing Agreement	2030 2030	\$600,000	\$540,000	\$60,000	0%	\$0	\$60,000	\$0	\$60,000	0%	\$0
47	20th Ave E Road Construction - 17th St E to 20th St E - East and West side developers Servicing Agreement	2036 2037	\$3,200,000	\$1,920,000	\$1,280,000	0%	\$0	\$1,280,000	\$0	\$1,280,000	0%	\$0
48	New Streetlights	2023 2033	\$1,000,000		\$1,000,000	96%	\$960,000	\$40,000	\$0	\$40,000	0%	\$0
Subtotal: Widening and Upgrades			\$91,058,000	\$21,873,300	\$69,184,700		\$56,408,300	\$12,776,400	\$403,957	\$12,372,443		\$0
Rolling Stock												
49	Provision for Vehicle and Equipment Upgrades	2026 - 2032	\$450,000	\$0	\$450,000	50%	\$225,000	\$225,000	\$0	\$225,000	0%	\$0
Subtotal: Rolling Stock			\$450,000	\$0	\$450,000		\$225,000	\$225,000	\$0	\$225,000		\$0
Public Works Facilities												
50	Sand Dome Replacement and Expansion	2029 - 2029	\$750,000	\$0	\$750,000	80%	\$600,000	\$150,000	\$0	\$150,000	0%	\$0
Subtotal: Public Works Facilities			\$750,000	\$0	\$750,000		\$600,000	\$150,000	\$0	\$150,000		\$0
TOTAL Roads & Related Projects			\$92,258,000	\$21,873,300	\$70,384,700		\$57,233,300	\$13,151,400	\$403,957	\$12,747,443		\$0

APPENDIX C.1

TABLE 3

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
ROADS AND RELATED

18-Year Growth in Population in New Units	1,723
Employment Growth	1,107
18-year Growth in Square Meters	109,721

	Growth-Related Capital Forecast						Residential Share		Non-Residential Share	
	Gross Project Cost (\$000)	Benefit to Existing Share (\$000)	Other Contributions (\$000)	Available DC Reserves (\$000)	Post Period Allocation (\$000)	Total Net Capital Costs (\$000)				
							%	\$000	%	\$000
ROADS AND RELATED										
Roads	\$91,058.00	\$56,408.30	\$21,873.30	\$403.96	\$0.00	\$12,372.44	61%	\$7,533.11	39%	\$4,839.34
Rolling Stock	\$450.00	\$225.00	\$0.00	\$0.00	\$0.00	\$225.00	61%	\$136.99	39%	\$88.01
Public Works Facilities	\$750.00	\$600.00	\$0.00	\$0.00	\$0.00	\$150.00	61%	\$91.33	39%	\$58.67
TOTAL ROADS AND RELATED	\$92,258.00	\$57,233.30	\$21,873.30	\$403.96	\$0.00	\$12,747.44		\$7,761.43		\$4,986.01
Unadjusted Development Charge Per Capita (\$)								\$4,505.16		
Unadjusted Development Charge Per Sq. M. (\$)										\$45.44

**APPENDIX C.1
TABLE 4**

**CITY OF OWEN SOUND
ROADS AND RELATED
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

ROADS: RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	\$317.4	\$761.9	\$1,233.0	\$1,705.5	\$1,133.3	\$75.6	(\$148.2)	\$163.3	\$476.9	\$724.7	\$605.5	\$281.8
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS													
Roads: Residential: Non Inflated	\$202.6	\$100.3	\$101.5	\$127.2	\$968.7	\$1,370.0	\$600.4	\$133.3	\$150.6	\$183.1	\$490.3	\$646.6	\$319.8
Roads: Residential: Inflated	\$202.6	\$102.3	\$105.6	\$135.0	\$1,048.6	\$1,512.6	\$676.1	\$153.2	\$176.4	\$218.8	\$597.7	\$804.0	\$405.6
NEW RESIDENTIAL DEVELOPMENT													
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	83	83	84
REVENUE													
- DC Receipts: Inflated	\$514.5	\$528.3	\$542.4	\$556.9	\$433.6	\$444.6	\$455.8	\$467.2	\$479.0	\$446.0	\$457.0	\$468.3	\$479.8
INTEREST													
- Interest on Opening Balance	\$0.0	\$11.1	\$26.7	\$43.2	\$59.7	\$39.7	\$2.6	(\$8.1)	\$5.7	\$16.7	\$25.4	\$21.2	\$9.9
- Interest on In-year Transactions	\$5.5	\$7.5	\$7.6	\$7.4	(\$16.9)	(\$29.4)	(\$6.1)	\$5.5	\$5.3	\$4.0	(\$3.9)	(\$9.2)	\$1.3
TOTAL REVENUE	\$520.0	\$546.9	\$576.7	\$607.5	\$476.4	\$454.9	\$452.3	\$464.6	\$490.0	\$466.6	\$478.5	\$480.2	\$491.0
CLOSING CASH BALANCE	\$317.4	\$761.9	\$1,233.0	\$1,705.5	\$1,133.3	\$75.6	(\$148.2)	\$163.3	\$476.9	\$724.7	\$605.5	\$281.8	\$367.2

ROADS: RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	\$367.2	(\$302.3)	(\$849.0)	(\$954.4)	(\$960.1)	(\$498.9)	
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Roads: Residential: Non: Inflated	\$893.5	\$747.4	\$400.4	\$325.8	\$0.0	\$0.0	\$7,761.4
Roads: Residential: Inflated	\$1,155.8	\$986.2	\$538.8	\$447.2	\$0.0	\$0.0	\$9,266.4
NEW RESIDENTIAL DEVELOPMENT							
- Population Growth in New Units	84	79	79	80	80	80	1,723
REVENUE							
- DC Receipts: Inflated	\$491.7	\$470.4	\$481.7	\$493.3	\$505.1	\$517.3	\$9,232.8
INTEREST							
- Interest on Opening Balance	\$12.9	(\$16.6)	(\$46.7)	(\$52.5)	(\$52.8)	(\$27.4)	\$70.4
- Interest on In-year Transactions	(\$18.3)	(\$14.2)	(\$1.6)	\$0.8	\$8.8	\$9.1	(\$36.8)
TOTAL REVENUE	\$486.3	\$439.6	\$433.4	\$441.6	\$461.2	\$498.9	\$9,266.4
CLOSING CASH BALANCE	(\$302.3)	(\$849.0)	(\$954.4)	(\$960.1)	(\$498.9)	(\$0.0)	

2023 Adjusted Charge Per Capita **\$4,517.02**

Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

**APPENDIX C.1
TABLE 4**

**CITY OF OWEN SOUND
ROADS AND RELATED
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

ROADS: NON-RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	\$118.7	\$358.7	\$612.7	\$864.6	\$485.6	(\$205.9)	(\$366.2)	(\$184.6)	(\$0.7)	\$144.8	\$54.0	(\$168.9)
2019 TO 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS													
Roads: Non-Residential: Non: Inflated	\$130.2	\$64.4	\$65.2	\$81.7	\$622.3	\$880.1	\$385.7	\$85.7	\$96.7	\$117.6	\$315.0	\$415.4	\$205.4
Roads: Non-Residential: Inflated	\$130.2	\$65.7	\$67.9	\$86.7	\$673.6	\$971.7	\$434.4	\$98.4	\$113.3	\$140.5	\$384.0	\$516.5	\$260.5
NEW NON-RESIDENTIAL DEVELOPMENT													
- New Building GFA - square metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	5,140	5,164	5,188
REVENUE													
- DC Receipts: Inflated	\$246.8	\$297.4	\$305.2	\$313.2	\$275.3	\$282.2	\$289.3	\$296.6	\$304.1	\$283.6	\$290.6	\$297.7	\$305.1
INTEREST													
- Interest on Opening Balance	\$0.0	\$4.2	\$12.6	\$21.4	\$30.3	\$17.0	(\$11.3)	(\$20.1)	(\$10.2)	(\$0.0)	\$5.1	\$1.9	(\$9.3)
- Interest on In-year Transactions	\$2.0	\$4.1	\$4.2	\$4.0	(\$11.0)	(\$19.0)	(\$4.0)	\$3.5	\$3.3	\$2.5	(\$2.6)	(\$6.0)	\$0.8
TOTAL REVENUE	\$248.9	\$305.7	\$321.9	\$338.6	\$294.6	\$280.3	\$274.0	\$280.0	\$297.3	\$286.0	\$293.1	\$293.6	\$296.6
CLOSING CASH BALANCE	\$118.7	\$358.7	\$612.7	\$864.6	\$485.6	(\$205.9)	(\$366.2)	(\$184.6)	(\$0.7)	\$144.8	\$54.0	(\$168.9)	(\$132.9)

ROADS: NON-RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$132.9)	(\$581.9)	(\$868.5)	(\$865.8)	(\$792.6)	(\$412.3)	
2013 to 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Roads: Non-Residential: Non: Inflated	\$574.0	\$480.2	\$257.2	\$209.3	\$0.0	\$0.0	\$4,986.0
Roads: Non-Residential: Inflated	\$742.5	\$633.5	\$346.2	\$287.3	\$0.0	\$0.0	\$5,952.9
NEW RESIDENTIAL DEVELOPMENT							
- New Building GFA - square metres	5,211	6,304	6,341	6,379	6,416	6,454	109,721
REVENUE							
- DC Receipts: Inflated	\$312.6	\$385.7	\$395.8	\$406.1	\$416.6	\$427.5	\$6,131.5
INTEREST							
- Interest on Opening Balance	(\$7.3)	(\$32.0)	(\$47.8)	(\$47.6)	(\$43.6)	(\$22.7)	(\$159.5)
- Interest on In-year Transactions	(\$11.8)	(\$6.8)	\$0.9	\$2.1	\$7.3	\$7.5	(\$19.1)
TOTAL REVENUE	\$293.5	\$346.9	\$348.9	\$360.5	\$380.3	\$412.3	\$5,952.9
CLOSING CASH BALANCE	(\$581.9)	(\$868.5)	(\$865.8)	(\$792.6)	(\$412.3)	\$0.0	

2023 Adjusted Charge Per Square Metre	\$46.37
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX C.2

WATER SERVICES

APPENDIX C.2: WATER SERVICES

This appendix provides the analysis undertaken to establish the development charge rates for Water Services in the City. All of the identified projects in the capital program for Water Services are required to service the demands of new development anticipated to occur between 2023 and 2041, subject to annual capital budget reviews.

TABLE 1: 2023-2041 DEVELOPMENT-RELATED CAPITAL PROGRAM

The gross development-related capital program for Water Services amounts to \$24.1 million. The program includes \$22.7 million worth of distribution infrastructure, including projects that will, in part, expand the capacity of the distribution system such as watermain capital reinvestment, valve chamber rehabilitation and investments, and cathodic protection rehabilitation. In addition, \$2.0 million for a new watermain on 9th Avenue East and \$3.0 million for water meter replacement are included in the program.

Water facility projects add another \$1.4 million to the capital program, including various upgrades to mechanical and electrical components.

No part of the capital program is anticipated to be funded through grants, subsidies and/or other recoveries.

A \$19.7 million deduction has been made to account for the benefit of works accruing to existing development. For most projects, the benefit to existing share (90%) is the ratio of population and employment growth between 2023 and 2041 to the current population and employment base.

Development charge reserve funds of \$422,912 are available to fund the development-related capital cost of the program. This leaves \$4.0 million to be funded by future development charges.

TABLE 2: CALCULATION OF UNADJUSTED DEVELOPEMNT CHARGES

The development-related costs of \$4.0 million have been allocated 61% residential (\$2.4 million) and 39% non-residential (\$1.6 million). This ratio is based on forecast changes in population in new housing units and employment over the planning period.

The residential and non-residential costs are divided by the anticipated growth in population in new units and square feet of non-residential GFA respectively. This yields an unadjusted development charge of \$1,409.46 per capita and \$14.22 per square metre.

TABLE 3: CASH FLOW ANALYSIS

After cash flow and reserve fund analysis, the residential calculated charge increases to \$1,455.47 per capita and the non-residential calculated charge increases to \$15.01 per square metre. This reflects the somewhat early timing of the capital program.

The following table summarizes the calculation of the Water Services development charge:

WATER SERVICES SUMMARY					
2023 - 2041		Unadjusted		Adjusted	
Development-Related Capital Program		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$24,085,000	\$3,988,088	\$1,409.46	\$14.22	\$1,455.47	\$15.01

APPENDIX C.2

TABLE 1

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
WATER SERVICES

NO.	Infrastructure Requirement	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Cost	Benefit to Existing Share		Total DC Eligible Costs	Available DC Reserves	DC Eligible Costs 2023-2041	Post Period Allocation	
Water Distribution Projects												
1	Cathodic Protection Rehabilitation	2023 - 2041	\$2,895,000	\$0	\$2,895,000	90%	\$2,592,900	\$302,100	\$224,612	\$77,488	0%	\$0
2	Provision for Watermain Capital Reinvestment	2023 - 2041	\$12,000,000	\$0	\$12,000,000	90%	\$10,747,800	\$1,252,200	\$52,200	\$1,200,000	0%	\$0
3	Trunk Main Valve Chamber Rehabilitation	2023 - 2041	\$1,900,000	\$0	\$1,900,000	90%	\$1,701,700	\$198,300	\$0	\$198,300	0%	\$0
4	9th Ave E Watermain - New	2028 - 2029	\$2,000,000	\$0	\$2,000,000	0%	\$0	\$2,000,000	\$0	\$2,000,000	0%	\$0
5	2nd Ave E Grey Road 1	2029 - 2029	\$890,000	\$0	\$890,000	93%	\$827,700	\$62,300	\$0	\$62,300	0%	\$0
6	Water Meter Replacement	2034 - 2041	\$3,000,000	\$0	\$3,000,000	85%	\$2,550,000	\$450,000	\$0	\$450,000	0%	\$0
Subtotal Water Distribution Projects			\$22,685,000	\$0	\$22,685,000	\$18,420,100		\$4,264,900	\$276,812	\$3,988,088	\$0	
Water Facilities Projects												
7	Various Mechanical/ Electrical Upgrades	2023 - 2027	\$1,400,000	\$0	\$1,400,000	90%	\$1,253,900	\$146,100	\$146,100	\$0	0%	\$0
Subtotal Water Facilities Projects			\$1,400,000	\$0	\$1,400,000		\$1,253,900	\$146,100	\$146,100	\$0		\$0
Total Water Projects			\$24,085,000	\$0	\$24,085,000		\$19,674,000	\$4,411,000	\$422,912	\$3,988,088		\$0

APPENDIX C.2
TABLE 2

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
WATER SERVICES

18-Year Growth in Population in New Units	1,723
Employment Growth	1,107
18-year Growth in Square Meters	109,721

	Growth-Related Capital Forecast						Residential Share		Non-Residential Share	
	Gross Project Cost	Benefit to Existing Share	Direct Developer Contributions	Available DC Reserves	Post Period Allocation	Total Net Capital Costs				
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	%	\$000	%	\$000
WATER SERVICES										
Water Distribution Projects	\$22,685.00	\$18,420.10	\$0.00	\$276.81	\$0.00	\$3,988.09	61%	\$2,428.19	39%	\$1,559.89
Water Facilities Projects	\$1,400.00	\$1,253.90	\$0.00	\$146.10	\$0.00	\$0.00	61%	\$0.00	39%	\$0.00
TOTAL WATER SERVICES	\$24,085.00	\$19,674.00	\$0.00	\$422.91	\$0.00	\$3,988.09		\$2,428.19		\$1,559.89
Unadjusted Development Charge Per Capita (\$)								\$1,409.46		
Unadjusted Development Charge Per Sq. M. (\$)										\$14.22

**APPENDIX C.2
TABLE 3**

**CITY OF OWEN SOUND
WATER SERVICES
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

WATER: RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	\$120.6	\$248.9	\$385.4	\$530.4	\$639.1	\$64.2	(\$585.8)	(\$520.1)	(\$448.0)	(\$383.9)	(\$313.9)	(\$280.8)
2023 to 2041 RESIDENTIAL FUNDING REQUIREMENTS													
Water: Residential: Non Inflated	\$47.3	\$47.3	\$47.3	\$47.3	\$47.3	\$656.2	\$694.1	\$47.3	\$47.3	\$47.3	\$47.3	\$81.5	\$81.5
Water: Residential: Inflated	\$47.3	\$48.2	\$49.2	\$50.2	\$51.2	\$724.4	\$781.7	\$54.3	\$55.4	\$56.5	\$57.6	\$101.4	\$103.4
NEW RESIDENTIAL DEVELOPMENT													
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	83	83	84
REVENUE													
- DC Receipts: Inflated	\$165.8	\$170.2	\$174.8	\$179.5	\$139.7	\$143.2	\$146.9	\$150.6	\$154.4	\$143.7	\$147.2	\$150.9	\$154.6
INTEREST													
- Interest on Opening Balance	\$0.0	\$4.2	\$8.7	\$13.5	\$18.6	\$22.4	\$2.2	(\$32.2)	(\$28.6)	(\$24.6)	(\$21.1)	(\$17.3)	(\$15.4)
- Interest on In-year Transactions	\$2.1	\$2.1	\$2.2	\$2.3	\$1.5	(\$16.0)	(\$17.5)	\$1.7	\$1.7	\$1.5	\$1.6	\$0.9	\$0.9
TOTAL REVENUE	\$167.9	\$176.6	\$185.7	\$195.2	\$159.8	\$149.6	\$131.6	\$120.0	\$127.5	\$120.6	\$127.7	\$134.5	\$140.1
CLOSING CASH BALANCE	\$120.6	\$248.9	\$385.4	\$530.4	\$639.1	\$64.2	(\$585.8)	(\$520.1)	(\$448.0)	(\$383.9)	(\$313.9)	(\$280.8)	(\$244.1)

WATER: RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$244.1)	(\$203.7)	(\$170.2)	(\$133.3)	(\$92.8)	(\$48.4)	
2023 to 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Water: Residential: Non: Inflated	\$81.5	\$81.5	\$81.5	\$81.5	\$81.5	\$81.5	\$2,428.2
Water: Residential: Inflated	\$105.5	\$107.6	\$109.7	\$111.9	\$114.2	\$116.5	\$2,846.3
NEW RESIDENTIAL DEVELOPMENT							
- Population Growth in New Units	84	79	79	80	80	80	1,723
REVENUE							
- DC Receipts: Inflated	\$158.4	\$151.6	\$155.2	\$158.9	\$162.8	\$166.7	\$2,975.0
INTEREST							
- Interest on Opening Balance	(\$13.4)	(\$11.2)	(\$9.4)	(\$7.3)	(\$5.1)	(\$2.7)	(\$118.8)
- Interest on In-year Transactions	\$0.9	\$0.8	\$0.8	\$0.8	\$0.9	\$0.9	(\$9.9)
TOTAL REVENUE	\$145.9	\$141.1	\$146.6	\$152.4	\$158.5	\$164.9	\$2,846.3
CLOSING CASH BALANCE	(\$203.7)	(\$170.2)	(\$133.3)	(\$92.8)	(\$48.4)	\$0.0	

2023 Adjusted Charge Per Capita **\$1,455.47**

Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

**APPENDIX C.2
TABLE 3**

**CITY OF OWEN SOUND
WATER SERVICES
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

WATER: NON-RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	\$50.4	\$118.5	\$191.0	\$268.0	\$334.6	(\$38.1)	(\$459.9)	(\$423.1)	(\$382.4)	(\$347.0)	(\$308.1)	(\$293.3)
2023 TO 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS													
Water: Non-Residential: Non: Inflated	\$30.4	\$30.4	\$30.4	\$30.4	\$30.4	\$421.5	\$445.9	\$30.4	\$30.4	\$30.4	\$30.4	\$52.4	\$52.4
Water: Non-Residential: Inflated	\$30.4	\$31.0	\$31.6	\$32.2	\$32.9	\$465.4	\$502.1	\$34.9	\$35.6	\$36.3	\$37.0	\$65.1	\$66.4
NEW NON-RESIDENTIAL DEVELOPMENT													
- New Building GFA - square metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	5,140	5,164	5,188
REVENUE													
- DC Receipts: Inflated	\$79.9	\$96.3	\$98.8	\$101.3	\$89.1	\$91.3	\$93.6	\$96.0	\$98.4	\$91.8	\$94.0	\$96.3	\$98.7
INTEREST													
- Interest on Opening Balance	\$0.0	\$1.8	\$4.1	\$6.7	\$9.4	\$11.7	(\$2.1)	(\$25.3)	(\$23.3)	(\$21.0)	(\$19.1)	(\$16.9)	(\$16.1)
- Interest on In-year Transactions	\$0.9	\$1.1	\$1.2	\$1.2	\$1.0	(\$10.3)	(\$11.2)	\$1.1	\$1.1	\$1.0	\$1.0	\$0.5	\$0.6
TOTAL REVENUE	\$80.7	\$99.2	\$104.1	\$109.2	\$99.4	\$92.7	\$80.3	\$71.8	\$76.2	\$71.7	\$75.9	\$79.9	\$83.2
CLOSING CASH BALANCE	\$50.4	\$118.5	\$191.0	\$268.0	\$334.6	(\$38.1)	(\$459.9)	(\$423.1)	(\$382.4)	(\$347.0)	(\$308.1)	(\$293.3)	(\$276.6)

WATER: NON-RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$276.6)	(\$257.8)	(\$215.3)	(\$168.6)	(\$117.3)	(\$61.3)	
2023 to 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Water: Non-Residential: Non: Inflated	\$52.4	\$52.4	\$52.4	\$52.4	\$52.4	\$52.4	\$1,559.9
Water: Non-Residential: Inflated	\$67.8	\$69.1	\$70.5	\$71.9	\$73.3	\$74.8	\$1,828.5
NEW RESIDENTIAL DEVELOPMENT							
- New Building GFA - square metres	5,211	6,304	6,341	6,379	6,416	6,454	109,721
REVENUE							
- DC Receipts: Inflated	\$101.2	\$124.8	\$128.1	\$131.4	\$134.8	\$138.3	\$1,984.1
INTEREST							
- Interest on Opening Balance	(\$15.2)	(\$14.2)	(\$11.8)	(\$9.3)	(\$6.5)	(\$3.4)	(\$150.5)
- Interest on In-year Transactions	\$0.6	\$1.0	\$1.0	\$1.0	\$1.1	\$1.1	(\$5.1)
TOTAL REVENUE	\$86.5	\$111.6	\$117.2	\$123.2	\$129.4	\$136.1	\$1,828.5
CLOSING CASH BALANCE	(\$257.8)	(\$215.3)	(\$168.6)	(\$117.3)	(\$61.3)	(\$0.0)	

2023 Adjusted Charge Per Square Metre	\$15.01
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX C.3

WASTEWATER SERVICES

APPENDIX C.3: WASTEWATER SERVICES

This appendix provides the analysis undertaken to establish the development charge rates for Wastewater Services in the City. All of the identified projects in the capital program for Wastewater Services are required to service the demands of new development anticipated to occur between 2023 and 2041, subject to annual capital budget reviews.

TABLE 1: 2023-2041 DEVELOPMENT-RELATED CAPITAL PROGRAM

The development-related capital program for Wastewater Services amounts to \$12.4 million. In addition to future capital expenditures, the program includes \$5.7 million in remaining principal payments on an outstanding debenture for upgrades to the Wastewater Treatment Plant. Interest payments on the debt are included in the cash flow calculations in Table 3.

The total cost of the Wastewater Treatment Plant upgrade was \$48.0 million, for which the City secured \$30.0 million in grant funding. The City debt financed the \$18.0 million net cost in part through a 25-year Infrastructure Ontario debenture of \$6.5 million. The City originally intended that this debenture be funded through development charges.

Based on discussions with staff and a review of Volume 1 of the WWTP Class EA Final Report, a benefit to existing share of 76% has been determined for the plant upgrade. The benefit to existing components include costs associated with addressing existing deficiencies in secondary treatment as well as repair and maintenance. The development-related component includes expansion of the capacity of the plant to treat biosolids.

The benefit to existing share includes a portion (25%) of the \$5.7 million Infrastructure Ontario debenture repayments. Only \$4.3 million of the debenture payments have been brought forward to the development charge calculation.

The capital program also includes a \$2.2 million sanitary sewer lining rehabilitation, a \$520,000 stormwater separation program, and a \$4.0 million sludge storage expansion project at the treatment plant.

No grants, subsidies or other contributions are anticipated to offset the cost of these other capital projects. A substantial benefit to existing share of \$2.4 million has been identified for these projects, including 90% of the cost of the sanitary sewer lining and stormwater separation projects.

Wastewater Services development charges reserve funds in the amount of \$91,200 have been applied to projects occurring near the beginning of the planning period. Another \$6.8 million has been deemed a benefit to growth occurring after 2041; these costs may be recoverable under future DC by-laws. The remaining in-period development charge eligible costs total \$1.7 million.

TABLE 2: CALCULATION OF THE UNADJUSTED DEVELOPMENT CHARGES

In total, \$1.7 million is brought forward to the development charge calculation. These costs are allocated 61% to the residential sector and 39% to the non-residential sector, based on shares of future population and employment growth. This yields a calculated charge of \$583.88 per capita and \$5.89 per square metre respectively.

TABLE 3: CASH FLOW ANALYSIS

After cash flow and reserve fund analysis, the residential calculated charge increases to \$646.26 per capita and the non-residential charge increases to \$8.02 per square metre. This is a reflection of the timing of the capital program and development charges revenues as well as the effect of interest payments owing on the treatment plant debt.

The following table summarizes the calculation of the Wastewater development charge:

WASTEWATER SERVICES SUMMARY					
2023 - 2041		Unadjusted		Adjusted	
Development-Related Capital Program		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$12,431,533	\$1,652,094	\$583.88	\$5.89	\$646.26	\$8.02

APPENDIX C.3

TABLE 1

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
WASTEWATER SERVICES

WWTP Upgrade to Secondary Treatment		
	Gross Cost	\$48,000,000
	Grants, Subsidies and Other Contributions	\$30,000,000
	Net Cost	\$18,000,000
	Benefit to Existing (BTE)	76%
	Development-Related Capital Cost	\$4,288,150

NO.	Infrastructure Requirement	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Cost	Benefit to Existing Share ¹	Total DC Eligible Costs	DC Reserve Funds	DC Eligible Costs 2023-2041	Post Period Allocation		
Debt Repayment (Principal Only)												
1	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2023 - 2023	\$191,815	\$0	\$191,815	25%	\$47,954	\$143,861	\$39,200	\$104,661	0%	\$0
2	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2024 - 2024	\$198,860	\$0	\$198,860	25%	\$49,715	\$149,145	\$0	\$37,286	75%	\$111,859
3	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2025 - 2025	\$206,165	\$0	\$206,165	25%	\$51,541	\$154,624	\$0	\$38,656	75%	\$115,968
4	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2026 - 2026	\$213,738	\$0	\$213,738	25%	\$53,434	\$160,303	\$0	\$40,076	75%	\$120,227
5	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2027 - 2027	\$221,588	\$0	\$221,588	25%	\$55,397	\$166,191	\$0	\$41,548	75%	\$124,643
6	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2028 - 2028	\$229,728	\$0	\$229,728	25%	\$57,432	\$172,296	\$0	\$43,074	75%	\$129,222
7	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2029 - 2029	\$238,166	\$0	\$238,166	25%	\$59,541	\$178,624	\$0	\$44,656	75%	\$133,968
8	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2030 - 2030	\$246,914	\$0	\$246,914	25%	\$61,728	\$185,185	\$0	\$46,296	75%	\$138,889
9	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2031 - 2031	\$255,983	\$0	\$255,983	25%	\$63,996	\$191,988	\$0	\$47,997	75%	\$143,991
10	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2032 - 2032	\$265,386	\$0	\$265,386	25%	\$66,346	\$199,039	\$0	\$49,760	75%	\$149,280
11	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2033 - 2033	\$275,134	\$0	\$275,134	25%	\$68,783	\$206,350	\$0	\$51,588	75%	\$154,763
12	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2034 - 2034	\$285,240	\$0	\$285,240	25%	\$71,310	\$213,930	\$0	\$53,482	75%	\$160,447
13	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2035 - 2035	\$295,717	\$0	\$295,717	25%	\$73,929	\$221,788	\$0	\$55,447	75%	\$166,341
14	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2036 - 2036	\$306,579	\$0	\$306,579	25%	\$76,645	\$229,934	\$0	\$57,484	75%	\$172,451
15	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2037 - 2037	\$317,840	\$0	\$317,840	25%	\$79,460	\$238,380	\$0	\$59,595	75%	\$178,785
16	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2038 - 2038	\$329,515	\$0	\$329,515	25%	\$82,379	\$247,136	\$0	\$61,784	75%	\$185,352
17	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2039 - 2039	\$341,618	\$0	\$341,618	25%	\$85,405	\$256,214	\$0	\$64,053	75%	\$192,160
18	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2040 - 2040	\$354,166	\$0	\$354,166	25%	\$88,542	\$265,625	\$0	\$66,406	75%	\$199,219
19	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2041 - 2041	\$367,175	\$0	\$367,175	25%	\$91,794	\$275,382	\$0	\$68,845	75%	\$206,536
20	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2042 - 2042	\$380,662	\$0	\$380,662	25%	\$95,166	\$285,497	\$0	\$0	100%	\$285,497
21	Growth-Related Debt for Wastewater Treatment Plant Upgrade	2043 - 2043	\$195,543	\$0	\$195,543	25%	\$48,886	\$146,657	\$0	\$0	100%	\$146,657.08
Subtotal Debt			\$ 5,717,533	\$ -	\$ 5,717,533	\$ 1,429,383	\$ 4,288,150	\$ 39,200	\$ 1,032,694	\$ 3,216,255		

APPENDIX C.3

TABLE 1

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
WASTEWATER SERVICES

WWTP Upgrade to Secondary Treatment		
	Gross Cost	\$48,000,000
	Grants, Subsidies and Other Contributions	\$30,000,000
	Net Cost	\$18,000,000
	Benefit to Existing (BTE)	76%
	Development-Related Capital Cost	\$4,288,150

NO.	Infrastructure Requirement	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Cost	Benefit to Existing Share¹		Total DC Eligible Costs	DC Reserve Funds	DC Eligible Costs 2023-2041	Post Period Allocation	
Other Projects												
22	Sanitary Sewer Lining Rehab	2023 - 2041	\$2,194,000	\$0	\$2,194,000	90%	\$1,974,600	\$219,400	\$0	\$219,400	0%	\$0
23	Storm Water Separation Program	2023 - 2023	\$520,000	\$0	\$520,000	90%	\$468,000	\$52,000	\$52,000	\$0	0%	\$0
24	Sludge Storage Expansion at WWTP	2031 - 2041	\$4,000,000	\$0	\$4,000,000	0%	\$0	\$4,000,000	\$0	\$400,000	90%	\$3,600,000
Subtotal Other			\$ 6,714,000	\$ -	\$ 6,714,000	\$ 2,442,600	\$ 4,271,400	\$ 52,000	\$ 619,400	\$ 3,600,000		
Total Wastewater Projects			\$12,431,533	\$0	\$12,431,533	\$3,871,983	\$8,559,550	\$91,200	\$1,652,094	\$6,816,255		

¹ Additional benefit to existing share assigned to growth-related debt based on discussions with staff

APPENDIX C.3

TABLE 2

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
WASTEWATER 2023-2041

18-Year Growth in Population in New Units	1,723
Employment Growth	1,107
18-year Growth in Square Meters	109,721

	Growth-Related Capital Forecast						Residential Share		Non-Residential Share	
	Gross Project Cost	Benefit to Existing Share	Direct Developer Contributions	Available DC Reserves	Post Period Allocation	Total Net Capital Costs				
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	%	\$000	%	\$000
WASTEWATER 2023-2041										
Debt Repayment (Principal Only)	\$5,717.53	\$1,429.38	\$0.00	\$39.20	\$3,216.25	\$1,032.69	61%	\$628.77	39%	\$403.93
Other Projects	\$6,714.00	\$2,442.60	\$0.00	\$52.00	\$3,600.00	\$619.40	61%	\$377.13	39%	\$242.27
TOTAL WASTEWATER 2023-2041	\$12,431.53	\$3,871.98	\$0.00	\$91.20	\$6,816.25	\$1,652.09		\$1,005.90		\$646.20
Unadjusted Development Charge Per Capita (\$)								\$583.88		
Unadjusted Development Charge Per Sq. M. (\$)										\$5.89

**APPENDIX C.3
TABLE 3**

**CITY OF OWEN SOUND
WASTEWATER 2023-2041
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

WASTEWATER: RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	\$64.9	\$82.8	\$103.5	\$127.2	\$134.0	\$142.7	\$153.6	\$166.6	\$155.5	\$138.8	\$122.7	\$107.5
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS													
Wastewater: Residential: Other Non Inflated	\$7.0	\$7.0	\$7.0	\$7.0	\$7.0	\$7.0	\$7.0	\$7.0	\$29.2	\$29.2	\$29.2	\$29.2	\$29.2
Wastewater: Residential: Debt Principal	\$63.7	\$22.7	\$23.5	\$24.4	\$25.3	\$26.2	\$27.2	\$28.2	\$29.2	\$30.3	\$31.4	\$32.6	\$33.8
Wastewater: Residential: Debt Interest	\$31.4	\$30.3	\$29.2	\$28.1	\$26.9	\$25.6	\$24.4	\$23.0	\$21.6	\$20.2	\$18.7	\$17.2	\$15.6
Wastewater: Residential: Inflated	\$102.17	\$60.22	\$60.08	\$59.94	\$59.79	\$59.63	\$59.47	\$59.29	\$85.05	\$85.38	\$85.70	\$86.03	\$86.36
NEW RESIDENTIAL DEVELOPMENT													
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	83	83	84
REVENUE													
- DC Receipts: Inflated	\$73.6	\$75.6	\$77.6	\$79.7	\$62.0	\$63.6	\$65.2	\$66.8	\$68.5	\$63.8	\$65.4	\$67.0	\$68.6
INTEREST													
- Interest on Opening Balance	\$0.0	\$2.3	\$2.9	\$3.6	\$4.5	\$4.7	\$5.0	\$5.4	\$5.8	\$5.4	\$4.9	\$4.3	\$3.8
- Interest on In-year Transactions	(\$0.8)	\$0.3	\$0.3	\$0.3	\$0.0	\$0.1	\$0.1	\$0.1	(\$0.5)	(\$0.6)	(\$0.6)	(\$0.5)	(\$0.5)
- Interest on Debt	\$94.2	\$91.0	\$87.7	\$84.2	\$80.7	\$76.9	\$73.1	\$69.1	\$64.9	\$60.7	\$56.2	\$51.6	\$46.8
TOTAL REVENUE	\$167.1	\$78.1	\$80.8	\$83.7	\$66.5	\$68.4	\$70.3	\$72.4	\$73.9	\$68.7	\$69.7	\$70.8	\$71.9
CLOSING CASH BALANCE	\$64.9	\$82.8	\$103.5	\$127.2	\$134.0	\$142.7	\$153.6	\$166.6	\$155.5	\$138.8	\$122.7	\$107.5	\$93.0

WASTEWATER: RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	\$93.0	\$79.5	\$62.0	\$45.3	\$29.3	\$14.2	
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Wastewater: Residential: Other Non Inflated	\$29.2	\$29.2	\$29.2	\$29.2	\$29.2	\$29.2	\$377.1
Wastewater: Residential: Debt Principal	\$35.0	\$36.3	\$37.6	\$39.0	\$40.4	\$41.9	\$628.8
Wastewater: Residential: Inflated	\$86.7	\$87.0	\$87.3	\$87.7	\$88.0	\$88.3	\$1,474.1
NEW RESIDENTIAL DEVELOPMENT							
- Population Growth in New Units	84	79	79	80	80	80	1,723
REVENUE							
- DC Receipts: Inflated	\$70.3	\$67.3	\$68.9	\$70.6	\$72.3	\$74.0	\$1,320.9
INTEREST							
- Interest on Opening Balance	\$3.3	\$2.8	\$2.2	\$1.6	\$1.0	\$0.5	\$63.8
- Interest on In-year Transactions	(\$0.4)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.4)	(\$0.4)	(\$4.9)
- Interest on Debt	\$41.8	\$36.7	\$31.4	\$25.8	\$20.1	\$14.2	\$1,107.2
TOTAL REVENUE	\$73.2	\$69.5	\$70.6	\$71.7	\$72.9	\$74.1	\$1,474.1
CLOSING CASH BALANCE	\$79.5	\$62.0	\$45.3	\$29.3	\$14.2	(\$0.0)	

2023 Adjusted Charge Per Capita	\$646.26
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

**APPENDIX C.3
TABLE 3**

**CITY OF OWEN SOUND
WASTEWATER 2023-2041
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

WASTEWATER: NON-RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	(\$89.9)	(\$81.9)	(\$72.0)	(\$60.0)	(\$53.9)	(\$46.2)	(\$36.7)	(\$25.3)	(\$28.8)	(\$36.4)	(\$43.3)	(\$49.6)
2023 TO 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS													
Wastewater: Non-Residential: Non-Inflated	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$18.7	\$18.7	\$18.7	\$18.7	\$18.7
Wastewater: Non-Residential: Debt Principi	\$40.9	\$14.6	\$15.1	\$15.7	\$16.3	\$16.8	\$17.5	\$18.1	\$18.8	\$19.5	\$20.2	\$20.9	\$21.7
Wastewater: Non-Residential: Debt Interest	\$20.2	\$19.5	\$18.8	\$18.0	\$17.3	\$16.5	\$15.6	\$14.8	\$13.9	\$13.0	\$12.0	\$11.0	\$10.0
Wastewater: Non-Residential: Inflated	\$65.64	\$38.68	\$38.60	\$38.51	\$38.41	\$38.31	\$38.20	\$38.09	\$54.64	\$54.85	\$55.06	\$55.27	\$55.48
NEW NON-RESIDENTIAL DEVELOPMENT													
- New Building GFA - square metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	5,140	5,164	5,188
REVENUE													
- DC Receipts: Inflated	\$42.7	\$51.4	\$52.8	\$54.2	\$47.6	\$48.8	\$50.0	\$51.3	\$52.6	\$49.0	\$50.2	\$51.5	\$52.8
INTEREST													
- Interest on Opening Balance	\$0.0	(\$4.9)	(\$4.5)	(\$4.0)	(\$3.3)	(\$3.0)	(\$2.5)	(\$2.0)	(\$1.4)	(\$1.6)	(\$2.0)	(\$2.4)	(\$2.7)
- Interest on In-year Transactions	(\$0.6)	\$0.2	\$0.2	\$0.3	\$0.2	\$0.2	\$0.2	\$0.2	(\$0.1)	(\$0.2)	(\$0.1)	(\$0.1)	(\$0.1)
- Interest on Debt	(\$66.3)	(\$64.5)	(\$62.5)	(\$60.5)	(\$58.5)	(\$56.3)	(\$54.1)	(\$51.8)	(\$49.4)	(\$46.9)	(\$44.4)	(\$41.7)	(\$39.0)
TOTAL REVENUE	(\$24.3)	\$46.7	\$48.5	\$50.5	\$44.5	\$46.0	\$47.7	\$49.5	\$51.1	\$47.3	\$48.1	\$49.0	\$49.9
CLOSING CASH BALANCE	(\$89.9)	(\$81.9)	(\$72.0)	(\$60.0)	(\$53.9)	(\$46.2)	(\$36.7)	(\$25.3)	(\$28.8)	(\$36.4)	(\$43.3)	(\$49.6)	(\$55.1)

WASTEWATER: NON-RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$55.1)	(\$59.9)	(\$52.2)	(\$42.5)	(\$30.7)	(\$16.6)	
2023 to 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS							
Wastewater: Non-Residential: Non: Inflated	\$18.7	\$18.7	\$18.7	\$18.7	\$18.7	\$18.7	\$242.3
Wastewater: Non-Residential: Non: Inflated	\$22.5	\$23.3	\$24.2	\$25.1	\$26.0	\$26.9	\$403.9
Wastewater: Non-Residential: Inflated	\$55.7	\$55.9	\$56.1	\$56.3	\$56.5	\$56.7	\$947.0
NEW NON-RESIDENTIAL DEVELOPMENT							
- New Building GFA - square metres	5,211	6,304	6,341	6,379	6,416	6,454	109,721
REVENUE							
- DC Receipts: Inflated	\$54.1	\$66.7	\$68.4	\$70.2	\$72.0	\$73.9	\$1,060.2
INTEREST							
- Interest on Opening Balance	(\$3.0)	(\$3.3)	(\$2.9)	(\$2.3)	(\$1.7)	(\$0.9)	(\$48.5)
- Interest on In-year Transactions	(\$0.0)	\$0.2	\$0.2	\$0.2	\$0.3	\$0.3	\$1.5
- Interest on In-year Transactions	(\$36.1)	(\$33.1)	(\$30.1)	(\$26.9)	(\$23.6)	(\$20.2)	\$0.0
TOTAL REVENUE	\$51.0	\$63.6	\$65.8	\$68.1	\$70.6	\$73.3	\$947.0
CLOSING CASH BALANCE	(\$59.9)	(\$52.2)	(\$42.5)	(\$30.7)	(\$16.6)	\$0.0	

2023 Adjusted Charge Per Square Metre	\$8.02
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX C.4

STORMWATER DRAINAGE AND CONTROL

APPENDIX C.4: STORMWATER DRAINAGE AND CONTROL

This appendix provides the analysis undertaken to establish the development charge rates for Stormwater Drainage and Control services in the City. All of the identified projects in the capital program for Stormwater services are required to service the demands of new development anticipated to occur between 2023 and 2041, subject to annual capital budget reviews.

TABLE 1: 2023-2041 DEVELOPMENT-RELATED CAPITAL PROGRAM

The capital program for Stormwater Drainage and Control amounts to \$7.6 million. It includes a provision to recover a negative reserve fund balance of \$25,638, as well as costs for the Brooke Basin at \$3.7 million and costs to upgrade the 17th Street East Storm Sewer Outfall for \$2.0 million. No grants, subsidies or other contributions are anticipated.

A benefit to existing share of \$6.9 million has been removed from the calculation. The remaining \$705,400 is eligible for recovery from development charges between 2023 and 2041.

TABLE 2: CALCULATION OF THE UNADJSUTED DEVELOPMENT CHARGES

In total, \$705,400 is brought forward to the development charge calculation, to be allocated 61% to the residential sector and 39% to the non-residential sector, based on shares of future population and employment growth. This yields a calculated charge of \$249.31 per capita and \$2.51 per square metre respectively.

TABLE 3: CASH FLOW ANALYSIS

After cash flow, the residential calculated charge increases slightly to \$264.91 per capita and the non-residential charge decreases to \$2.74 per square metre. This is a reflection of the balanced timing of the capital program.

The following table summarizes the calculation of the Stormwater Drainage and Control development charge:

STORMWATER DRAINAGE AND CONTROL SUMMARY					
2023 - 2041		Unadjusted		Adjusted	
Development-Related Capital Program		Development Charge		Development Charge	
Total	Net DC Recoverable	\$/capita	\$/sq.m	\$/capita	\$/sq.m
\$7,555,638	\$705,438	\$249.31	\$2.51	\$264.91	\$2.74

APPENDIX C.4

TABLE 1

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
STORMWATER DRAINAGE AND CONTROL

NO.	Location	Timing	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Costs	Benefit to Existing		Total DC Eligible Costs	Available DC Reserves	DC Eligible Costs 2023-2041	Post Period Allocation	
STORMWATER DRAINAGE AND CONTROL												
1	Negative Reserve Fund Balance Recovery	2023 - 2023	\$25,638	\$0	\$25,638	0%	\$0	\$25,638	\$0	\$25,638	0%	\$0
2	22nd St W 4th to CDS	2023 2023	\$60,000	\$0	\$60,000	91%	\$54,600	\$5,400	\$0	\$5,400	0%	\$0
3	Brooke Basin A3 MP	2023 2041	\$3,660,000	\$0	\$3,660,000	91%	\$3,329,600	\$330,400	\$0	\$330,400	0%	\$0
4	17th St E Storm Sewer Outfall Upgrading	2027 - 2029	\$1,980,000	\$0	\$1,980,000	91%	\$1,801,300	\$178,700	\$0	\$178,700	0%	\$0
5	27Th St W Storm	2026 - 2027	\$660,000	\$0	\$660,000	91%	\$600,400	\$59,600	\$0	\$59,600	0%	\$0
6	Kenny Drain - 23rd to 26th	2028 - 2028	\$620,000	\$0	\$620,000	91%	\$564,000	\$56,000	\$0	\$56,000	0%	\$0
7	Kenny Drain - Channel	2030 2030	\$190,000	\$0	\$190,000	91%	\$172,800	\$17,200	\$0	\$17,200	0%	\$0
8	25th St "A" E	2023 - 2023	\$170,000	\$0	\$170,000	91%	\$154,700	\$15,300	\$0	\$15,300	0%	\$0
9	Kenny Drain - SWM Pond 3 to 23rd St E	2032 2032	\$190,000	\$0	\$190,000	91%	\$172,800	\$17,200	\$0	\$17,200	0%	\$0
TOTAL			\$7,555,638	\$0	\$7,555,638	\$6,850,200	\$705,438	\$0	\$705,438	\$0		

APPENDIX C.4

TABLE 2

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
STORMWATER DRAINAGE AND CONTROL

18-Year Growth in Population in New Units	1,723
Employment Growth	1,107
18-year Growth in Square Meters	109,721

	Growth-Related Capital Forecast						Residential Share		Non-Residential Share	
	Gross Project Cost (\$000)	Benefit to Existing Share (\$000)	Other Contributions (\$000)	Available DC Reserves (\$000)	Post Period Benefit (\$000)	Total Net Capital Costs (\$000)				
							%	\$000	%	\$000
STORMWATER DRAINAGE AND CONTROL										
STORMWATER DRAINAGE AND CONTROL	\$7,555.64	\$6,850.20	\$0.00	\$0.00	\$0.00	\$705.44	61%	\$429.51	39%	\$275.92
TOTAL STORMWATER DRAINAGE AND CONTROL	\$7,555.64	\$6,850.20	\$0.00	\$0.00	\$0.00	\$705.44		\$429.51		\$275.92
Unadjusted Development Charge Per Capita (\$)								\$249.31		
Unadjusted Development Charge Per Sq. M. (\$)										\$2.51

**APPENDIX C.4
TABLE 3**

**CITY OF OWEN SOUND
STORMWATER
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

STORMWATER: RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	(\$8.9)	\$11.2	\$32.7	\$36.1	(\$8.8)	(\$74.3)	(\$105.2)	(\$107.7)	(\$97.7)	(\$102.0)	(\$93.5)	(\$84.1)
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS													
Stormwater: Residential: Non Inflated	\$38.8	\$10.6	\$10.6	\$28.7	\$65.0	\$81.0	\$46.9	\$21.1	\$10.6	\$21.1	\$10.6	\$10.6	\$10.6
Stormwater: Residential: Inflated	\$38.8	\$10.8	\$11.0	\$30.5	\$70.4	\$89.4	\$52.8	\$24.2	\$12.4	\$25.2	\$12.9	\$13.2	\$13.4
NEW RESIDENTIAL DEVELOPMENT													
- Population Growth in New Units	114	115	115	116	89	89	90	90	91	83	83	83	84
REVENUE													
- DC Receipts: Inflated	\$30.2	\$31.0	\$31.8	\$32.7	\$25.4	\$26.1	\$26.7	\$27.4	\$28.1	\$26.2	\$26.8	\$27.5	\$28.1
INTEREST													
- Interest on Opening Balance	\$0.0	(\$0.5)	\$0.4	\$1.1	\$1.3	(\$0.5)	(\$4.1)	(\$5.8)	(\$5.9)	(\$5.4)	(\$5.6)	(\$5.1)	(\$4.6)
- Interest on In-year Transactions	(\$0.2)	\$0.4	\$0.4	\$0.0	(\$1.2)	(\$1.7)	(\$0.7)	\$0.1	\$0.3	\$0.0	\$0.2	\$0.3	\$0.3
TOTAL REVENUE	\$29.9	\$30.8	\$32.6	\$33.8	\$25.5	\$23.8	\$21.9	\$21.7	\$22.4	\$20.8	\$21.4	\$22.6	\$23.8
CLOSING CASH BALANCE	(\$8.9)	\$11.2	\$32.7	\$36.1	(\$8.8)	(\$74.3)	(\$105.2)	(\$107.7)	(\$97.7)	(\$102.0)	(\$93.5)	(\$84.1)	(\$73.7)

STORMWATER: RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$73.7)	(\$62.4)	(\$52.0)	(\$40.6)	(\$28.2)	(\$14.7)	
2023 TO 2041 RESIDENTIAL FUNDING REQUIREMENTS							
Stormwater: Residential: Non: Inflated	\$10.6	\$10.6	\$10.6	\$10.6	\$10.6	\$10.6	\$429.5
Stormwater: Residential: Inflated	\$13.7	\$14.0	\$14.2	\$14.5	\$14.8	\$15.1	\$491.3
NEW RESIDENTIAL DEVELOPMENT							
- Population Growth in New Units	84	79	79	80	80	80	1,723
REVENUE							
- DC Receipts: Inflated	\$28.8	\$27.6	\$28.2	\$28.9	\$29.6	\$30.3	\$541.5
INTEREST							
- Interest on Opening Balance	(\$4.1)	(\$3.4)	(\$2.9)	(\$2.2)	(\$1.5)	(\$0.8)	(\$49.7)
- Interest on In-year Transactions	\$0.3	\$0.2	\$0.2	\$0.3	\$0.3	\$0.3	(\$0.6)
TOTAL REVENUE	\$25.0	\$24.4	\$25.6	\$26.9	\$28.3	\$29.8	\$491.3
CLOSING CASH BALANCE	(\$62.4)	(\$52.0)	(\$40.6)	(\$28.2)	(\$14.7)	\$0.0	

2023 Adjusted Charge Per Capita	\$264.91
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

**APPENDIX C.4
TABLE 3**

**CITY OF OWEN SOUND
STORMWATER
CASHFLOW AND DETERMINATION OF DEVELOPMENT CHARGE**

STORMWATER: NON RESIDENTIAL	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING CASH BALANCE (\$000)	\$0.0	(\$10.6)	(\$0.4)	\$10.7	\$9.9	(\$19.5)	(\$62.4)	(\$83.1)	(\$85.7)	(\$80.3)	(\$84.1)	(\$79.7)	(\$74.8)
2023 TO 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS													
Stormwater: Non Residential: Non: Inflated	\$24.9	\$6.8	\$6.8	\$18.5	\$41.8	\$52.0	\$30.1	\$13.5	\$6.8	\$13.5	\$6.8	\$6.8	\$6.8
Stormwater: Non Residential: Inflated	\$24.9	\$6.9	\$7.1	\$19.6	\$45.2	\$57.4	\$33.9	\$15.5	\$8.0	\$16.2	\$8.3	\$8.5	\$8.6
NEW NON-RESIDENTIAL DEVELOPMENT													
- New Building GFA - square metres	5,323	6,289	6,326	6,364	5,484	5,512	5,541	5,569	5,598	5,117	5,140	5,164	5,188
REVENUE													
- DC Receipts: Inflated	\$14.6	\$17.6	\$18.0	\$18.5	\$16.2	\$16.7	\$17.1	\$17.5	\$17.9	\$16.7	\$17.1	\$17.6	\$18.0
INTEREST													
- Interest on Opening Balance	\$0.0	(\$0.6)	(\$0.0)	\$0.4	\$0.3	(\$1.1)	(\$3.4)	(\$4.6)	(\$4.7)	(\$4.4)	(\$4.6)	(\$4.4)	(\$4.1)
- Interest on In-year Transactions	(\$0.3)	\$0.2	\$0.2	(\$0.0)	(\$0.8)	(\$1.1)	(\$0.5)	\$0.0	\$0.2	\$0.0	\$0.2	\$0.2	\$0.2
TOTAL REVENUE	\$14.3	\$17.2	\$18.2	\$18.8	\$15.8	\$14.5	\$13.2	\$13.0	\$13.4	\$12.3	\$12.7	\$13.3	\$14.1
CLOSING CASH BALANCE	(\$10.6)	(\$0.4)	\$10.7	\$9.9	(\$19.5)	(\$62.4)	(\$83.1)	(\$85.7)	(\$80.3)	(\$84.1)	(\$79.7)	(\$74.8)	(\$69.4)

STORMWATER: NON RESIDENTIAL	2036	2037	2038	2039	2040	2041	TOTAL
OPENING CASH BALANCE (\$000)	(\$69.4)	(\$63.4)	(\$52.9)	(\$41.3)	(\$28.7)	(\$15.0)	
2023 to 2041 NON-RESIDENTIAL FUNDING REQUIREMENTS							
Stormwater: Non Residential: Non: Inflated	\$6.8	\$6.8	\$6.8	\$6.8	\$6.8	\$6.8	\$275.9
Stormwater: Non Residential: Inflated	\$8.8	\$9.0	\$9.2	\$9.3	\$9.5	\$9.7	\$315.6
NEW NON-RESIDENTIAL DEVELOPMENT							
- New Building GFA - square metres	5,211	6,304	6,341	6,379	6,416	6,454	109,721
REVENUE							
- DC Receipts: Inflated	\$18.5	\$22.8	\$23.4	\$24.0	\$24.6	\$25.2	\$361.9
INTEREST							
- Interest on Opening Balance	(\$3.8)	(\$3.5)	(\$2.9)	(\$2.3)	(\$1.6)	(\$0.8)	(\$46.1)
- Interest on In-year Transactions	\$0.2	\$0.2	\$0.2	\$0.3	\$0.3	\$0.3	(\$0.2)
TOTAL REVENUE	\$14.8	\$19.5	\$20.7	\$21.9	\$23.3	\$24.7	\$315.6
CLOSING CASH BALANCE	(\$63.4)	(\$52.9)	(\$41.3)	(\$28.7)	(\$15.0)	\$0.0	

2023 Adjusted Charge Per Square Metre	\$2.74
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Allocation of Capital Program	
Residential Sector	60.9%
Non-Residential Sector	39.1%
Rates for 2023	
Inflation Rate	2.0%
Interest Rate on Positive Balances	3.5%
Interest Rate on Negative Balances	5.5%

APPENDIX D

SYDENHAM HEIGHTS PLANNING AREA

AREA-SPECIFIC DEVELOPMENT CHARGE

TECHNICAL APPENDIX

APPENDIX D: SYDENHAM HEIGHTS AREA-SPECIFIC DEVELOPMENT CHARGE – TECHNICAL APPENDIX FOR WATER AND WASTEWATER

The City has imposed an area specific development charge in the Sydenham Heights Planning Area for several years to fund development-related water and wastewater costs.

The Sydenham Heights Planning Area is located in the southeast part of Owen Sound, south of 16th Street East and east of 16th Avenue East. The lands have been planned for development for some time but have required the extension of municipal water and wastewater services. The in-force Secondary Plan for the area plans for a community that is largely residential and mixed-use, with a specific focus on low and medium-density housing, institutional uses such as health care, and commercial uses. Development is planned to occur in two phases.

The East Owen Sound Master Servicing Study (2007) forms the basis of the water, wastewater and stormwater servicing needs of the area. Section 5.2.7.1 of the Owen Sound Official Plan commits to undertaking an assessment of development charge revenue in the Sydenham Heights area. Should the review indicate that development charge revenue is needed to fund the cost of servicing the area, area-specific development charges may be considered. Following that directive, this Appendix considers the costs of works specific to the Sydenham Heights area and calculates appropriate development charges.

The development potential of the Sydenham Heights Planning Area has been updated from estimates made in the 2019 Development Charges Background Study, and is set out in Table 1. The figures in Table 1 exclude the northwest part of the area that is already serviced and developed, and will not be subject to development charges.

Table 1 – Sydenham Heights Development Forecast

	New Housing Units			New Non-Residential Floorspace (sq.m.)	
	Singles/Semis	Rows	Apartments	Commercial	Institutional
Phase 1	417	821	1,264		n/a
Phase 2	390	-	-		n/a
Total	787	821	1,264	21,638	4,645

Source: Hemson Consulting, based on data from City of Owen Sound Planning Department

DEVELOPMENT CHARGE CALCULATION

The development charge calculations are set out in two tables:

Table 2	Sydenham Heights Area-Specific Capital Program
Table 3	Calculation of Area-Specific Development Charge

The total cost of the development-related works in the Sydenham Heights Planning Area is \$2.8 million (see Table 2). The works include trunk sanitary sewers constructed to service the Telfer Creek subdivision in 2017 as well as \$276,300 paid by the City to service Phase 2 lands south of 16th Street East. Unlike previous background studies, no water projects have been identified under this study as the water supply and distribution network is considered sufficient to service the area to build out.

None of the wastewater project costs will receive grant or subsidy funding, and there are no benefit to existing shares as the project only services lands awaiting development.

Table 3 shows the calculation of the development charge. The development-related capital program cost of \$3.7 million is allocated 89%, or \$3.3 million, to residential development and 11%, or \$398,400, to non-residential development based on shares of population in new units and employment in new floor space growth to build out. The resulting residential development charge is \$582.35 per capita and the non-residential charge is \$15.32 per square metre.

The charge is then differentiated by unit type, based on anticipated occupancies, to yield the following rates:

Single and Semi-Detached Units	\$1,456 per unit
Other Multiples	\$1,281 per unit
Apartments	\$874 per unit
Non-Residential	\$15.32 per square metre

A map of the Sydenham Heights Planning Area is provided below as Map 1. The area within the Planning Area to which the area specific development charge would apply is provided in Schedule D of the proposed by-law.

APPENDIX D

TABLE 2

CITY OF OWEN SOUND
DEVELOPMENT-RELATED CAPITAL PROGRAM
SYDENHAM HEIGHTS - WASTEWATER

NO.	Infrastructure Requirement	Gross Cost	Grants, Subsidies & Other Contributions	Net Municipal Cost	Benefit to Existing Share		Total DC Eligible Costs	DC Reserve Funds	DC In-Period Eligible Costs	Post Period Allocation	
Projects											
1	Paid by City for oversizing to service south of 16th Street East (Sydenham Heights Trunk Servicing Phase 2) to be recovered from ASDC	\$276,342	\$0	\$276,342	0%	\$0	\$276,342	\$0	\$276,342	0%	\$0
2	Trunk Sanitary Sewers - Telfer Creek (Completed Project)	\$2,568,516	\$0	\$2,568,516	0%	\$0	\$2,568,516	\$0	\$2,568,516	0%	\$0
3	Trunk Sanitary Sewers - Telfer Creek (Completed Project) - Financing	\$884,376	\$0	\$884,376	0%	\$0	\$884,376	\$0	\$884,376	0%	\$0
Subtotal Wastewater Projects		\$3,729,234	\$0	\$3,729,234		\$0	\$3,729,234	\$0	\$3,729,234		\$0
Total Wastewater Projects		\$3,729,234	\$0	\$3,729,234		\$0	\$3,729,234	\$0	\$3,729,234		\$0

APPENDIX D
TABLE 3

CITY OF OWEN SOUND
SUMMARY OF UNADJUSTED RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES
SYDENHAM HEIGHTS AREA-SPECIFIC CHARGE

Growth in Population in New Units to Build Out	5,720
Employment Growth to Build Out	490
Non-Residential Floorspace Growth to Build Out (sq.m.)	26,013

	Growth-Related Capital Forecast						Residential Share		Non-Residential Share		
	Gross Project Cost (\$000)	Benefit to Existing Share (\$000)	Direct Developer Contributions (\$000)	Available DC Reserves (\$000)	Post Period Allocation (\$000)	Total Net Capital Costs (\$000)					
							%	\$000	%	\$000	
SYDENHAM HEIGHTS AREA-SPECIFIC CHARGE											
Wastewater	\$3,729.23	\$0.00	\$0.00	\$0.00	\$0.00	\$3,729.23	89%	\$3,330.84	11%	\$398.39	
TOTAL SYDENHAM HEIGHTS AREA-SPECIFIC CHARGE	\$3,729.23	\$0.00	\$0.00	\$0.00	\$0.00	\$3,729.23					
Wastewater											
Unadjusted Development Charge Per Capita (\$)								\$582.35			
Unadjusted Development Charge Per Sq. M. (\$)										\$15.32	

APPENDIX E

DEVELOPMENT CHARGE RESERVE FUND

BALANCES

APPENDIX E: DEVELOPMENT CHARGES RESERVE FUND BALANCES

The DCA requires that a reserve fund be established for each service for which development charges are collected. Table 1 presents the uncommitted reserve fund balances that are available to help fund the growth-related net capital costs identified in this study. The opening balances of the development charges reserve funds as of December 31, 2022 have been adjusted to account for existing commitments and adjustments to reserve fund projects as well as outstanding intra fund borrowing.

As shown on Table 1, the December 31, 2022 total adjusted reserve fund balance was in a surplus position of \$1.1 million. The application of the available uncommitted balance in each of the reserve funds is discussed in the appendix section related to each service. The funds are assigned to projects in the initial years of the capital program for each service. This has the effect of reducing and deferring capital costs brought forward to the development charges calculation and the cash flow analysis.

APPENDIX E

TABLE 1

**CITY OF OWEN SOUND
DEVELOPMENT CHARGE RESERVE FUND BALANCE BY ACCOUNT
YEAR ENDING DECEMBER 31, 2022**

Service	Reserve Fund
Library Services	\$40,392
Fire Protection Services	\$48,110
Police Services	\$31,279
Outdoor Recreation	\$75,901
Indoor Recreation	\$1,689
Transit Services	\$16,833
Roads And Related	\$403,957
Wastewater Services	\$91,200
Water Services	\$422,912
Stormwater Drainage And Control	(\$25,638)
Total Development Charge Reserves	\$1,106,636

APPENDIX F

COST OF GROWTH ANALYSIS

APPENDIX F: COST OF GROWTH ANALYSIS

A. ASSET MANAGEMENT PLAN

The DCA now requires that municipalities complete an Asset Management Plan before passing a development charges by-law. A key function of the Asset Management Plan is to demonstrate that all assets funded under the development charges by-law are financially sustainable over their full life cycle.

i. Asset Types

A summary of the future municipal-owned assets and estimated useful life assumptions for eligible DC services considered as part of the study are outlined in Table 1 and Table 2. The useful lives, where possible, have been sourced from the City's Asset Management Plan (2022). Although all capital assets considered in the study have been identified, not all assets necessitate future replacement or ongoing maintenance activities. The exception and the justification is as follows:

- Some of the works identified may represent one-time expenditures and may be temporary in nature. Therefore, the assets would not be required to be replaced and no ongoing operation and maintenance costs exist. Such assets are identified as “not a long-term asset” in the table.
- Some projects do not relate to the emplacement of a tangible capital asset– some examples include the acquisition of land or the undertaking of development-related studies. These projects/costs do not necessarily require future replacement or ongoing maintenance. Such projects are identified as “not infrastructure” in the table.
- For assets that have been constructed (i.e. recovery of past commitments) it is assumed that the related contribution is already included within the City's annual provision. As such, these projects are identified as “not applicable” in the table.

It should be noted that the capital cost estimates prepared for each of the projects identified in this section include grouped costs of various individual elements, which, as a stand-alone item, may have its own useful life (ex. New buildings include: HVAC, structural elements, roof, etc.). Accordingly, the average useful life assumptions noted below are applicable to all project components.

Table 1: Summary of Assets Considered City-Wide General Services

SERVICE AND AMENITIES		ESTIMATED USEFUL LIFE
Library		
▪ Material and Equipment		10 years
Fire Protection Services		
▪ Buildings		25 years
▪ Vehicles, Equipment, etc.		10-15 years
Police Services		
▪ Equipment		10 years
Outdoor Recreation		
▪ Trails and Parks		20 years
▪ Equipment and Amenities		15 years
Indoor Recreation		
▪ Debt		Not applicable
Transit		
▪ Vehicles		15 years
▪ Equipment		20 years
Waste Collection		
▪ Vehicles		15 years
▪ Equipment		15 years

ii. Annual Provision

When assets require rehabilitation or are due for replacement, the source of funds is limited to reserves or contributions from operating. Capital expenditures to carry out the rehabilitation and replacement of aging infrastructure are not growth-related and are therefore not eligible for funding through development charge revenues or other developer contributions.

Based on the information obtained from City staff regarding useful life assumptions and the capital cost of acquiring and/or emplacing each asset, a provision for infrastructure replacement has been calculated for both the general and engineered services. Provisions for infrastructure replacement are initially calculated for each asset based on their useful

life and the anticipated cost of replacement. The aggregate of all individual provisions form the required annual capital provision. In calculating the annual provisions, a number of assumptions are made to account for inflation (2.0 per cent) and interest (3.5 per cent).

Consistent with the requirements of the DCA, assets that are proposed to be funded under the development charges by-law have been included in the analysis. As a result, the total calculated annual provision for development charge related infrastructure has been netted down to consider the replacement of existing infrastructure or benefit-to-existing development. However, for reference, the annual replacement provisions associated with the non-development charge funded costs, including costs related to the ten per cent statutory discount, benefit-to-existing and post-period benefit have also been calculated.

Table 3 and 4 provides the calculated annual asset management contribution for both the gross capital expenditures and the share related to the 2023-2032 and 2023-2041 DC recoverable portion. The years 2033 and 2042 have been included to calculate the annual contribution for the 2023-2032 and 2023-2041 periods as the expenditures in 2032 and 2041 will not trigger asset management contributions until 2033 and 2042, respectively. As shown in Table 3, by 2033, the City will need to fund an additional \$278,000 per annum in order to properly fund the full life cycle costs of the new assets related to general services supported under the development charges by-law.

Table 4 provides a separate analysis of the annual provisions required for the engineered services capital program as the program extends to 2042. As shown in Table 4, the annual provision in 2042 amounts to \$647,000.

TABLE 3

**CITY OF OWEN SOUND
CALCULATED ANNUAL ASSET MANAGEMENT CONTRIBUTION
CITY-WIDE GENERAL SERVICES**

General Services	2023-2032 Capital Program		Calculated Annual AMP Provision by 2033	
	DC Eligible	Non-DC Eligible	DC-Related	Non-DC Related
Library Services	\$ 600,000	\$ -	\$ 62,000	\$ -
Fire Protection Services	\$ 745,000	\$ 6,155,021	\$ 38,000	\$ 352,000
Police Services	\$ 807,000	\$ -	\$ 15,000	\$ -
Outdoor Recreation	\$ 2,080,000	\$ 6,110,000	\$ 124,000	\$ 326,000
Indoor Recreation	\$ 3,623,000	\$ 5,662,000	\$ 19,000	\$ 26,000
Transit Services	\$ 95,000	\$ 325,000	\$ 6,000	\$ 103,000
Waste Collection	\$ 188,000	\$ 3,237,000	\$ 14,000	\$ 240,000
Total (General Services)			\$ 278,000	\$ 1,047,000

TABLE 4

**CITY OF OWEN SOUND
CALCULATED ANNUAL ASSET MANAGEMENT CONTRIBUTION - ENGINEERED SERVICES
CITY-WIDE ENGINEERED SERVICES**

Engineered Services	2023-2041 Capital Program		Calculated Annual AMP Provision by 2042	
	DC-Eligible	Non DC Eligible	DC-Related	Non-DC Related
Services Related To A Highway - Roads	\$ 13,114,000	\$ 78,644,000	\$ 548,000	\$ 3,241,000
Wastewater Services	\$ 1,743,000	\$ 10,688,000	\$ 11,000	\$ 103,000
Water Services	\$ 4,411,000	\$ 19,674,000	\$ 79,000	\$ 441,000
Stormwater Drainage And Control	\$ 705,000	\$ 6,850,000	\$ 9,000	\$ 88,000
Total (Engineered Services)			\$ 647,000	\$ 3,873,000

iii. Transit Asset Management in the City

The City of Owen Sound currently operates four regularly scheduled bus routes that operate from Monday to Saturday each week.

The City aims to maintain the transit fleet in state of good repair through regular maintenance and inspections to achieve public transit safety and reliability standards. The City has an agreement with FirstCanada to operate the transit program; FirstCanada is

responsible for maintaining transit vehicles and operating the bus routes. This includes replacing and repairing engines, transmissions, body work, lights, brakes, drive systems, upholstery, windows, mirrors and all other parts of the bus. The City, for its part, is responsible for erecting and maintaining bus stops and shelters and maintaining roads and streets. The City, through its annual budgeting process, also examines the financial sustainability of the proposed transit capital infrastructure, as well as the associated operating impacts and proposed revenue sources.

The City currently plans to add one new bus and several bus shelters as it plans to expand a new route to the east side of the City. The full cost of the capital program for Transit is valued at \$420,000 over the ten-year planning period. Details on the capital projects and anticipated ridership forecast is found in Appendix B.

Ridership is anticipated to increase by approximately 64,985 trips in the next ten years. The additional growth-related capital infrastructure is expected to have a yearly net operating impact of \$42,000 per year by 2033. As previously stated, the City ensures that the transit system will be financially sustainable through yearly capital and operating budget reviews.

iv. Financial Sustainability of the Program

The calculated annual funding provision should be considered within the context of the City's projected growth. Over the next ten years (to 2032) the City is projected to increase by approximately 592 households. In addition, the City will also add 592 new employees that will result in approximately 57,123 square metres of additional non-residential building space. By 2041, there will be an increase of 1,013 new dwelling units and 109,721 square metres of non-residential building space. This growth will have the effect of increasing the overall assessment base and additional user fee and charges revenues to offset the capital asset provisions required to replace the infrastructure proposed to be funded under the development charges by-law. The collection of these funds is intended to be allocated to the City's reserves for the future replacement of these assets.

B. LONG-TERM CAPITAL AND OPERATING IMPACT ANALYSIS

As shown in Table 5, by 2033, the City's net operating costs are estimated to increase by \$1.8 million for property tax supported ten-year general services. By 2042, net operating costs will increase by \$367,800 for engineered services. Increases in net operating costs will be experienced as new infrastructure is emplaced. Operating and maintenance costs will also increase as additions to the City's road network are made. Water and Wastewater capital expenditures are expected to be offset by user fees and water/wastewater rates

rather than property taxes and therefore no impact is reflected in the analysis. Capital costs related to studies are not expected to have an impact on property tax supported operating costs.

Table 6 summarizes the components of the development-related capital forecast that will require funding from non-DC sources. For general services with a ten-year benefitting period, \$17.0 million will need to be financed from non-DC sources as it relates to benefit to existing and replacement shares. In addition, \$4.5 million in interim DC financing related to post-period shares of projects may be required. However, because DC by-laws must be revisited at least every ten years, it is difficult to determine the quantum of interim financing that may be necessary.

For engineered services, \$87.6 million will need to be financed from non-DC sources over the 2023-2041 planning period, which is entirely related to the replacement of existing infrastructure that will benefit the existing community. In addition, \$6.8 million in interim DC financing may be necessary for post-period shares of projects.

All together, \$104.7 million will need to be financed from non-DC sources over the planning period for general, protection and engineered services. Council is made aware of these factors so that they understand the operating and capital costs that will not be covered by DCs as it adopts the development-related capital forecast set out in the study.

C. THE PROGRAM IS DEEMED FINANCIALLY SUSTAINABLE

In summary, the asset management plan and long-term capital and operating analysis included in this appendix demonstrates that the City can afford to invest and operate the identified general and engineered services infrastructure over the ten-year and long-term planning period.

Importantly, the City's annual budget review allows staff to continue to monitor and implement mitigating measures should the program become less sustainable.

APPENDIX F

TABLE 5

CITY OF OWEN SOUND
ESTIMATED NET OPERATING COST OF THE PROPOSED
DEVELOPMENT-RELATED CAPITAL PROGRAM
(in constant 2023 dollars)

	Net Cost (in 2023\$)		2032
Library Services	\$0.04	per \$1.00 of new capital	\$26.3
Police Services	\$0.30	per \$1.00 of new capital	\$242.0
Fire Services			\$1,222.5
Other Capital	\$0.30	per \$1.00 of new capital	
Fire Station Addition		\$1.2 million per annum	
Outdoor Recreation	\$0.02	per \$1.00 of new capital	\$184.6
Indoor Recreation	Debt only		\$0.0
Transit	\$0.10	per \$1.00 of new capital	\$42.0
Waste	\$0.02	per \$1.00 of new capital	\$76.9
TOTAL ESTIMATED OPERATING COSTS (GENERAL SERVICES)			\$1,794.4

	Net Cost (in 2023\$)		2041
Roads and Related	\$320.00	per new household	\$324.1
Water Services	\$0.00	Rate supported service	\$0.0
Wastewater Services	\$0.00	Rate supported service	\$0.0
Stormwater Drainage and Control	\$43.13	per new household	\$43.7
TOTAL ESTIMATED OPERATING COSTS (ENGINEERED SERVICES)			\$367.8

APPENDIX F

TABLE 6

CITY OF OWEN SOUND
SUMMARY OF DEVELOPMENT-RELATED CAPITAL PROGRAM
FOR GENERAL AND ENGINEERED SERVICES
(in \$000)

General Services	Development-Related Capital Program (2023-2032)				
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Available DC Reserves (\$000)	Post-2032 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)
1.0 LIBRARY SERVICES	\$600.0	\$0.0	\$40.4	\$0.0	\$559.6
2.0 FIRE PROTECTION SERVICES	\$6,900.0	\$3,115.0	\$48.1	\$3,040.0	\$696.9
3.0 POLICE SERVICES	\$806.7	\$0.0	\$31.3	\$0.0	\$775.4
4.0 OUTDOOR RECREATION	\$8,190.0	\$6,110.3	\$75.9	\$0.0	\$2,003.8
5.0 INDOOR RECREATION	\$9,285.0	\$4,253.3	\$1.7	\$1,408.2	\$3,621.8
6.0 TRANSIT SERVICES	\$420.0	\$324.6	\$16.8	\$0.0	\$78.6
7.0 WASTE COLLECTION	\$3,425.0	\$3,237.1	\$0.0	\$0.0	\$187.9
TOTAL - GENERAL SERVICES (2023-2032)	\$29,626.7	\$17,040.3	\$214.2	\$4,448.2	\$7,923.9

Engineered Services	Development-Related Capital Program (2023-2041)				
	Net Municipal Cost (\$000)	Replacement & Benefit to Existing (\$000)	Available DC Reserves (\$000)	Post-2041 Benefit (\$000)	Total DC Eligible Costs for Recovery (\$000)
1.0 SERVICES RELATED TO A HIGHWAY - ROADS AND RELATED	\$70,384.7	\$57,233.3	\$404.0	\$0.0	\$12,747.4
2.0 WATER SERVICES	\$24,085.0	\$19,674.0	\$422.9	\$0.0	\$3,988.1
3.0 WASTEWATER SERVICES	\$12,431.5	\$3,872.0	\$91.2	\$6,816.3	\$1,652.1
4.0 STORMWATER DRAINAGE AND CONTROL	\$7,555.6	\$6,850.2	\$0.0	\$0.0	\$705.4
TOTAL - ENGINEERED SERVICES (2023-2041)	\$114,456.9	\$87,629.5	\$918.1	\$6,816.3	\$19,093.1

TOTAL GENERAL AND ENGINEERED SERVICES	\$144,083.6	\$104,669.8	\$1,132.3	\$11,264.5	\$27,017.0
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APPENDIX G

LOCAL SERVICE GUIDELINES

APPENDIX G: LOCAL SERVICE POLICY

This Appendix sets out the general policy guidelines on development charge and local service funding for Roads and Related, Stormwater Collection and Drainage, Water Services and Wastewater Services infrastructure.

1. Collector Roads

- 1.1. Collector roads internal to development – Direct developer responsibility under s.59 of the DCA (as a local service).
- 1.2. Roads (collector and arterial) external to development – Include in the DC calculation to the extent permitted under s.5(1) of the DCA (dependent on local circumstances).
- 1.3. Stream crossing and rail crossing road works, excluding underground utilities but including all other works within lands to be dedicated to the City or rail corridors – include in the DC calculation to the extent permitted under s.5(1) of the DCA (dependent on local circumstances).

2. Traffic Signals

- 2.1. Traffic signalization within or external to development – Include in the DC calculation to the extent permitted under s.5(1) of the DCA.

3. Intersection Improvements

- 3.1. New roads (collector and arterial) and road (collector and arterial) improvements – Include as part of road costing noted in item 1.
- 3.2. Intersection improvements within specific developments and all works necessary to connect to entrances (private and specific subdivision) to the roadway – Direct developer responsibility under s.59 of the DCA (as a local service).
- 3.3. Intersections with County roads and provincial highways – Include in the DC calculation to the extent that they are a City responsibility.

3.4. Intersection improvements on other roads due to development growth increasing traffic – Include in the DC calculation.

4. Streetlights

4.1. Streetlights on external roads – Include in the municipal DC (linked to collector road funding source in item 1).

4.2. Streetlights within specific developments – Direct developer responsibility under s.59 of the DCA (as a local service).

5. Sidewalks

5.1. Sidewalks on MTO and County roads – Include in the area municipal DC or, in exceptional circumstances, may be local improvement or direct developer responsibility through local service provisions (s.59 of the DCA).

5.2. Sidewalks on area municipal roads – Linked to collector road funding source in item 1.

5.3. Other sidewalks external to development (which are a local service within the area to which the plan relates) – Direct developer responsibility through local service provisions (s.59 of the DCA).

6. Bike Routes/Bike Lanes/Bike Paths/Multi-Use Trails/Naturalized Walkways

6.1. Bike routes and bike lanes within road allowance, external to development – Include in the DC road costs (regional and area municipal), consistent with the service standard provisions of the DCA (s.5(1)).

6.2. Bike paths/multi-use trails/naturalized walkways external to development – Include in the area municipal DC consistent with the service standard provisions of the DCA (s.5(1)).

6.3. Bike lanes, within road allowance, internal to development – Direct developer responsibility under s.59 of the DCA (as a local service).

6.4. Bike paths/multi-use trails/naturalized walkways internal to development – Direct developer responsibility under s.59 of the DCA (as a local service).

6.5. Trail bridges/underpasses and associated works – Include in the area municipal DC consistent with the service standard provisions of the DCA (s.5(1)).

7. Noise Abatement Measures

7.1. Internal to development – Direct developer responsibility under s.59 of the DCA (as a local service).

8. Traffic Control Systems

8.1. Include in the DC calculation

9. Land Acquisition for Road Allowances

9.1. Land acquisition for arterial and County roads – Dedication under the *Planning Act* subdivision provisions (s.51) through development lands (up to a minimum 30 metres road allowance); in areas with limited or no development, include in the County or area municipal DC to the extent eligible.

9.2. Land acquisition for collector roads – Dedication under the *Planning Act* subdivision provisions (s.51) through development lands (up to a minimum 25 metres road allowance); in areas with limited or no development, include in the area municipal DC to the extent eligible.

9.3. Land acquisition for grade separations (beyond normal dedication requirements) – Include in the DC to the extent eligible.

10. Land Acquisitions for Easements

10.1. Easement costs external to subdivisions shall be included in the DC calculation.

11. Stormwater Management

11.1. Quality and quantity works – Direct developer responsibility under s.59 of the DCA (as a local service).

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

12. Water

12.1. Pumping stations and works associated with zone boundaries to be included within the DC (area municipal and regional).

12.2. Watermains external to subdivisions included in the DC.

12.3. Marginal costs of waterworks within the subdivision, which are above 300 mm nominal diameter, to be included in the DC.

12.4. Connections to trunk mains and pumping stations to service specific areas, to be direct developer responsibility.

13. Wastewater

13.1. Pumping stations shall be included in the DC.

13.2. Sanitary sewers external to subdivisions included in the DC.

13.3. Connections to trunk mains and pumping stations to service specific areas to be direct developer responsibility.

Marginal costs of sanitary sewer works within the subdivision, which benefit upstream developers and which are above 300 mm nominal diameter, to be included in DC.

APPENDIX H

BY-LAW

The Corporation of the City of Owen Sound

By-law No. 2023-xxx

A By-law to establish Development Charges for the City of Owen Sound

WHEREAS the *Development Charges Act, 1997*, S.O. 1997, c. 27 as amended (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 development of the area to which the by-law applies; and

WHEREAS the Act provides that a development charge by-law may only be passed within the one-year period following the completion of a development charge background study; and

WHEREAS a development charge background study was prepared by Hemson Consulting Ltd. for the Corporation of the City of Owen Sound (the "City") and dated March 15, 2023 in accordance with section 10 of the Act; and

WHEREAS on [MONTH, DAY], 2023 the Council of the City passed Development Charges By-law No. 2023-XXX; and

WHEREAS copies of the development charge background study and this proposed by-law were made available to the public on in accordance with subsections 10(4) and 12(1) of the Act; and

WHEREAS on May 29, 2023, City Council held a public meeting pursuant to the Act; and

WHEREAS City Council heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposals at the said public meeting held on May 29, 2023; and

WHEREAS City Council has considered the use of more than one development charge by-law to reflect different needs for services in different areas, also known as area rating or area specific development charges, and has determined that for the services and associated infrastructure proposed to be funded by development charges under this by-law, that it is fair and reasonable that the charges be calculated on a municipal-wide uniform basis with the exception of Wastewater Services in the Sydenham Heights Planning Area; and

WHEREAS City Council determined that no further public meetings are required under section 12 of the Act;

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

Definitions

1. All words and phrases used in this by-law that have been defined in the Act shall have the same meaning as those words and phrases in the Act;
2. Where the *Development Charges Act* does not specify a definition, the following definitions shall apply to the extent that they are not in conflict with the definitions in the Act:

Act means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended from time to time and includes the Regulations passed under the Act, as amended from time to time.

Apartment Dwelling means any dwelling unit within a building containing more than three dwelling units where the units are connected by an interior corridor;

Board means a district school board or a school authority as defined in subsection 1(1) of the *Education Act*. For clarity, a Board shall not include a board of a post-secondary institution or an Indigenous institute;

Building or Structure means a structure occupying an area greater than 10 square metres consisting of a wall, roof, and floor or any of them or a structural system serving the function thereof, but does include an air-supported structure and an exterior storage tank;

Building Code Act means the *Building Code Act*, S.O. 1992, chapter 23, as amended and all Regulations thereto including the Ontario Building Code, 1997, as amended;

Building Permit means a Permit issued in accordance with the *Building Code Act*;

Commercial Use means any non-residential use not defined under “institutional” or “industrial”;

City means The Corporation of the City of Owen Sound;

Council means the Council of the City;

County means The County of Grey;

Detached Dwelling means a completely detached residential building containing only one dwelling unit;

Development means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the Gross Floor Area, and includes Redevelopment;

Development Charge means a charge imposed pursuant to this by-law;

Duplex means a building that is divided horizontally into two dwelling units each of which has an independent entrance either directly or through a common vestibule;

Dwelling Unit means one or more habitable rooms designed or intended to be used together as a single and separate house-keeping unit by one person or jointly by two or more persons containing its own kitchen and sanitary facilities, with a private entrance from outside the unit itself;

Gross Floor Area means the sum total of all the areas of the floors in a building or structure, whether at, above, or below-grade, measured between the exterior faces of the exterior walls of the building or structure or from the centre line of a common wall separating two uses, or from the outside edge of a floor where the outside edge of the floor does not meet an exterior or common wall, and:

- a. includes the floor area of a mezzanine and air-supported structure and the space occupied by interior wall partitions; and
- b. excludes any parts of the building or structure used for:

- i. mechanical equipment related to the operation or maintenance of the building or structure;
 - ii. stairwells,
 - iii. elevators,
 - iv. washrooms;
 - v. and the parking and loading of vehicles; and
- c. where a building does not have any walls, the gross floor area shall be the sum total of the area of land directly beneath the roof of the building and the total areas of the floors in the building or structure;

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

Institutional Use means lands, buildings or structures used or designed or intended for use by an organized body, society or religious group for promoting a public or non-profit purpose and shall include, without limiting the generality of the foregoing, places of worship, medical clinics, and special care facilities;

Multiple Dwelling means residential buildings not including single detached dwellings, semi-detached dwellings or apartment dwellings;

Non-profit housing means development of a building or structure intended for use as residential premise by:

- a. A corporation without share capital to which the *Corporations Act* applies, that is in good standing under that act and whose primary object is to provide housing;
- b. A corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that act and whose primary object is to provide housing;
- c. A non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*;
- d. Any housing providers that are managed by the County in its capacity as a Service Manager under the *Housing Services Act*; or
- e. The Grey County and Owen Sound Housing Company, the Owen Sound Municipal Non-Profit Housing Corporation, or any other housing corporation initiated by the Province, the County, and/or the City of Owen Sound;

Non-Residential Uses means land, buildings or structures or portions thereof used, or designed or intended to be used, for a use other than for a residential use and would include commercial, industrial and institutional uses;

Owner means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

Redevelopment means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land, or changing the use of a building or structure from residential to non-residential or from non-residential to residential;

Rental Housing Development means development of a building or structure with four or more dwelling units all of which are intended for use as a rented residential premises. For greater clarity, this does not include

apartment condominiums or life-lease units. Rental Housing Developments must result in four or more additional self-contained units that are intended for use as rented residential premises as indicated by agreement described in section 35;

Residential Uses means land, buildings or structures or portions thereof used, designed, or intended to be used principally (or primarily) as living accommodation for one or more individuals;

Services means services designated in this by-law including Schedule "A" to this by-law or in agreement with section 2 (4) of the Act, or both;

Semi-Detached Dwelling means a building divided vertically into two dwelling units each of which has a separate entrance and access to grade;

Temporary Building or Structure means a building or structure constructed or erected or placed on land for a continuous period not exceeding eight months, or an addition or alteration to a building or structure that has the effect of increasing the gross floor area thereof for a continuous period not exceeding eight months;

Townhouse means a residential dwelling unit attached to other units by a common sidewall, where the number of attached units is no less than three and no greater than eight;

3. The reference to any statute or regulation in this by-law includes not only the statute or regulation itself, but also any statute or regulation that replaces it in the future.
4. The reference to any section or subsection of any statute or regulation in this by-law includes not only the section or subsection itself but also the equivalent section or subsection in any statute or regulation that replaces it, as amended from time to time.

Imposition of Development Charges

5. A development charge shall be paid in respect of all development, as provided in this by-law.

Application of this By-Law

6. This by-law shall apply to all lands within the City.
7. No land, except land owned by and used for the purposes of a municipality or a board as defined in subsection 1 (1) of the *Education Act*, is exempt from a development charge by reason only that it is exempt from taxation under section 3 of the *Assessment Act*.
8. Nothing in this by-law prevents the approval authority or Council, as the case may be, from requiring, as a condition of an agreement under the *Planning Act*, ss. 51 or 53, that the owner at his or her own expense shall install or pay for local services as the approval authority or Council may require.

Calculation of Development Charges - General

9. Development charges shall be calculated in accordance with Schedule "B" and Schedule "C".

Indexing of the Development Charge

10. Development charges may be adjusted, without amendment to this by-law annually on the anniversary date of this by-law, commencing, one year from the in force date of this by-law, in accordance with the Act.

Calculation of Development Charges – Residential Uses

11. Development charges shall apply to each dwelling unit in every development, whether single-use or mixed-use.

12. Where a Community Improvement Plan is in effect, Council may enter into agreements with a developer to reduce or waive development charges for residential uses in accordance with section 30 of this by-law.
13. Pursuant to subsections 2(3), (3.1), (3.2) and (3.3) of the Act, no development charges are payable with respect to the following:
 - a. the enlargement, renovation, or repair of an existing dwelling unit;
 - b. additional units in an existing rental residential building, which contains four or more residential units as prescribed in the Act;
 - c. the creation of additional residential dwelling units as prescribed by the Regulation, subject to any restrictions set out in the Regulation, in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings as set out in the Regulation; or
 - d. the creation of a second and third additional dwelling unit and in an ancillary structure in prescribed classes of proposed new residential buildings as set out in the Regulation, including structures ancillary to dwellings, subject to any restrictions as set out in the Regulation.

Calculation of Development Charges - Non-Residential Uses

14. If the development is the enlargement of the gross floor area of an existing industrial, commercial or institutional building and the gross floor area is enlarged by 50% or less, there shall be no development charge.
15. If the development is the enlargement of the gross floor area of an existing industrial, commercial or institutional building and the gross floor area is enlarged by more than 50%, the amount of the development charge shall be based on the size of the enlargement that exceeds the exemption outlined in section 14 above.
16. In the case of the non-residential portion of a mixed use development, the development charge with respect to the uses of any land, building or structure shall be calculated in accordance with Schedule "B" and Schedule "C".
17. Where a Community Improvement Plan is in effect, Council may enter into agreements with a developer to reduce or waive development charges for non-residential uses in accordance with section 30 of this by-law.

Exempt Buildings

18. No Development Charge under Schedule B of this by-law shall be imposed with respect to:
 - a. Non-residential buildings used accessory to an agricultural operation;
 - b. Temporary buildings where the owner has completed an agreement with the City specifying the owner's obligation to remove the building;
 - c. Places of worship for religious uses that are exempt from Provincial taxes pursuant to the *Provincial Land Tax Act*;
 - d. A new industrial building or structure or the enlargement of an existing industrial building or structure;
 - e. Non-profit housing, as defined in this by-law;
 - f. Rental housing development, as defined in this by-law, provided:

- i. a building permit is issued for the development within two years of the development receiving approval for a zoning by-law amendment under s. 34 of the Planning Act or approval of a development in a site plan control area under ss. 41(4) of the Planning Act; and
- ii. the development received approval for a zoning by-law amendment under s. 34 of the Planning Act or approval of a development in a site plan control area under ss. 41(4) of the Planning Act prior to the date of the passing of this by-law; and
- iii. subject to a written agreement pursuant to s. 35 of this by-law.

Redevelopment

- 19. In accordance with sections 20, 21 and 22 of this by-law, where there is a redevelopment, conversion, demolition or change of use of a building or structure or part thereof, the development charges payable by the new or proposed development shall be credited by the amount to which the previous use of the building or structure was subject to development charges at the time this by-law was passed.
- 20. A credit shall not be warranted where a building or structure or part thereof was demolished and no building permit has been issued within 5 years from the date of issuance of the demolition permit.
- 21. The credit with respect to a redevelopment, conversion, demolition, or change of use of a building or structure or part thereof shall not exceed the amount of the development charges payable with respect to new or proposed development.
- 22. No credit shall be given with respect to the redevelopment, conversion, demolition, or change of use of a building or structure or part thereof where the existing building or structure or part thereof would have been exempt from development charges in accordance with this by-law.

Payment of Development Charges

- 23. Development charges shall be calculated and payable in accordance with Section 26, Section 26.1 and Section 26.2 of the Act.
- 24. Except as otherwise provided in this by-law, development charges shall be calculated and payable in full in cash or certified cheque in Canadian funds or by credits granted by the Act, on the date that the first building permit is issued.
- 25. Except as otherwise provided in this by-law, a building permit shall not be issued until the development charge has been paid in full.
- 26. The City is required to apply equal deferral payment plans for certain types of development in accordance with Section 26(1) of the Act. Council may apply interest to any deferred development charge payments under this section up to the maximum interest rate prescribed by section 26.3 of the Act.
- 27. Freezing of development charge rates may apply to a development in accordance with section 26(2) of the Act. If a development meets the criteria for a freeze of the development charge rate as per the Act, Council may apply interest to the "frozen" rate up to the maximum interest rate prescribed by section 26.3 of the Act.

Written Agreements with the City

- 28. Pursuant to the provisions of the Act, Council may enter into written agreements in regard to all matters authorized by the Act and general law.
- 29. The applicable provisions of this by-law may be varied in individual instances by the written agreements, as permitted by the Act.

30. Council has the power to enter into agreements to reduce or waive development charges that are payable under the Act and this by-law.
31. Agreements may give credit to the owner equal to the reasonable cost of providing services in addition to, or of a greater size or capacity, than would be required under this by-law. The credit shall not exceed the service standard used in the calculation of the development charge, and no credit shall be charged to any development charges reserve fund prescribed in this by-law or exceed the proportion of the development charge related to that service, payable by the owner to the municipality.
32. Agreements may provide for all or any part of a development charge to be paid before or after it would otherwise be payable.
33. Front-ending agreements entered into under the provisions of s. 44 of the Act shall be deemed to be agreements under this section.
34. This by-law shall prevail over any previous agreements between a property owner and the City with respect to the payment of impost fees, lot levies or development charges. However, where fees or charges have been paid for services included in this by-law pursuant to an agreement that was registered on the title of the lands prior to the passing of this by-law, the City shall apply that fee as a credit against the applicable development charge.
35. Where an exemption is provided to a rental housing development pursuant to section 17(f) of this by-law, the City and the owner shall enter into a written agreement which, among other terms and conditions, shall include a commitment by the owner to remain a rental housing development for a length of time to be specified in the agreement. The agreement shall be registered on title. Any costs associated with the registration of the agreement are the responsibility of the owner.
36. Where a deferral of Development Charges is provided under Section 26(1) of the Act, the City and the Owner shall enter into a written agreement which, among other terms and conditions, shall include a commitment by the Owner to maintain the development as a type of development eligible for deferral for a length of time to be specified in the agreement. The agreement shall be registered on title. Any costs associated with the registration of the agreement are the responsibility of the Owner.

Administration

37. A certified copy of this by-law may be registered on title to any land to which the by-law applies.
38. This by-law shall be administered by the Treasurer of the City.

Reserve Funds

39. Monies received from payment of development charges shall be maintained in a separate reserve fund, and shall be used only to meet the growth-related net capital costs for which the development charge was levied under this by-law.
40. Where any development charge, or part thereof, remains unpaid after the due date, the unpaid amount shall be added to the tax roll and shall be collected as taxes. Where any unpaid development charges are collected as taxes, the monies so collected shall be credited to the development charge reserve fund.
41. The Treasurer of the City shall, in each year, furnish to Council, a statement in respect of the reserve fund established hereunder for the prior year.

Refunds

42. Where this by-law or any development charge prescribed hereunder is amended or repealed either by order of the Ontario Land Tribunal or by

Council, the City shall forthwith pay the appropriate refund, calculated in accordance with the Act and Regulations passed under the Act.

Schedules

43. The following schedules to this by-law form an integral part of this by-law;
- a. Schedule "A" – Designated Municipal Services under this By-law;
 - b. Schedule "B" – City-Wide Development Charges
 - c. Schedule "C" – Area Specific Development Charges for the Sydenham Heights Development Area; and
 - d. Schedule "D" – Map of the Sydenham Heights Development Area.

General

44. This by-law comes into full force and effect upon the final passing thereof.
45. Unless repealed earlier, or unless the term of the by-law is extended by legislation, this by-law expires on [MONTH, DAY], 2033.
46. Upon this by-law coming into force, By-law No. 2020-112 is repealed.
47. Where in this by-law the context so requires, words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include feminine and neuter gender.
48. Any portion of this by-law found to be invalid shall be severed, and the balance of the by-law shall be deemed to be valid and enforceable and shall be construed without reference to the invalid portions.
49. If any provisions of this By-law conflicts with the Act and its regulations, then the Act and its regulations shall prevail as necessary.
50. This by-law shall be known as the "Development Charges By-law".
- FINALLY PASSED AND ENACTED this [DAY, MONTH] 2023

Signature on file

Mayor Ian C. Boddy

Signature on file

Briana M. Bloomfield, City Clerk

Schedule A - Designated Municipal Services under this By-law

Schedule B: City-Wide Services

- Library Services
- Fire Protection Services
- Police Services
- Indoor Recreation
- Outdoor Recreation
- Transit Services
- Waste Collection
- Services Related to a Highway – Roads and Related
- Stormwater Drainage and Control Services
- Wastewater Services
- Water Services

Schedule C: Sydenham Heights Area-Specific Services

- Water and Wastewater Services

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Schedule B – City-Wide Development Charges

Service	Residential Charge by Dwelling Unit Type			Non-Residential Charge Per Sq.M.
	Single & Semi-Detached	Other Multiple	Apartment	
Library Services	\$1,411	\$1,242	\$847	\$0.00
Fire Protection Services	\$1,116	\$982	\$670	\$4.65
Police Services	\$1,208	\$1,063	\$725	\$5.03
Outdoor Recreation	\$4,954	\$4,360	\$2,972	\$0.00
Indoor Recreation	\$8,589	\$7,559	\$5,154	\$0.00
Transit Services	\$126	\$111	\$75	\$0.52
Waste Collection	\$299	\$263	\$179	\$1.24
Services Related To A Highway - Roads And Related	\$11,293	\$9,937	\$6,776	\$46.37
Wastewater Services	\$1,616	\$1,422	\$969	\$8.02
Water Services	\$3,639	\$3,202	\$2,183	\$15.01
Stormwater Drainage And Control	\$662	\$583	\$397	\$2.74
TOTAL DEVELOPMENT CHARGE	\$34,913	\$30,724	\$20,947	\$83.57

Schedule C – Area Specific Development Charges for the
Sydenham Heights Development Area

Service	Residential Charge by Dwelling Unit Type			Non-Residential Charge Per Sq.M.
	Single & Semi-Detached	Other Multiple	Apartment	
Wastewater	\$1,456	\$1,281	\$874	\$15.32
TOTAL AREA-SPECIFIC DEVELOPMENT CHARGE	\$1,456	\$1,281	\$874	\$15.32

Draft

Schedule D - Map of Sydenham Heights Development Area

