

**Subject: 2022 Amendment Village of Manotick Area-Specific Development
Charges Background Study**

File Number: ACS2022-IWS-AM-0004

**Report to Agriculture and Rural Affairs Committee on 29 September 2022
and Planning Committee on 27 October 2022 and Council 9 November 2022**

**Submitted on August 31, 2022 by Gen Nielsen, Acting Manager, Asset
Management**

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Ward: Rideau-Goulbourn (21)

**Objet : Modification apportée en 2022 à l'Étude préliminaire sur les
redevances d'aménagement propres au secteur du village de Manotick**

Dossier : ACS2022-IWS-AM-0004

Rapport au Comité de l'agriculture et des affaires rurales

le 29 septembre 2022

et au Comité de l'urbanisme 27 octobre 2022

et conseil le 9 novembre 2022

**Soumis le 31 août 2022 par Gen Nielsen, Gestionnaire par intérim, Direction de la
gestion des actifs**

**Personne ressource : John Bougadis, Gestionnaire principal de project, Direction
de la planification des infrastructures**

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Quartier : Rideau-Goulbourn (21)

REPORT RECOMMENDATIONS

**That Agriculture and Rural Affairs Committee recommend that Planning
Committee recommend that Council endorse an amendment to the Area-Specific**

Development Charges Background Study for the village of Manotick, listed as Document 1, and authorize the update of the Area-Specific Development Charges By-law for Manotick.

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'agriculture et des affaires rurales recommande au Comité de l'urbanisme de recommander au Conseil d'approuver une modification à l'étude de fond sur les redevances d'aménagement spécifiques à un secteur pour le village de Manotick, répertoriée comme document 1, et d'autoriser la mise à jour du règlement sur les redevances d'aménagement spécifiques à un secteur pour Manotick.

BACKGROUND

The Development Charges (DC) Background Study and By-law 2019-156 were approved by Council on May 22, 2019. In addition to providing for city-wide DCs, the By-law also included area-specific development charges (ASDC) for water and wastewater (sanitary) services within certain benefitting areas located within the Village of Manotick.

In 2022, the construction cost estimate for the Manotick Watermain Link Phase 2 (MWLPH2) project was revised to reflect final design estimates. This project, identified in the Council-approved 2014 Infrastructure Master Plan, is needed to support growth in the village and improve the reliability of supply to the entire village. The project is a high priority for implementation because it is needed to meet the servicing needs for development projects currently in the process of seeking City approvals.

Most of the vacant residential land in the village is controlled by Minto, which will be funding the growth-related costs of the project through a front-ending agreement. As a result of the significant increase in construction costs, the total amount of upfront development charge funding of the project to be provided by Minto has also increased.

Water and wastewater services are available to limited areas within the village. Currently, however, only new developments within defined service areas are subject to the ASDC. As such, developments outside of these benefitting areas seeking a connection to the City's water distribution and wastewater collection system do not currently pay the ASDC. This application of the fees does not permit the recovery by the

City of the entire amount of growth-related costs, which results in Minto not being properly compensated for their upfront funding of the infrastructure works.

Given the significant project cost increase and the need to adjust the geographic area subject to the ASDC warranted that a revised DC Background Study and By-law be brought forward for approval at this time.

DISCUSSION

Background Study

The ASDC Background Study for the village of Manotick was amended to reflect changes in growth forecasts, development-related project costs and benefitting area. The updated ASDC Background Study for the village is attached as Document 1.

Table 1 in Document 1 summarises residential and non-residential growth forecasts within the village to the year 2046. The forecast identifies the total anticipated projected increases in population and employment, which are converted to the number of new dwelling units and projected gross floor area by use.

Table's 2 and 3 in Document 1 identifies recoverable capital costs required to service new development and charges by unit type. The adjusted charge for water includes the 2022 Class B cost estimate of \$24 Million for the MWLPH2 project. The study limits for the watermain project are shown in Document 2.

A map of the benefitting service area for water and sewer is attached as Document 3. The collection area will encompass the serviced village and only new developments connecting to central services are subject to the charge.

Communication

Notification and public consultation on the Background Study were undertaken in pursuant to Section 10 of the DC Act, 1997. The study was made available to the public at least two weeks prior to the public meeting of Council and at least 60 days prior to the passing of the DC by-law. The study was posted on the City's webpage on July 25, 2022.

Manotick Watermain Link Phase 2 Project Funding

Minto has agreed to pre-pay the growth-related component of the proposed MWLPH2 project. The proposed repayment using DC credits is recommended as ideal in terms of

cost recovery. The revenues produced will be directed to offset the actual servicing for this area. In addition, the installation of this infrastructure will provide the opportunity for other property owners to utilize these services.

Minto will be seeking to enter a crediting arrangement to offset the upfront growth-related capital expenditure of \$12.48 million (52 per cent of the total project cost). The remaining cost of the project costs will be funded through the water rate.

RURAL IMPLICATIONS

Amending the ASDC for Manotick will ensure funding is in place to install a new watermain that will provide a secondary water supply as well as additional water capacity for planned growth within the village.

COMMENTS BY THE WARD COUNCILLOR(S)

The Ward Councillor is aware of this report.

LEGAL IMPLICATIONS

There is no legal impediment to adopting the recommendations in this report. The Development Charges Act provides that by-laws adopted under the Act can be appealed to the Ontario Land Tribunal.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this report.

FINANCIAL IMPLICATIONS

The update to the Area-Specific Development Charges By-law for Manotick reflects changes in growth forecasts, development-related project costs and benefitting area. The associated DC rates will be updated to support these changes in accordance with Document 1.

ACCESSIBILITY IMPACTS

The report outlines the reviews, recommendations, public consultation and studies undertaken on the planned installation of a new watermain that will provide a secondary water supply to the village of Manotick.

As per our commitment to the City's Accessibility Policy, the changes outlined in this report will ensure accessibility by providing greater reliability, reduced barriers and improved access to water and wastewater (sanitary) supply and service for all residents including people with disabilities and older adults.

The additional City service water capacity will assist and benefit the planned growth in new housing development areas and employment opportunities within the village. In addition, the installation of this infrastructure may provide an opportunity for other property owners in the area to utilize these City services.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

TERM OF COUNCIL PRIORITIES

The recommendations in this report support the following 2019-2022 Term of Council Priorities:

- Thriving Communities;
- Environmental Stewardship;
- Sustainable Infrastructure

SUPPORTING DOCUMENTATION

Document 1 2022 Village of Manotick Area-Specific Development Charge Background Study

Document 2 Manotick Watermain Link Phase 2 Project

Document 3 Benefitting Service Area

CONCLUSION

Following passage of the updated By-law, the ASDC will be applied to the entire benefitting area for all new development connecting to water distribution and/or wastewater collection system services. This is the same longstanding policy of applying city-wide water and wastewater development charges to the serviced Rural area of the City.

DISPOSITION

Following Committee and Council approval, Legal Services will forward the draft development charges by-law to the Clerk's Department for enactment by Council.

**Document 1 – 2022 Village of Manotick Area-Specific Development Charge
Background Study**

Document 2 – Manotick Watermain Link Phase 2 Project

