



# Development Charges Background Study

Oxford County

---

For Public Circulation and Comment

April 23, 2019

Watson & Associates Economists Ltd.  
905-272-3600  
[info@watsonecon.ca](mailto:info@watsonecon.ca)



# Table of Contents

	Page
<b>1. Introduction.....</b>	<b>1-1</b>
1.1 Purpose of this Document.....	1-1
1.2 Summary of the Process.....	1-2
<b>2. County of Oxford Current D.C. Policy .....</b>	<b>2-1</b>
2.1 By-law Enactment.....	2-1
2.2 Services Covered .....	2-1
2.3 Timing of D.C. Calculation and Payment .....	2-3
2.4 Indexing .....	2-3
2.5 Redevelopment Allowance .....	2-3
2.6 Exemptions .....	2-3
<b>3. Anticipated Development in the County of Oxford.....</b>	<b>3-1</b>
3.1 Requirement of the Act .....	3-1
3.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast .....	3-1
3.3 Summary of Growth Forecast .....	3-1
<b>4. The Approach to the Calculation of the Charge .....</b>	<b>4-1</b>
4.1 Introduction .....	4-1
4.2 Services Potentially Involved .....	4-1
4.3 Increase in the Need for Service.....	4-1
4.4 Local Service Policy.....	4-7
4.5 Capital Forecast.....	4-7
4.6 Treatment of Credits .....	4-8
4.7 Existing Reserve Funds .....	4-8
4.8 Deductions.....	4-9
4.8.1 Reduction Required by Level of Service Ceiling .....	4-10
4.8.2 Reduction for Uncommitted Excess Capacity .....	4-11
4.8.3 Reduction for Benefit to Existing Development.....	4-11



# Table of Contents (Cont'd)

	Page
4.8.4	Reduction for Anticipated Grants, Subsidies and Other Contributions..... 4-12
4.8.5	The 10% Reduction ..... 4-13
4.9	Municipal-wide vs. Area Rating..... 4-13
4.10	Allocation of Development ..... 4-13
<b>5.</b>	<b>D.C.-Eligible Cost Analysis by Service ..... 5-1</b>
5.1	Service Levels and 10-Year Capital Costs for D.C. Calculation..... 5-1
5.1.1	Administration ..... 5-1
5.1.2	Land Ambulance ..... 5-2
5.1.3	Roads and Related ..... 5-5
5.1.4	Library ..... 5-7
5.1.5	Waste Diversion ..... 5-9
5.2	Service Levels and Urban 10-Year Capital Costs for The County's D.C. Calculation..... 5-11
5.2.1	Woodstock ..... 5-11
5.2.2	Tillsonburg ..... 5-12
5.2.3	Ingersoll ..... 5-13
5.2.4	Plattsville..... 5-14
5.2.5	Drumbo ..... 5-15
5.2.6	Tavistock..... 5-16
5.2.7	Norwich..... 5-17
5.2.8	Thamesford..... 5-18
5.2.9	Mount Elgin ..... 5-19
<b>6.</b>	<b>D.C. Calculation ..... 6-1</b>
<b>7.</b>	<b>D.C. Policy Recommendations and D.C. By-law Rules ..... 7-1</b>
7.1	Introduction ..... 7-1
7.2	D.C. By-law Structure ..... 7-2
7.3	D.C. By-law Rules..... 7-2
7.3.1	Payment in any Particular Case..... 7-2
7.3.2	Determination of the Amount of the Charge..... 7-3
7.3.3	Application to Redevelopment of Land (Demolition and Conversion)..... 7-3
7.3.4	Exemptions (full or partial) ..... 7-4
7.3.5	Phasing in ..... 7-5
7.3.6	Timing of Collection ..... 7-5
7.3.7	Indexing ..... 7-5
7.3.8	D.C. Spatial Applicability ..... 7-5
7.4	Other D.C. By-law Provisions ..... 7-6



# Table of Contents (Cont'd)

	Page
7.4.1 Categories of Services for Reserve Fund and Credit Purposes.....	7-6
7.4.2 By-law In-force Date .....	7-7
7.4.3 Minimum Interest Rate Paid on Refunds and Charged for Inter-Reserve Fund Borrowing.....	7-7
7.5 Other Recommendations .....	7-7
<b>8. Asset Management Plan .....</b>	<b>8-1</b>
8.1 Introduction .....	8-1
<b>9. By-law Implementation .....</b>	<b>9-1</b>
9.1 Public Consultation Process .....	9-1
9.1.1 Introduction .....	9-1
9.1.2 Public Meeting of Council.....	9-1
9.1.3 Other Consultation Activity.....	9-1
9.2 Anticipated Impact of the Charge on Development.....	9-2
9.3 Implementation Requirements .....	9-3
9.3.1 Introduction .....	9-3
9.3.2 Notice of Passage.....	9-3
9.3.3 By-law Pamphlet .....	9-3
9.3.4 Appeals.....	9-4
9.3.5 Complaints .....	9-4
9.3.6 Credits .....	9-5
9.3.7 Front-Ending Agreements.....	9-5
9.3.8 Severance and Subdivision Agreement Conditions .....	9-5
<b>Appendix A Background Information on Residential and Non-Residential Growth Forecast.....</b>	<b>A-1</b>
<b>Appendix B Level of Service .....</b>	<b>B-1</b>
<b>Appendix C Cash Flow Calculation .....</b>	<b>C-1</b>
<b>Appendix D Long-Term Capital and Operating Cost Examination .....</b>	<b>D-1</b>
<b>Appendix E Local Service Policy.....</b>	<b>E-1</b>
<b>Appendix F Proposed County-Wide D.C. By-law.....</b>	<b>F-1</b>
<b>Appendix G Proposed Area-Specific D.C. By-law for the City of Woodstock.....</b>	<b>G-1</b>
<b>Appendix H Proposed Area-Specific D.C. By-law for the Town of Tillsonburg.....</b>	<b>H-1</b>
<b>Appendix I Proposed Area-Specific D.C. By-law for the Town of Ingersoll .....</b>	<b>I-1</b>



# Table of Contents (Cont'd)

	Page
<b>Appendix J Proposed Area-Specific D.C. By-law the Township of Blandford Blenheim (Plattsville) .....</b>	<b>J-1</b>
<b>Appendix K Proposed Area-Specific D.C. By-law for Township of Blandford Blenheim (Drumbo) .....</b>	<b>K-1</b>
<b>Appendix L Proposed Area-Specific D.C. By-law for Township of East Zorra-Tavistock (Tavistock).....</b>	<b>L-1</b>
<b>Appendix M Proposed Area-Specific D.C. By-law for the Township of Norwich (Norwich).....</b>	<b>M-1</b>
<b>Appendix N Proposed Area-Specific D.C. By-law for the Township of Zorra (Thamesford).....</b>	<b>N-1</b>
<b>Appendix O Proposed Area-Specific D.C. By-law for the Township of South-West Oxford.....</b>	<b>O-1</b>



## List of Acronyms and Abbreviations

<b>Acronym</b>	<b>Full Description of Acronym</b>
D.C.	Development charge
D.C.A.	Development Charges Act, 1997, as amended
G.F.A.	Gross floor area
L.P.A.T.	Local Planning Appeal Tribunal
N.F.P.O.W.	No Fixed Place of Work
O.M.B.	Ontario Municipal Board
O.P.A.	Official Plan Amendment
O.Reg.	Ontario Regulation
P.O.A.	Provincial Offences Act
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
s.s.	Subsection
S.W.M.	Stormwater management
sq.ft.	square foot
sq.m	square metre