



Addendum to 2023 Development Charges Background Study

County of Prince Edward

For Public Circulation and Comment

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1. Summary of Revisions to the December 29, 2022 Development Charges Background Study

Commensurate with the provisions of the Development Charges Act (D.C.A.), 1997, the County of Prince Edward (County) has undertaken a Development Charges Background Study (D.C.B.S.) and has distributed the study and draft by-laws to the public. The following provides a summary of the key dates in the Development Charges (D.C.s) by-law process:

- December 29, 2022 – Release D.C.B.S. and draft by-laws
- January 12, 2023 – Public Meeting of Council
- February 28, 2022 – Anticipated passage of D.C. By-laws

The purpose of the addendum to the December 29, 2022 D.C.B.S. is to provide an update to growth-related needs for Long-Term Care Services and to include additional growth-related projects within Services Related to a Highway.

The refinements are detailed in the subsequent section of this report and will form part of the D.C.B.S. for Council's consideration and approval prior to adoption of the D.C. By-laws.



2. Addendum

2.1 Services Related to a Highway

Subsequent to the issuance of the 2023 D.C. Background Study, the following growth-related projects were identified through the County's 2023 capital budget process:

- Picton Town Hill Intersection Improvements - \$807,300
- Sidewalk, Union to Pine Ridge - \$125,500
- Sidewalk, Stinson Block Road - \$100,000
- Intersection Improvements (Salmon Point / CR 18) - \$50,400

In aggregate, the gross capital costs for these projects total \$1.1 million and would add \$370,900 in D.C. eligible costs to the calculation of the charge for Services Related to a Highway.

2.2 Long-Term Care Services

The capital needs for Long-Term Care Services have been updated to reflect the number of new beds that will be created in the new facility and the capital costs and funding sources available to the County. These updates also result in an updated cost per bed of \$405,800 that has been included in the historical level of service calculation.

The capital costs that will not be funded through grants and construction funding subsidies received will be financed through long-term debt. The net present value of these future debt payments that pertain to the creation of new beds have been included in the D.C. background study (i.e., \$24.4 million). Deductions have been made from these costs to reflect the benefit to existing development of \$17.1 million, and annual construction funding subsidies that are expected towards the annual debt payments (i.e., net present value of \$5.8 million). After deducting the existing reserve fund balance of \$548,500, \$932,300 has been included in the calculation of the charge as summarized in Table 2-1 below. In comparison to the D.C. eligible costs included in the 2023 D.C.B.S., these revisions remove \$783,000 from the calculation of the charge.



Table 2-1
Infrastructure Costs Covered in the D.C. Calculation – Long-Term Care Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2023\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non- Residential Share
	2023-2042								100%	0%
1	NPV of Debt Payments for H. J. McFarland Memorial Home Facility Redevelopment (76 Additional beds)	2025	24,445,330	-	24,445,330	17,140,800	5,823,750	1,480,779	1,480,779	-
			-	-	-	-		-	-	-
	Reserve Fund Adjustment		-	-	-	-		(548,470)	(548,470)	-
			-	-	-	-		-	-	-
	Total		24,445,330	-	24,445,330	17,140,800	5,823,750	932,309	932,309	-



2.3 Impacts on the Calculated D.C.

The refinements presented in sections 2.1 and 2.2 have impacts on the calculated charges in the D.C.B.S.. The amended schedule of charges is presented in Table 2-2.

Table 2-2
Amended Schedule of D.C.s

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (= <2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (= <2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Municipal Wide Services:									
Services Related to a Highway	10,487	7,576	9,171	5,024	9,450	6,061	10,487	1.47	5.01
Fire Protection Services	2,210	1,596	1,932	1,059	1,991	1,277	2,210	0.31	1.06
Long-term Care Services	261	188	228	125	235	151		-	-
Parks and Recreation Services	1,512	1,092	1,322	724	1,363	874		0.04	0.15
Library Services	404	292	353	194	364	233		0.01	0.04
Ambulance Services	237	171	207	113	213	137		0.03	0.11
Waste Diversion Services	11	8	10	5	10	6		-	-
Total Municipal Wide Services	15,121	10,923	13,223	7,244	13,626	8,739	12,696	1.86	6.37

By comparison to the charges presented at the January 12, 2023, D.C. public meeting, the amended charge for a single detached residential unit (>2 bedrooms) would decrease by \$136 (-0.9%) from \$15,257 to \$15,121. For non-residential development the charge would increase by \$0.03/sq.ft., from \$6.34/sq.ft. to \$6.37/sq.ft. The non-residential charge would increase as the decrease in D.C. eligible costs for Long-Term Care Services does not apply to non-residential development.



3. Changes to the D.C.B.S.

Based on the foregoing, the following revisions are made to the pages within the December 29, 2023 D.C.B.S. Accordingly, the revised pages are appended to this report:

- Pages vii to viii – Re-issued to reflect changes in the gross capital costs, D.C. eligible costs, and calculated charge identified herein;
- Pages 1-3 to 1-4 – Revised to reflect this addendum to the background study;
- Pages 5-9 and 5-11 to 5-12 – Updated to reflect the changes identified in Section 2.1;
- Pages 5-10, 5-14, and B-19 – Updated to reflect the changes identified in Section 2.2;
- Pages 6-2 to 6-4 – Re-issued to reflect the updated D.C. calculation described herein;
- Page 7-9 – Revised to reflect this addendum to the background study;
- Pages 8-3 to 8-4 and C-2 – Re-issued to reflect changes to the asset management plan and long-term operating and capital expenditures;
- Page E-20 – Re-issued to reflect the revised schedule of charges for Services Related to a Highway; and
- Page E-110 – Re-issued to reflect the revised schedule of charges for Long-Term Care Services.

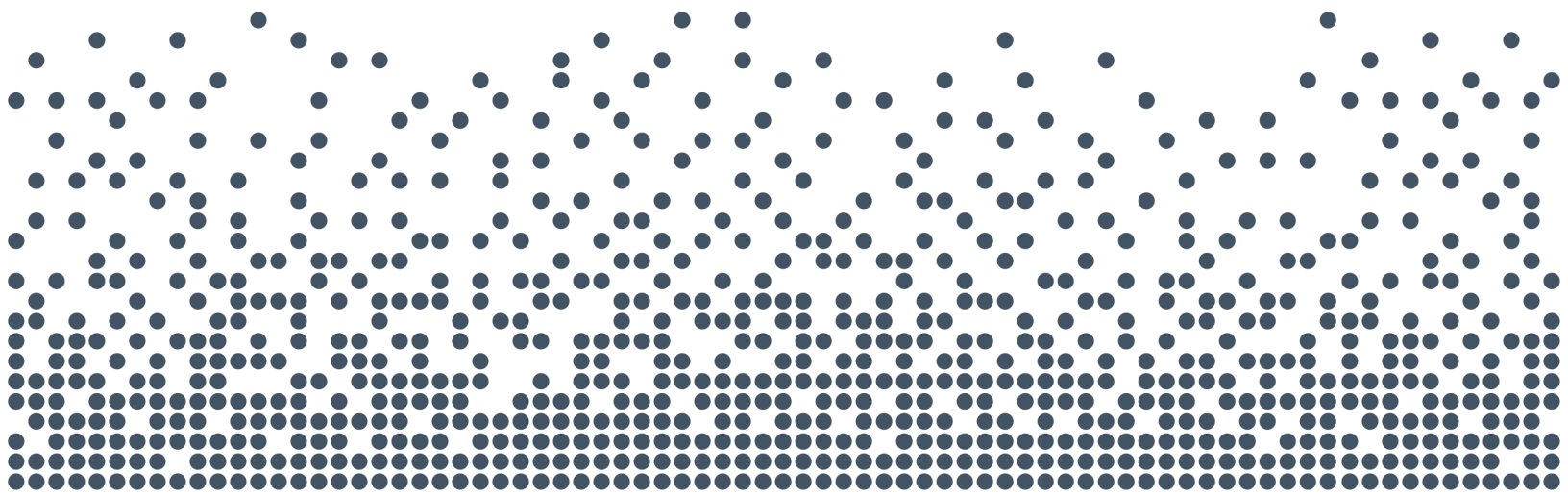


4. Process for Adoption of the D.C. By-law

The revisions provided herein form the basis for the D.C. by-law and will be incorporated into the D.C.B.S. to be provided to Council prior to Council's consideration and adoption of the proposed D.C. by-laws.

If Council is satisfied with the above noted changes to the D.C.B.S. and D.C. by-laws, then prior to by-law passage Council must:

- Approve the D.C.B.S., as amended;
- Determine that no further public meetings are required on the matter; and
- Adopt the new D.C. by-laws.



Appendices



Appendix A

Amended Pages



Table ES-2
Summary of Expenditures Anticipated Over the Respective Forecast Periods

Summary of Expenditures Anticipated	Expenditure Amount
Total Gross Capital Costs	\$155,802,000
Less: Benefit to Existing Development	\$75,193,000
Less: Post Planning Period Benefit	\$5,336,000
Less: Other Deductions	\$386,000
Less: Grants, Subsidies and Other Contributions	\$7,412,000
Less: Existing D.C. Reserve Funds	\$5,133,000
Net costs to be recovered from development charges	\$62,343,000

Based on the above table, the County plans to spend \$155.8 million over the 10 and 20 year planning periods of which \$62.3 million (40%) is included in the D.C. calculation. Of this net amount, \$50.7 million is recoverable from residential development and \$11.6 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

This suggests that non-D.C. costs over the forecast periods will total \$87.9 million. \$78.9 million of these costs (i.e. benefit to existing development, post planning period benefit, and other deductions) will need to be funded by other County funding sources such as taxes.

7. This report has undertaken a calculation of charges based on the anticipated development summarized in Table ES-1 and the future identified needs (presented in Table ES-2). Charges have been provided on a County-wide basis for all services. The corresponding County-wide single detached unit (>2 bedrooms) charge is \$15,121. The non-residential charge is \$6.37 per sq.ft. of building area. These rates would be reduced by 20% during the first year of the by-law (i.e. \$12,097 per single detached unit and \$5.10 per sq.ft. of building area) as per the Bill 23 requirements to reduce the charge during the first four years of the by-law. The calculated schedule of charges is presented in Table ES-3 and the charges that would be imposed during the first year of the by-law are presented in Table ES-4.



Table ES-3
Calculated Schedule of Development Charges

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (=<2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (=<2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Municipal Wide Services:									
Services Related to a Highway	10,487	7,576	9,171	5,024	9,450	6,061	10,487	1.47	5.01
Fire Protection Services	2,210	1,596	1,932	1,059	1,991	1,277	2,210	0.31	1.06
Long-term Care Services	261	188	228	125	235	151		-	-
Parks and Recreation Services	1,512	1,092	1,322	724	1,363	874		0.04	0.15
Library Services	404	292	353	194	364	233		0.01	0.04
Ambulance Services	237	171	207	113	213	137		0.03	0.11
Waste Diversion Services	11	8	10	5	10	6		-	-
Total Municipal Wide Services	15,121	10,923	13,223	7,244	13,626	8,739	12,696	1.86	6.37

Table ES-4
Schedule of Development Charges (80% of maximum charge to be imposed in first year of by-law)

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (=<2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (=<2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Municipal Wide Services:									
Services Related to a Highway	8,390	6,061	7,337	4,019	7,560	4,849	8,390	1.18	4.01
Fire Protection Services	1,768	1,277	1,546	847	1,593	1,022	1,768	0.25	0.85
Long-term Care Services	208	150	182	100	188	121		-	-
Parks and Recreation Services	1,210	874	1,058	579	1,090	699		0.03	0.12
Library Services	323	234	282	155	291	186		0.01	0.03
Ambulance Services	189	137	166	90	170	110		0.02	0.09
Waste Diversion Services	9	6	8	4	8	5		-	-
Total Municipal Wide Services	12,097	8,738	10,578	5,795	10,901	6,991	10,157	1.49	5.10



Process Steps	Dates
6. Stakeholder Consultation Meeting	January 27, 2023
7. Addendum to the D.C. Background Study	February 15, 2023
8. D.C. By-law(s) passage	February 28, 2023
9. Newspaper notice given of by-law(s) passage	By 20 days after passage
10. Last day for by-law(s) appeal	40 days after passage
11. County makes available D.C. pamphlet	by 60 days after in force date

1.3 Changes to the *Development Charges Act, 1997*

Over the past four years, a number of changes to the Development Charges Act, 1997 have been introduced through various legislation including the following:

- *More Homes, More Choice Act, 2019* (Bill 108);
- *Plan to Build Ontario Together Act, 2019* (Bill 138);
- *COVID-19 Economic Recovery Act, 2020* (Bill 197);
- *Better for People, Smarter for Business Act, 2020* (Bill 213);
- *More Homes for Everyone Act, 2022* (Bill 109); and
- *More Homes Built Fast Act, 2022* (Bill 23).

The following provides an overview of the changes to the D.C.A. that each of these pieces of legislation provided.

1.3.1 *More Homes, More Choice Act, 2019 (Bill 108)*

On May 2, 2019, the Province introduced Bill 108 (*More Homes, More Choice Act*), which proposed changes to the D.C.A. The Bill was introduced as part of the province's "*More Homes, More Choice: Ontario's Housing Supply Action Plan*." The Bill received



Royal Assent on June 6, 2019. While having received Royal Assent, many of the amendments to the D.C.A. did not come into effect until they were proclaimed by the Lieutenant Governor. On January 1, 2020, the following provisions were proclaimed:

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments (note that further changes related to non-profit housing have been made through Bill 23). Any unpaid D.C. amounts may be added to the property and collected as taxes.
- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two-years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.

Further changes to the D.C.A. were proposed related to the list of eligible services which could be recovered through D.C.s, which recommended the removal of some services previously eligible, and introduced a new charge under the Planning Act (i.e. the Community Benefits Charge).

1.3.2 *Plan to Build Ontario Together Act, 2019 (Bill 138)*

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

1.3.3 *COVID-19 Economic Recovery Act, 2020 (Bill 197)*

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197 which provided amendments to a number of Acts, including



5.3 Service Levels and 20-Year Capital Costs for D.C. Calculation

This section evaluates the development-related capital requirements for select services and classes of service over the 20-year planning period (2023 - 2042). Each service is evaluated on two format sheets: the average historical 15-year level of service calculation (see Appendix B), which “caps” the D.C. amounts; and the infrastructure cost calculation, which determines the potential D.C. recoverable cost.

5.3.1 *Services Related to a Highway*

The County currently provides services related to a highway utilizing an inventory of 1,046 km of roads, 38 bridges and culverts, 1,517 streetlights, 3 traffic signals, 37 intersection beacons, 3 pedestrian crossings, 82 vehicles, and 80,037 sq. ft. of facility space. This results in a total level of investment of \$23,635 per capita on average over the past 15-years. When applied against the 20-year anticipated growth (i.e., 8,730 persons), this results in a maximum D.C.-eligible amount of \$206.3 million.

To service this additional growth, an anticipated \$87.8 million in capital projects relating to roads, facilities, and vehicles must be undertaken. Of this total gross capital cost estimate, \$4.0 million is related to development outside of the 20-year planning horizon. Furthermore, \$34.7 million of these costs are related to benefits that the existing development will receive from the capital program. After deducting the existing reserve fund balance of \$2.2 million from the net D.C.-eligible capital costs, \$46.9 million is included in the calculation of the charge.

These costs are then attributed 80% to residential development and 20% to non-residential development based on the share of population to employment growth anticipated over the 20-year period (i.e. 8,730 population and 2,129 employment).

5.3.2 *Fire Protection Services*

Fire Protection Services in the County are provided through ten fire halls totalling 46,838 sq.ft. of facility space. These services are further provided through the utilization of 37 vehicles and 335 equipment items. Based on the average per capita investment of \$1,413 over the 2008 to 2022 period, and the forecast population growth of 8,730



persons over the 20-year forecast period, the resulting maximum D.C.-eligible amount that could be included in the calculation is \$12.3 million.

Capital needs to service this future growth include 20,050 sq.ft. of facility space (Milford, Sophiasburgh, and Wellington locations) and a 100' aerial apparatus. The total capital program is estimated at 13.9 million. From these costs, \$4.7 million is deducted to account for the benefit that existing development will receive from these projects. After accounting for the \$676,200 reserve fund deficit, a total of \$9.9 million is included in the calculation of the charge.

These costs are then attributed 80% to residential development and 20% to non-residential development based on the share of population to employment growth anticipated over the 20-year period.

5.3.3 Long-Term Care Services

Long-Term Care Services are provided through the utilization of 84 beds at the H.J. McFarland Memorial Home. These services account for a \$1,336 per capita level of investment of the 15-year historical period. Applying this historical level of service to the estimated 20-year growth in the County, a total maximum D.C.-eligible amount of \$9.6 million could be included in the calculation of the charge.

Identified capital needs for long-term care services include an additional 76 beds at the H.J. McFarland Memorial Home. The capital costs that will not be funded through grants and construction funding subsidies received will be financed through long-term debt. The net present value of these future debt payments that pertain to the creation of new beds have been included in the D.C. background study (i.e., \$24.4 million). Deductions have been made from these costs to reflect the benefit to existing development of \$17.1 million, and annual construction funding subsidies that are expected towards the annual debt payments (i.e., net present value of \$5.8 million). After deducting the existing reserve fund balance of \$548,500, \$932,300 has been included in the calculation of the charge.

These costs are then allocated 100% to residential development.



Table 5-5
Infrastructure Costs Covered in the D.C. Calculation – Services Related to a Highway

Prj. No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2023\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable	Total	Residential Share 80%	Non-Residential Share 20%
	2023-2042									
	Roads		-	-	-	-		-	-	-
	<u>Bloomfield</u>		-	-	-	-		-	-	-
1	Traffic Signals (Wellington St. and Hwy 62)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
			-	-	-	-		-	-	-
	<u>Carrying Place</u>		-	-	-	-		-	-	-
2	Intersection Improvements and Signalization (Cty Rd. 3 and Loyalist Prkwy)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
3	Intersection Improvements (Cty Rd. 3 and Taft Rd.)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
			-	-	-	-		-	-	-
	<u>Picton</u>		-	-	-	-		-	-	-
4	Intersection Improvements and Signalization (Bridge St. and Union St.)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
5	Intersection Improvements and Signalization (Main St. and Johnson St.)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
6	Intersection Improvements and Signalization (Talbot St. and Frank St.)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
7	Picton Alternative Route	2023-2042	11,007,500	2,751,900	8,255,600	5,503,800		2,751,800	2,201,440	550,360
8	Downes Road Extension (to Picton Alternative Route) and Road Widening	2023-2042	901,600	-	901,600	45,100		856,500	685,200	171,300
9	Intersection Improvements (Cty Rd 22 and Cty Rd 10)	2023-2042	2,000,000	-	2,000,000	300,000		1,700,000	1,360,000	340,000
10	Intersection Improvements (Church St and Union)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
11	Intersection Improvements (Cty Rd 10 and Cty Rd 1)	2023-2042	2,000,000	-	2,000,000	300,000		1,700,000	1,360,000	340,000
12	Picton Main Street Reconstruction Phase #2	2023	5,904,323	-	5,904,323	3,542,600		2,361,723	1,889,378	472,345
13	Picton Main Street Reconstruction Phase #3	2024	8,287,500	-	8,287,500	2,044,300		6,243,200	4,994,560	1,248,640
14	William Street Reconstruction	2024	173,364	-	173,364	50,000		123,364	98,691	24,673
15	Picton Town Hill Intersection Improvements	2023	807,300	-	807,300	605,500		201,800	161,440	40,360
16	Sidewalk Union to Pine Ridge	2023	152,500	-	152,500	76,250		76,250	61,000	15,250
17	Sidewalk Stinson Block Road	2023	100,000	-	100,000	50,000		50,000	40,000	10,000
			-	-	-	-		-	-	-
	<u>Consecon</u>		-	-	-	-		-	-	-
18	Intersection Improvements (Salem Rd. and Loyalist Prkwy.)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
19	Intersection Improvements and Re-alignment (Cty Rd. 29 and Loyalist Prkwy.)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
20	Traffic Signals (West End - Cty Rd. 1 and Loyalist Prkwy.)	2023-2042	500,000	-	500,000	250,000		250,000	200,000	50,000
21	Intersection Improvements (Salmon Point / CR 18)	2023	50,400	-	50,400	7,600		42,800	34,240	8,560



Table 5-5 Cont'd
Infrastructure Costs Covered in the D.C. Calculation – Services Related to a Highway

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2023\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable	Total	Residential Share 80%	Non-Residential Share 20%
	2023-2042									
	<u>Wellington</u>		-	-	-	-		-	-	-
22	Intersection Improvements Belleville and Wellington Main Street	2023-2042	1,100,000	-	1,100,000	165,000		935,000	748,000	187,000
23	Intersection Improvements (Wellington Main St. and Prince Edward Dr.)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
24	Intersection Improvements (Wellington Main and Consecon St.)	2023-2042	1,100,000	-	1,100,000	165,000		935,000	748,000	187,000
25	Consecon St. Upgrade and Sidewalk - Trail to Hersfield Property	2023-2042	225,500	-	225,500	105,900		119,600	95,680	23,920
26	New Road, Belleville St to Prince Edward drive (with signals)	2025	9,925,000	1,240,600	8,684,400	4,962,500		3,721,900	2,977,520	744,380
27	New Road, East of Belleville St to Berkhout subdivisoon (with signals)	2025	2,165,400	-	2,165,400	324,800		1,840,600	1,472,480	368,120
28	Pedestrian Crossing	2023-2042	175,000	-	175,000	26,300		148,700	118,960	29,740
29	West Street Reconstruction	2025-2030	1,755,000	-	1,755,000	432,000		1,323,000	1,058,400	264,600
30	Lake Breeze Road Extension	2025-2030	1,260,000	-	1,260,000	189,000		1,071,000	856,800	214,200
31	Wellington Main Street Urbanization (Carla Ctr to Prince Edward)	2025-2035	3,105,000	-	3,105,000	765,900		2,339,100	1,871,280	467,820
32	Consecon Street Urbanization	2025-2035	8,775,000	-	8,775,000	2,164,500		6,610,500	5,288,400	1,322,100
33	Belleville Street Urbanization	2025-2035	10,125,000	-	10,125,000	2,497,500		7,627,500	6,102,000	1,525,500
34	Owen Street Reconstruction (Church to Maitland)	2025	813,750	-	813,750	200,300		613,450	490,760	122,690
			-	-	-	-		-	-	-
	<u>Rossmore /Fenwood</u>		-	-	-	-		-	-	-
35	Intersection Improvements - left turn lane (Hwy 62 and Cty. Rd. 28)	2023-2042	500,000	-	500,000	75,000		425,000	340,000	85,000
			-	-	-	-		-	-	-
	<u>Rural Area</u>		-	-	-	-		-	-	-
36	Traffic Signals (Cty Rd. 2. and Hwy 62)	2025-2035	500,000	-	500,000	250,000		250,000	200,000	50,000
37	Traffic Signals (Cty Rd. 1 and Hwy 62)	2025-2035	500,000	-	500,000	250,000		250,000	200,000	50,000
38	Intersection Illumination CR1 and 62	2025	20,000	-	20,000	10,000		10,000	8,000	2,000
			-	-	-	-		-	-	-
	Public Works Facilities		-	-	-	-		-	-	-
39	North County Depot including land (12,800 sq.ft.)	2023-2042	2,981,800	-	2,981,800	2,927,300		54,500	43,600	10,900
40	Sand and Salt Dome	2023-2042	2,412,000	-	2,412,000	1,966,700		445,300	356,240	89,060
41	South County Depot including land (12,300 sq.ft.)	2023-2042	2,981,800	-	2,981,800	2,823,900		157,900	126,320	31,580
			-	-	-	-		-	-	-
	Public Works Vehicles		-	-	-	-		-	-	-
42	Provision for additional vehicles (3) (1 tandem plow)	2023-2042	485,800	-	485,800	-		485,800	388,640	97,160
			-	-	-	-		-	-	-
	Reserve Fund Adjustment							(2,183,171)	(1,746,537)	(436,634)
	Total		87,790,536	3,992,500	83,798,036	34,701,750	-	46,913,115	37,530,492	9,382,623



Table 5-7
Infrastructure Costs Covered in the D.C. Calculation – Long-Term Care Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2023\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non- Residential Share
	2023-2042								100%	0%
1	NPV of Debt Payments for H. J. McFarland Memorial Home Facility Redevelopment (76 Additional beds)	2025	24,445,330	-	24,445,330	17,140,800	5,823,750	1,480,779	1,480,779	-
			-	-	-	-		-	-	-
	Reserve Fund Adjustment		-	-	-	-		(548,470)	(548,470)	-
			-	-	-	-		-	-	-
	Total		24,445,330	-	24,445,330	17,140,800	5,823,750	932,309	932,309	-



Table 6-1
Municipal Wide Services D.C. Calculation
2023-2042

SERVICE/CLASS	2023\$ D.C.-Eligible Cost		2023\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
1. Services Related to a Highway	\$ 37,530,492	\$ 9,382,623	\$ 10,487	\$ 5.01
2. Fire Protection Services	7,907,390	1,976,847	2,210	1.06
3. Long-term Care Services	932,309	-	261	-
TOTAL	\$ 46,370,191	\$ 11,359,471	\$ 12,957	\$ 6.07
D.C.-Eligible Capital Cost	\$46,370,191	\$11,359,471		
20-Year Gross Population/GFA Growth (sq.ft.)	9,412	1,872,500		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$4,926.71	\$6.07		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling (>2 Bedrooms)	2.630	\$12,957		
Single and Semi-Detached Dwelling (=<2 Bedrooms)	1.900	\$9,361		
Apartments - 2 Bedrooms +	2.300	\$11,331		
Apartments - Bachelor and 1 Bedroom	1.260	\$6,208		
Other Multiples (>2 Bedrooms)	2.370	\$11,676		
Other Multiples (=<2 Bedrooms)	1.520	\$7,489		

Table 6-2
Municipal Wide Services D.C. Calculation
2023-2032

SERVICE/CLASS	2023\$ D.C.-Eligible Cost		2023\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
4. Parks and Recreation Services	\$ 3,001,315	\$ 157,964	\$ 1,512	\$ 0.15
5. Library Services	801,712	42,195	404	0.04
6. Ambulance Services	469,990	117,497	237	0.11
7. Waste Diversion Services	21,843	1,150	11	-
TOTAL	\$4,294,859	\$318,806	\$2,164	\$0.30
D.C.-Eligible Capital Cost	\$4,294,859	\$318,806		
10-Year Gross Population/GFA Growth (sq.ft.)	5,219	1,017,700		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$822.93	\$0.31		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling (>2 Bedrooms)	2.630	\$2,164		
Single and Semi-Detached Dwelling (=<2 Bedrooms)	1.900	\$1,564		
Apartments - 2 Bedrooms +	2.300	\$1,893		
Apartments - Bachelor and 1 Bedroom	1.260	\$1,037		
Other Multiples (>2 Bedrooms)	2.370	\$1,950		
Other Multiples (=<2 Bedrooms)	1.520	\$1,251		



Table 6-3
County of Prince Edward
Proposed Schedule of D.C.s

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (= <2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (= <2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Municipal Wide Services:									
Services Related to a Highway	10,487	7,576	9,171	5,024	9,450	6,061	10,487	1.47	5.01
Fire Protection Services	2,210	1,596	1,932	1,059	1,991	1,277	2,210	0.31	1.06
Long-term Care Services	261	188	228	125	235	151		-	-
Parks and Recreation Services	1,512	1,092	1,322	724	1,363	874		0.04	0.15
Library Services	404	292	353	194	364	233		0.01	0.04
Ambulance Services	237	171	207	113	213	137		0.03	0.11
Waste Diversion Services	11	8	10	5	10	6		-	-
Total Municipal Wide Services	15,121	10,923	13,223	7,244	13,626	8,739	12,696	1.86	6.37



Tables 6-4 and 6-5 compare the calculated charge to the charge currently imposed in the County for residential single detached dwelling units (>2 bedrooms) and per sq.ft. of non-residential G.F.A., respectively. The comparisons include the fully calculated charge as identified herein as well as the charge that would be imposed during the first year of the by-law (i.e. 80% of the calculated charge).

Table 6-4
Residential D.C. Comparison (per single detached dwelling units (>2 bedrooms))

Service/Class of Service	Current	Calculated	% Increase	Year 1 (20% Discount)	% Increase
Municipal Wide Services/Classes:					
Services Related to a Highway	4,298	10,487	144%	8,390	95%
Fire Protection Services	1,150	2,210	92%	1,768	54%
Long-term Care Services	469	261	-44%	208	-56%
Parks and Recreation Services	1,878	1,512	-19%	1,210	-36%
Library Services	286	404	41%	323	13%
Ambulance Services	-	237	n/a	189	n/a
Waste Diversion Services	-	11	n/a	9	n/a
Administration Services	422		-100%		-100%
Total Municipal Wide Services/Classes	8,503	15,121	78%	12,097	42%

Table 6-5
Non-Residential D.C. Comparison (per sq.ft. of G.F.A.)

Service/Class of Service	Current	Calculated	% Increase	Year 1 (20% Discount)	% Increase
Municipal Wide Services/Classes:					
Services Related to a Highway	2.72	5.01	84%	4.01	47%
Fire Protection Services	0.71	1.06	48%	0.85	19%
Long-term Care Services	-	-	n/a	-	n/a
Parks and Recreation Services	0.47	0.15	-68%	0.12	-75%
Library Services	0.07	0.04	-42%	0.03	-54%
Ambulance Services	-	0.11	n/a	0.09	n/a
Waste Diversion Services	-	-	n/a	-	n/a
Administration Services	0.27		-100%		-100%
Total Municipal Wide Services/Classes	4.24	6.37	50%	5.10	20%

The residential charge that would be imposed during the first year of the by-law for single and semi-detached dwellings (<2 bedrooms) would be 42% higher than the



7.5 Other Recommendations

It is recommended that Council:

“Adopt the D.C. approach to calculate the charges on a uniform County-wide basis for all services within this background study.”

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated December 29, 2022 (as amended), subject to further annual review during the capital budget process.”

“Approve the D.C.s Background Study dated December 29, 2022 (as amended).”

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

“Approve the D.C. By-laws as set out in Appendix E”.



8.2 Asset Management Plan

In recognition to the schematic in Section 8.1, the following table (presented in 2023\$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. Furthermore, as only the present infrastructure gap has been considered at this time within the A.M.P., the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from County financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2023 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$16.1 million. Of this total, \$6.0 million relates the annual debt payment costs for benefit to existing development of growth-related needs.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$20.4 million. This amount, totalled with the existing operating revenues of \$78.0 million, provides annual revenues of \$98.4 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table 8-1
Asset Management – Future Expenditures and Associated Revenues (2023\$)

Description	2042 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	6,028,375
Annual Debt Payment on Post Period Capital ²	392,633
Lifecycle:	
Annual Lifecycle - Municipal-wide Services	3,717,895
Sub-Total - Annual Lifecycle	3,717,895
Incremental Operating Costs (for D.C. Services)	5,988,018
Total Expenditures	16,126,921
Revenue (Annualized)	
Total Existing Revenue ⁴	78,009,555
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	20,389,335
Total Revenues	98,398,890

¹ Interim Debt Financing for Post Period Benefit

² As per Sch. 10 of FIR



Table B-17
Service Standard Calculation Sheet
Long-Term Care Services – Facilities
No. of Beds

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Bld'g Value (\$/bed)	Value/sq.ft. with land, site works, etc.
H. J. McFarland Memorial Home	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84	\$405,800	\$426,093
Total	84	84	84	84	84	84	84	84	84	84	84	84	84	84	84		

Population	31,907	32,053	32,095	31,873	31,999	32,126	32,252	32,379	32,505	32,680	32,948	33,151	33,341	33,669	33,985
Per Capita Standard	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0025	0.0025	0.0025	0.0025	0.0025

15 Year Average	2008-2022
Quantity Standard	0.0026
Quality Standard	\$422,469
Service Standard	\$1,098

D.C. Amount (before deductions)	20 Year
Forecast Population	8,730
\$ per Capita	\$1,098
Eligible Amount	\$9,589,207



Appendix C: Long-Term Capital and Operating Cost Examination

As a requirement of the D.C.A. under subsection 10(2)(c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost savings attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e. sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the County's 2021 Financial Information Return.

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as lifecycle cost. By definition, lifecycle costs are all the costs which are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for lifecycle costing is the sinking fund method which provides that money will be contributed annually and invested, so that those funds will grow over time to equal the amount required for future replacement.

Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while municipal program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

Table C-1
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE/CLASS	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Services Related to a Highway	2,946,670	1,049,521	3,996,191
2. Fire Protection Services	435,183	547,075	982,258
3. Long-term Care Services	52,896	1,754,967	1,807,863
4. Parks and Recreation Services	180,620	301,880	482,500
5. Library Services	72,852	252,814	325,666
6. Ambulance Services	29,431	1,887,919	1,917,350
7. Waste Diversion Services	243	193,843	194,086
Total	3,717,895	5,988,018	9,705,913



SCHEDULE “A” TO BY-LAW NO. 2023-XXXX
SCHEDULE OF DEVELOPMENT CHARGES FOR SERVICES RELATED TO A HIGHWAY

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (≤2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (≤2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Services Related to a Highway	10,487	7,576	9,172	5,024	9,451	6,061	10,487	1.47	5.01



SCHEDULE "A" TO BY-LAW NO. 2023-XXXX

SCHEDULE OF DEVELOPMENT CHARGES FOR LONG-TERM CARE SERVICES

Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling (>2 Bedrooms)	Single and Semi-Detached Dwelling (≤2 Bedrooms)	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples (>2 Bedrooms)	Other Multiples (≤2 Bedrooms)	Wind & Solar Energy Facilities	Agricultural Buildings	Industrial, Commercial & Institutional
Long-term Care Services	261	188	228	125	235	151	-	-	-