



The Corporation of  
**THE TOWNSHIP OF LANARK HIGHLANDS**

## **COMMITTEE OF THE WHOLE “SPECIAL” MINUTES**

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**Tuesday, September 29<sup>th</sup>, 2009**

**6:30 p.m.**

**Lanark Highlands Municipal Office - 75 George Street, Lanark, Ontario  
Council Chambers**

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### **ATTENDANCE:**

**Members Present:** Chair, Deputy Mayor, Bruce Horlin  
Mayor, Bob Fletcher  
Councillor Leonard Echlin  
Councillor Tom Lalonde

**Staff Present:** Amanda Mabo, Clerk/Deputy CAO  
Robert Bunker, Treasurer  
Scott Cameron, Public Works Superintendent  
Gord Kemp, Fire Chief  
Margot Hallam, Community Services Assistant (left at 7:40 p.m.)

**Members & Staff Absent:** Councillor Bob Sutcliffe  
Councillor Brian Stewart  
Councillor Peter McLaren  
Tom Derreck, Chief Administrative Officer

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### **1. CALL TO ORDER**

The meeting was called to order at 6:30 p.m.  
A quorum was present.

### **2. DISCLOSURE OF PECUNIARY INTEREST & GENERAL NATURE THEREOF**

None at this time.

### 3. REPORTS

#### i) **Development Charges Study - Council Review.**

##### a) **Presentation.**

Glenn Tunnock, Tunnock Consulting.

G. Tunnock reviewed the PowerPoint presentation – *attached, page 6.*

##### b) **Township Auditor's Comments.**

Howard Allan, Allan Chartered Accountant Professional Corporation.

- the proposed development charge is modest
- agrees that the Township does not require a commercial development charge
- very supportive of development charges
  
- believes the Township requires every revenue source possible
- the municipality has a low tax base and must access revenue from every source possible
- the Township must be able to show that they can raise funds from other sources other than taxes in order to show sustainability and good financial planning when applying for grants and other funding
- development charges assist to show sustainability and good financial planning
  
- development charges do not hamper development
- development will take place where people want to build
- believes those who add a burden to existing services should pay for those services
- current residents have already contributed and paid for capital costs of services, if a new home is built, development charges are contributions to existing services and any increase to existing services
  
- the County and school boards can also levy development charges at any time

M. Hallam, Community Services Assistant left at 7:40 p.m.

c) **Motions.**

**RESOLUTION #COW-2009-263**

**MOVED BY:** Tom Lalonde

**SECONDED BY:** Leonard Echlin

“**WHEREAS**, a development charge cannot exceed the average level of service for the previous 10 years for each service for which a development charge is imposed pursuant to Section 5 (4) of the Development Charges Act;

**AND WHEREAS**, the 10 year level of service has been calculated as part of the Development Charges Background Study, dated September 22, 2009;

**NOW THEREFORE BE IT RESOLVED THAT**, the Council of the Corporation of the Township of Lanark Highlands resolves that the 10 year average level of service shall be as set out in Table 5 of the Development Charges Background Study dated September 22, 2009.”

**ADOPTED**

**RESOLUTION #COW-2009-264**

**MOVED BY:** Tom Lalonde

**SECONDED BY:** Leonard Echlin

“**WHEREAS**, a development charges background study shall be prepared pursuant to Section 10 (1) of the Development Charges Act, prior to the adoption of a development charges bylaw;

**AND WHEREAS**, a development charges background study dated September 22, 2009 has been prepared in accordance with the said Act;

**NOW THEREFORE BE IT RESOLVED THAT**, the Council of the Corporation of the Township of Lanark Highlands receive the Development Charges Background Study as information;

**AND THAT**, the Development Charges Background Study be presented at the Public Meeting being held pursuant to the requirements of the Development Charges Act to consider the recommendations of the development charges background report and draft by-law.”

**ADOPTED**

The Committee suggested that a Roads Needs Study and a Recreation Needs Study should be completed in 2010 in order to prioritize items to be completed and ensure that the list of proposed projects contained in the Development Charges Study is amended to reflect the priorities. This item will be discussed at a future meeting.

**4. ADJOURNMENT**

The Committee adjourned at 8:00 p.m. on motion by Councillors T. Lalonde and L. Echlin.

A handwritten signature in cursive script that reads "Amanda Mabo".

**Amanda Mabo,  
Clerk/Deputy-CAO**

# REPORTS

# Township of Lanark Highlands

Development Charges Act,  
Study and By-law  
September 2009

## The Concept

- Growth/Development = Demand for Services
- Question: Who should pay for services?
- Options:
  1. Taxpayer at large through property taxes?
  2. Imposing a Development Charge on People who create demand for additional services?

## Concept

- Council may impose development charges to pay for increased capital costs required because of increased needs for services arising from development in the municipality

## Another Perspective

- Existing taxpayers have invested in the level and quality of Municipal Services. Each existing property owner has a share
- Newcomers add to that investment by buying their share through development charges

# Eligible + Ineligible Services

## Eligible Services

- Transportation Services: roads, bridges, sidewalks, traffic signals, public works facilities, vehicles and equipment
- Fire Services: vehicles, equipment and stations
- Police Services: vehicles, equipment and stations

## Ineligible Services

- Waste management Services: land fill sites, vehicles and equipment
- Museums, theatres, art galleries, tourism facilities and convention centres
- Municipal administration buildings
- Hospitals

# Eligible + Ineligible Services

## Eligible Services

- Recreation Services:  
facilities, equipment and  
furniture, vehicles
- Storm drainage and control  
services
- Electrical power facilities
- Water supply and waste  
water services

## Ineligible Services

- Services not currently  
provided by the  
municipality

# Eligible Capital Costs

## Eligible Capital Costs

- Land acquisition
- Cost to improve land and lease, construct or improve buildings and structures
- Costs to acquire, lease, construct or improve facilities (i.e. Vehicles with life span over 7 yrs, furniture and equipment)
- Library materials
- Studies including DC study
- Interest on money borrowed

## Ineligible Costs

- Computers
- Replacement of existing capital assets
- Any operational costs
- Costs for services covered by a subdivision agreement
- Costs for acquiring parkland

## General Rules

- Only 90% of capital costs for cultural and recreational services is eligible
- Value of any grants, subsidies and contributions in kind must be deducted (No double dipping)
- Costs for value for existing capacity must be deducted (i.e. Sewers)
- Costs for value to existing development

## Projected Growth

- Projected Growth – 2009-2014:
  - 5,465 (2009) to 5,847 (2014) = increase of approximately 1.4%/annum
  - Housing Starts: 159 units or 31-32 units per year
  - Non-Residential: 1,000m<sup>2</sup>/year
  - Growth to be spread across entire Township

## 10 year Level of Service

- Costs of services (unit costs) cannot exceed 10 year average level for previous service (i.e. Can't replace a Volkswagen level of service with a Cadillac version)
- Council should adopt a resolution to confirm the level of service

## 10 year Level of Service

- 10 year level of service:
  - Roads: 1. \$6,000/km, 2. \$26,250/km, 3. \$31,000/km  
4. \$28,560/km, 5. \$82,500/km, 6. \$56,250/km
  - Public Works Facilities: \$398.22/capita
  - Public Works Vehicles and Equipment: \$937.13/capita
  - Fire Vehicles and Equipment: \$689.81/capita
  - Fire Stations: \$250.80/capita
  - Library Services: \$108.86/capita
  - Recreation Facilities: \$851.21/capita

## Proposed Capital Projects 2009-2014

• Transportation Services – Roads	
• 1. Highland Line	1. \$1,452,696
• 2. 9 <sup>th</sup> Concession 'B' Dalhousie	2. \$89,300
• 3. Galbraith Road	3. 1,505,670
• 4. Sheridan Rapids Rd E	4. \$147,000
• 5. Sheridan Rapids Rd W	5. \$126,000
• 6. 7 <sup>th</sup> Concession Lanark	6. \$112,850
• 7. 8 <sup>th</sup> Concession Dalhousie	7. \$149,000
• 8. 9 <sup>th</sup> Concession 'B' Dalhousie	8. <u>\$400,000</u>
	<b>\$3,982,516</b>

## Proposed Capital Projects 2009-2014

- Transportation Services – Facilities
- 1. Salt Shed - Lanark Village 1. \$66,000
- 2. Garage – Lanark Village 2. \$440,000
- 3. Garage Addition – Middleville 3. \$211,200
- 4. Salt Shed – McDonald’s Corners 4. \$61,600
- 5. Salt Shed – White Lake 5. \$88,000
- 6. Salt Shed – Tatlock 6. \$79,200
- 7. Internet Towers 7. \$5,000
- \$951,000**

## Proposed Capital Projects 2009-2014

- Transportation Services – Equipment
  - 1. T-Axle c/w Plow/Sander                      1. \$210,000
  - 2. 4WD  $\frac{3}{4}$  Ton Truck                              2. \$38,000
  - 3. 4WD  $\frac{1}{2}$  ton truck                                3. \$32,000
  - 4. Brushing Arm                                      4. \$60,000
  - 5. Grader    5. \$320,000
- \$660,000**

# Proposed Capital Projects 2009-2014

- Fire Services – Fire Equipment
- 1. 10 SCBA Bottles 1. \$4,000
- 2. 40 lengths hi-volume fire hose 2. \$20,000
- 3. Portable Pump 3. \$10,000
- 4. Internet Towers 4. \$5,000
- 5. Dry hydrant – Joe’s Lake 5. \$5,000
- 6. 10 Portable Radios 6. \$5,000
- 7. Dry Hydrant – Location TBD 7. \$5,000
- 8. 20 SCBA Bottles 8. \$8,000
- 9. Dry Hydrant – Location TBD 9. \$5,000
- **\$67,000**

# Proposed Capital Projects 2009-2014

- Fire Services – Fire Vehicles
    - 1. Tanker – Joe’s Lake 1. \$200,000
    - 2. Pumper – Watson’s Corners 2. \$250,000
- \$450,000**

# Proposed Capital Projects 2009-2014

- Library Services
    - 1. Circulation Materials      1. \$17,000 (2010)
    - 2. Circulation Materials      2. \$18,000 (2011)
    - 3. Circulation Materials      3. \$18,000 (2012)
    - 4. Circulation Materials      4. \$19,000 (2013)
    - 5. Circulation Materials      5. \$19,000 (2014)
- \$91,000**

# Proposed Capital Projects 2009-2014

• Recreation Facilities	
• 1. LDCC Handicapped Facilities	1. \$20,000
• 2. LDCC Addition to Women's Change Room	2. \$10,000
• 3. LDCC Addition to washrooms for handicapped	3. \$10,000
• 4. Youth Centre – Entrance Doors	4. \$5,000
• 5. Youth Centre – Barrier Free Ramp	5. \$5,000
• 6. Youth Centre – Accessible Washrooms	6. \$4,000
• 7. South Lavant Community Center – Entrance Doors	7. \$2,500
• 8. South Lavant Community Center – Barrier Free Ramp	8. \$4,000
• 9. Hopetown Community Center – Barrier Free Ramp	9. \$4,000
• 10. Middleville Community Center – Entrance Doors	10. \$2,500
• 11. Middleville Community Center – Handrail	11. \$1,500
• 12. Robertson Lake Park – Accessible Change Rooms	12. \$10,000
• 13. Robertson Lake Park – Accessible Washrooms	13. \$10,000
• 14. Vincent Hall Park – Accessible Canteen	14. \$4,000
• 15. Vincent Hall Park – Accessible Washrooms	15. \$10,000
• 16. Vincent Hall Park – Playground Equipment	16. \$20,000
• 17. Clyde Waterfront Park – Accessible Playground Structure	17. \$10,000
	<b>\$132,500</b>

# Proposed Capital Projects 2009-2014

- Capital Studies
    - 1. Development Charges Study      1. \$7,500
    - 2. Official Plan Review              2. \$25,000
    - 3. Roads Management Study        3. \$50,000
- \$82,500**

# Development Charges Calculations

- Proposed Charges divided between residential and non-residential uses based on split in assessment roll i.e. 93.22% residential and 6.78% non-residential
- Residential Charge divided among 159 projected housing starts
- Non-residential Charge divided among 1000 m<sup>2</sup>

<b>Item: Transportation Services:</b>	
1. Roads	\$3,982,516
2. Facilities	\$ 951,000
3. Equipment	<u>\$ 660,000</u>
Total	\$5,593,516
<b>Development Charge Gross Cost</b>	<b>\$5,593,516</b>
<b>Less Replacement Cost Component</b>	<b>\$1,140,458</b>
<b>Less Uncommitted Excess Capacity</b>	<b>\$0</b>
<b>Less Grants, Subsidies and Other Contributions</b>	
<b>Less Benefit to Existing Development</b>	<b>91.3 x \$4,453,058 = \$4,065,642</b>
<b>Less 10 % where Applicable</b>	<b>\$0</b>
<b>NET DEVELOPMENT CHARGE</b>	<b>\$387,416</b>
<b>Residential Development Charge - (93.22% x \$387,416) = \$361,149.23 ÷ 159 dwelling units = \$2,271.38/dwelling unit</b>	<b>\$2,271.38/dwelling unit</b>
<b>Non-Residential Development Charge – (6.78% x \$387,416.31) = \$26,266.77 ÷ 1,000 m<sup>2</sup> = \$26.27/m<sup>2</sup></b>	<b>\$26.27/m<sup>2</sup></b>

<b>Item: Fire Services:</b>	
1. Fire Equipment	\$ 67,000
2. Fire Vehicles	<u>\$450,000</u>
<b>Total</b>	<b>\$517,000</b>
<b>Development Charge Gross Cost</b>	<b>\$517,000</b>
<b>Less Replacement Cost Component</b>	<b>\$410,000</b>
<b>Less Uncommitted Excess Capacity</b>	<b>\$0</b>
<b>Less Benefit to Existing Development</b>	<b>75% x \$107,000 = \$80,250</b>
<b>Less Grants, Subsidies and Other Contributions</b>	<b>\$0</b>
<b>Less 10 % where Applicable</b>	<b>\$0</b>
<b>Net Capital Cost</b>	<b>\$26,750</b>
<b>NET DEVELOPMENT CHARGE</b>	<b>\$0</b>
<b>Residential Development Charge - (93.22% x \$26,750) = \$24,936.35 ÷ 159 dwelling units = \$156.83/dwelling</b>	<b>\$156.83/dwelling unit</b>
<b>Non-Residential Development Charge - (6.78% x \$26,750) = \$1,813.65 ÷ 1,000 m<sup>2</sup> = \$1.813/m<sup>2</sup></b>	<b>\$1.813/m<sup>2</sup></b>

<b>Item: Recreation and Cultural Services</b>	
<b>1. Library Services</b>	<b>\$ 91,000</b>
<b>2. Recreation Facilities</b>	<b><u>\$132,500</u></b>
<b>Total</b>	<b>\$223,500</b>
<b>Development Charge Gross Cost</b>	<b>\$223,500</b>
<b>Less Uncommitted Excess Capacity</b>	<b>\$0</b>
<b>Less Benefit to Existing Development</b>	<b>75% x \$223,500 = \$55,875</b>
<b>Less Grants, Subsidies and Other Contributions</b>	<b>\$0</b>
<b>Less 10 % where Applicable</b>	<b>\$5,587</b>
<b>Net Capital Cost</b>	<b>\$50,288</b>
<b>NET DEVELOPMENT CHARGE</b>	<b>\$50,288</b>
<b>Residential Development Charge - (100% x \$50,288) = \$50,288 ÷ 159 dwelling units = \$316.28/dwelling unit.</b>	<b>\$316.28/dwelling unit</b>
<b>Non-Residential Development Charge</b>	<b>\$nil</b>

<b>Capital Studies:</b>	
1. Development Charges	\$7,500
2. Official Plan Review	\$25,000
3. Roads Management Study	<u>\$50,000</u>
Total	\$82,500
<b>Development Charge Gross Cost</b>	<b>\$82,500</b>
<b>Less Uncommitted Excess Capacity</b>	<b>\$0</b>
<b>Less Benefit to Existing Development</b>	<b>75% x \$82,500 = \$61,875</b>
<b>Less Benefit to Existing Development</b>	<b>\$0</b>
<b>Less Grants, Subsidies and Other Contributions</b>	<b>\$0</b>
<b>Less 10 % where Applicable</b>	<b>\$0</b>
<b>NET DEVELOPMENT CHARGE</b>	<b>\$20,625</b>
<b>Residential Development Charge - <math>(93.22\% \times \\$20,625) = \\$19,226.62 \div 159</math> dwelling units = \$120.92/dwelling unit</b>	<b>\$120.92/dwelling unit</b>
<b>Non-Residential Development Charge - <math>(6.78\% \times \\$20,625) = \\$1,398.38 \div 1,000 \text{ m}^2 = \\$1.398/\text{m}^2</math></b>	<b>\$1.398/m<sup>2</sup></b>

<b>Table 11 – Summary of Development Charges for Residential and Non-Residential Uses</b>			
<b>Municipal Service</b>		<b>Residential Charge per dwelling unit</b>	<b>Non-Residential Charge per ft.<sup>2</sup></b>
1	Transportation	\$2,271.38/dwelling unit	\$26.27/m <sup>2</sup>
2	Fire Services	\$156.83/dwelling unit	\$1.813/m <sup>2</sup>
3	Recreation and Culture	\$316.28/dwelling unit	nil
4	Capital Studies	\$120.92/dwelling unit	\$1.398/m <sup>2</sup>
<b>Total Charge</b>		<b>\$2,865.41/dwelling unit</b>	<b>29.48/m<sup>2</sup> or \$2.73/ft.<sup>2</sup></b>

## DCs in Area Municipalities

- Tay Valley - \$2,500 – to be reviewed later this year
- Drummond/North Elmsley - \$2,000 (new charge for 2009)
- Beckwith - \$3,500 Sept 1 2009 to be increased each Sept for the next 5 years by an additional \$250
- Rideau Lakes – justified charge is \$4,323. However, appears that charge to be adopted this week will be \$2,030 which is the average of 6 adjacent municipalities including Tay Valley, South Frontenac, Leeds and 1000 Islands, Drummond/North Elmsley, Elizabethtown-North Kitley and Merrickville-Wolford
- Perth - \$5,935.92 – single detached dwelling (2009)

# Options

- Adopt Charges per Study Report
- Phase in charges over a period of time
- Do not levy a Development charge

## Where to from Here?

- Public meeting to obtain input
- Revisions, if any, to proposed charges
- Adoption of By-law
- Advertise notice of adoption (40 days from date of adoption of By-law for appeal)
- No appeal = approval
- Appeal = 1. Amendment to satisfy appeal; or  
2. Hearing before OMB