

Report to Council

Report Title:	Brockton Development Charges December 2024 Update		
Prepared By:	Sonya Watson, Chief Administrative Officer, Trish Serratore, Chief Financial Officer, Dalton Stone, Municipal Services Coordinator, and Dieter Weltz, Building and Planning Manager/CBO		
Department:	Planning		
Date:	December 10, 2024		
Report Number:	PLN2024-13	File Number:	C11PLN, D26
Attachments:	Draft By-Law, Background Report		

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number PLN2024-13 - Brockton Development Charges December 2024 Update, prepared by Sonya Watson, Chief Administrative Officer, Trish Serratore, Chief Financial Officer, Dalton Stone, Municipal Services Coordinator, and Dieter Weltz, Building and Planning Manager/CBO and in doing so accepts the Background Study as revised and authorizes the Development Charges By-law coming forward for first and second reading.

Report:

Background:

On December 12, 2023, Council awarded the contract to conduct a Development Charges Background Study to B.M. Ross in the amount of \$33,089, plus HST. The contract is to complete a comprehensive study of the municipality's anticipated growth, and the services needed to meet the demands of the growth, as well as a detailed account of the capital costs for the infrastructure requirements and how we can fund this growth through Development Charges (DCs).

Staff worked with BM Ross and conducted a detailed review of Municipal plans already approved by Council while also considering the growth areas, pending and approved development projects and the related future infrastructure that will be required to establish a list of infrastructure projects that area necessary and meet the criteria for inclusion in a Development Charges Study. These projects were presented to stakeholders, the public and Council for consideration.

On August 13, 2024, Council received report PLN2024-05 – Development Charges Background Study. This report presented Council with the background information for the capital projects that are currently included in the Development Charge Study to assist Council in making decisions related to the charges proposed. The August 13, 2024, Report has been attached for Council's reference. At the same Council meeting B.M. Ross

and Associates Limited presented Council with a summary of the background report for the development charges study. During this presentation, the specific projects that may be required for community growth were presented to Council. Council was also advised that the projects included in the Development Charges Study would need to be finalized prior to the passing of the by-law as a cost associated with each project is used to establish the Development Charge. Council accepted the presentation and previously mentioned report for information purposes.

A further meeting was held on September 10th, 2024, with stakeholders to present the background study, consider input related to projects, exemptions, experience related to development charges and concerns from the development community. Receipt of a final written letter related to the Development Charges Study has been provided for Council's review. Many of the items included were raised at the stakeholder meetings and were included in past reports to Council and through the exemptions provided for in the draft by-law.

Staff brought forward an additional report on to a public meeting Council Meeting on September 24, 2024, which included a draft Development Charges By-Law. This report included the feedback from the meeting with stakeholders and staff sought Council's direction in regard to the list of exemptions that Council deemed necessary. Council provided additional feedback on the exemptions to include in the draft by-law. At this public meeting, B.M. Ross and Associates provided general information regarding Development Charges and discussed the draft by-law and background study.

At the November 12, 2024, meeting, Council once again considered the proposed Development Charges Background Study and Development Charges By-Law. Council provided direction to staff to reduce the overall rates of Development Charges, and feedback related to projects to remove, in turn, staff removed several projects included in the Background Study.

Analysis:

Staff have brought forward a revised Development Charges Background Study and Development Charges By-Law.

As directed by Council's feedback, the following projects have been removed from the Development Charges Background Study:

- New Ball Diamond
- Parkland Development
- Trails
- Development Charges Study
- OP and Zoning Bylaw Updates
- Water and Wastewater Master Plan Update
- Recreation Master Plan
- Roads Needs Study
- Bridge Needs Study
- Traffic Study
- Sidewalk Study

The following projects have been removed at the discretion of Municipal Staff:

- Firefighter Gear: To be included in yearly budget requests
- Washrooms: Improvements to be made to existing facility at riverbend park
- Snow plow: At the time of approving this purchase it was not indicated that the snow plow would be paid for through development charges. Being that the plow associated with growth is ordered and will be operational in 2025 this fleet addition was removed.
- Walkerton Only – Ridout St. Stormwater: This project would qualify for OCIF funding. Additionally, there is a possibility that the future residential developer on Ridout Street could contribute to a portion of the costs related to upgrades on Ridout Street and the stormwater replacement.

Remaining projects included in the Development Charges Background Study:

- Combining and/or Expanding Public Works Shop
- Aerial Fire Truck
- New Arena
- Trackless Sidewalk Plow
- Street Lighting
- Sidewalks
- Elevated Tower, Trunk Watermain and Pumping Station for Areas 2A and 2B only

Combining and/or Expanding Public Works Shop

The Municipality has previously identified the need for additional public workshop space. The estimated cost of a new shop is \$3,500,000. A third of the space is required to accommodate new vehicles and equipment associated with growth. It is expected that the new shop will serve the next 20 years of growth.

The Municipality of Brockton recently underwent an extensive Facility Conditions Assessment. The report indicated that the total requirements for the Walkerton Works Shop totals \$527,525.00, with the suggested works to be completed between 2024 to 2028. The shop would require this value of work and still not meet the increasing demand for space for fleet, improved workspace and health & safety related items. Some considerations for the shop in Walkerton repairs include:

- Estimated construction in 1950's
- The shop has been outgrown and will result in expensive equipment being stored outside. During winter months, this will render equipment unreliable for service in the cold.
- Standard equipment sizes are increasing
- Even if the maintenance work, estimated at \$527,525.00 was completed, the shop would still not serve operations long term requirements.
- The existing shop will NOT accommodate the required plow units in heated, indoor storage.
- High heating costs on existing structure due to poor or failing insulation

The Brant workshop office addition occurred around 1994. The sand/salt dome located on the property was erected in 1992 but has structural damage and is likely to need replacement within the next 5 years. The overall financial requirements by 2028 are \$564,248.00 as outlined in the building condition assessments to maintain the shop facility in usable condition. This cost does not include the sand dome. Facing the same issues as the Walkerton Shop, the Brant shop is too small for the size of the new equipment being produced.

Considerations for the Brant Shop repairs:

- Estimated construction of main area in 1950's
- Standard equipment sizes will require larger space. The shop itself will not be physically large enough to accommodate equipment in each bay.

While the monies collected from development charges won't be used toward the maintenance and upkeep of the existing structures, it would make sense to consider replacement options before spending over one million dollars in required maintenance on two separate structures.

Beyond the aging condition and lack of space of the current shops, there are options to consider for the shops, which include replacement of the structures, combining two locations into a single, central location, and perhaps others. Some of the benefits include:

- building one new shop will lower the construction cost per square footage than building two new, separate buildings;
- allows for the sharing of equipment and resources (examples: each shop has its own backhoe and merging the two shops would allow for a single unit, shared welding/maintenance equipment, shared fuel storage);
- combined salt/sand storage structures (fewer overall structures);
- economies of scale when ordering and having parts delivered and storing parts for emergency repairs;
- reduced hydro costs;
- better workforce collaboration, a single shop would have a single foreman or lead hand; and
- less overall properties and buildings to maintain. Considerations related to the surplus the existing properties could help reduce overall costs.
- Alternatively, lack of storage space in other departments such as Community Services could be utilized within one of the existing locations.

Regardless, if the shops are maintained, rebuilt or combined, the requirement for additional storage remains. Allocating monies from Development Charges towards these future needs that are necessary within the 10 year timeframe are essential to proper fiscal planning.

Aerial Fire Truck

Over the next 10 years, the Fire Department and Capital Works plan has identified the need for an aerial truck. This truck is required to perform emergency services for multi-storey buildings, specifically buildings of significant size with vulnerable occupancy such as retirement homes or hospitals, as well as multi residential buildings 3 stories or greater. Currently, the Walkerton Fire Departments rescue services has a maximum height capacity of 3 storeys, using a large ladder that requires at least 3 firefighters to raise and operate. As such, an aerial truck would replace the difficulties associated with operating the 3-fly ladder, make rescue attainable to stories over the 3-story level as well as assist with firefighting larger buildings such as the hospital or commercial buildings where exterior hand lines would not be effective based on reach.

The fire department does not have the capacity to handle fires/rescues with buildings that are 4 storeys or higher. Brockton currently has service agreements with the Town of Hanover to provide emergency services for multi-residential buildings, as well as the Hospital and retirement homes. This service agreement entails

payment for service on a call out level starting at \$1,000 for the first hour and \$600 per hour after that. This fee is on top of an agreed upon \$200/hr flat rate for standby every time there is a fire call for the hospital or a retirement home in Brockton. There is further cost associated with use of the Hanover ladder truck at the discretion of the Hanover fire department within the area covered under our service agreement which is an annual cost in the range of \$72,000 though there is no way to pull this cost out of the service agreement price and attribute it directly to the use of the ladder truck itself.

Based on recommendations to Insurers there will be further costs associated with insurance premiums incurred by multi-residential building owners as Brockton will not meet the recommended standards for fire protection once our building stock exceeds 5 buildings over 3 stories. Fire Underwriters Survey provides a technical bulletin to both insurance companies and Municipalities outlining the industry standard used to determine the need for aerial apparatus within communities. This bulletin provides “information regarding the requirements for aerial apparatus/ladder companies from the Fire underwriters survey classification standard for public fire protection” and states, “Response areas with 5 buildings that are 3 stories or 10.7 metres (35 feet) or more in height, or districts that have a Basic Fire Flow greater than 15,000 LPM (3,300 IGPM), or any combination of these criteria, should have a ladder company.” Further, with the recent changes to the building code allowing buildings to be built to the height of 5 stories with wood construction the response time to be able to execute a rescue for people located on floors above 3 stories are more critical than ever.

Brockton currently has Brucelea Haven, William Street Condos (2), McNab Street Condos, Valleyside Condos and Wilson Eastridge Apartment building with occupancy that are greater than 3 stories high with 5 more buildings that have already been approved through site plan control. Realization of these plans will push Brockton’s building stock to more than 11 buildings over 3 stories plus the hospital and other retirement home(s). With the Provincial push to provide affordable housing it is reasonable to assume that over the next 10-15 years the number of buildings over 3 stories will continue to rise. In addition, the number of buildings over 3 stories continues to rise in Hanover, straining the capacity to continue adding addresses to our service agreements which already states that Hanover calls will take precedence over Brockton’s requirements. Lead time for delivery of an ariel truck is approximately 4 years from the time of order so failure to have a plan in place will make it difficult for Brockton to meet fire protection requirements if the Municipalities building stock continues with its current trend.

On June 18 of 2024 Council accepted by-law 2024-053 which outlines the Provincially mandated Community Risk Assessment of which an entire section is dedicated to the Municipalities Building Stock. The purpose of this assessment is to identify and prioritize risks to public safety in order to make informed decisions about the provision of fire protection services. Further the Fire Protection and Prevention Act states that “every Municipality must use its community risk assessment to inform decisions about the provision of fire protection service.” Based on that assessment and the changes actively taking place within the Municipal building stock, failing to take steps to address the fire protection needs created by those changes will put the Municipality in a position of increased liability in the event of an emergency.

New Arena

In the revised Development Charges Background Study, new financial figures have been used for the costs associated with a new arena. For the purposes of determining Development Charges, it has been assumed

that a new build would not proceed without significant grant funding allocated towards the project. Therefore, in determining the charge an assumed grant of \$10,000,000 will be put towards a new arena. This figure is a realistic amount given the previous Federal and Provincial grant opportunities. Furthermore, it is nearly certain that a new arena would not proceed without any large-scale grant funding. By incorporating this assumed grant funding in the costing of the arena, the overall Development Charges rates have been reduced.

The Municipality of Brockton recently underwent an extensive Facility Conditions Assessment. In this report, prepared by VFA Canada Corp., the Walkerton Arena received an FCI standard rating of 0.56 which would be considered in fair condition (scale ranging from Excellent – Good – Fair – Poor). It should be noted that anything over 0.60 is considered to be in poor condition. The report listed numerous requirements (including renewals) that the Walkerton Arena should undergo in the next 1-5 years, totalling an estimated \$5,757,882.00.

In the Recreation Master Services and Facilities Plan, in reference to a 2019 Building Condition Assessment Report and recent Black & Macdonald assessment, it notes the following significant issues that will/may need addressed in the coming years to the current Walkerton Arena:

- plant room valves replacement (TSSA requirement) \$10,000, and header pipe replacement to address and prevent brine leaks \$65,000 (in 2023 budget)
- end of life compressors replacement \$180,000 (in 2024 budget)
- ice surface concrete pad replacement due to movement and deterioration of concrete and piping \$3-4 million

The Recreation Master Services and Facilities Plan further states that based on current operating hours and prime time use during peak periods, future demand for prime time will exceed that available on a single pad before 2033 (i.e., 74 hours per week). In effect, it represents the equivalent of 1.5 pads.

For the long-term perspective, the Recreation Master Services and Facilities Plan offers the following insight, “the Walkerton Arena was constructed in 1972, and passed 50 years of service to the community in 2022. While population projections to 2072 are not available, it can be assumed that any major facilities built within the term of the Master Plan will be required to operate for another 40 to 50 years, which is a key consideration in their planning and development. Viewed from this perspective, providing a twin pad facility now will reduce the costs of providing two single pads in the very long term and will realize cost efficiencies in its design, construction and operations.” This recommendation is consistent with the 2014 study by Prism Inc. regarding the Walkerton Arena.

It is important to note that in addition to any funds dedicated towards the establishment of a new Walkerton Arena, municipal staff will continue to pursue available grants that would contribute to the overall costs. In recent years, staff have submitted multiple grant applications to support the funding of a new arena/community centre. Staff applied to the Infrastructure Canada – Green and Inclusive Community Building Program in 2021 but were not successful. Additionally, the Municipality of Brockton allocates \$200,000 into a reserve fund for a new arena each year.

A new arena would serve the entire community of Brockton.

Trackless Sidewalk Plow

The 10-year capital works budget identifies several vehicles and fleet equipment for the Public Works Department that will be necessary to support additional growth. The equipment considered in the development charges report includes a trackless sidewalk plow. As growth continues to occur, the Brockton Works Department will be responsible for maintaining more sidewalks, which leads to the demand for another sidewalk plow to ensure service levels can be maintained or timely snow removal can occur in the community.

Street Lighting

Staff have identified additional street lighting that will be required as a result of new growth. Due to the residential development within the Northeastern portion of the Town of Walkerton, new streetlights will be needed for Old Durham Rd and a portion of Bruce Rd 4 leading pedestrians to new amenities and services in the East Ridge Business Park.

Sidewalks

As stated above, due to the residential development within the Northeastern portion of the Town of Walkerton, an extension of municipal sidewalks will be required to accommodate new growth. Additional/new sidewalks will be required on Old Durham Rd, Bruce Rd 4, Eastridge Rd, and Ontario Rd. Resulting in extensive additional sidewalk maintenance required as well.

Elevated Tower, Trunk Watermain and Pumping Station for Areas 2A and 2B only

As the Municipality of Brockton continues to grow, especially seeing an increase of residential development in the Town of Walkerton, Municipal Staff have worked with professional planning consultants and the County of Bruce to look at areas of land to increase the urban boundary of Walkerton. A report prepared by Monteith Brown Planning Consultants identified the area of land (a section of Area 2A below), as a logical extension of the settlement boundary due to its location and “The proposed settlement area boundary would minimize impacts to agricultural operations as it would be rounding out the settlement area and would prevent fragmentation and the creation of a narrow and undersized non-viable agricultural lot.” Area 2B, was identified in the Water and Wastewater Master Plan as a potential future expansion area.

This area, located at the south side of Walkerton, is subdivided into two parcels with Area 2A situated to the south of Highway 9 and west of Geeson Ave and Area 2B situated further to the east, between Geeson Ave and Highway 9. The civic address for these properties is 201 Highway 9 and 1901 Highway 9, respectively. This proposed development area encompasses a total of approximately 42.8 hectares (i.e., Area 2A and 2B).

The Water and Wastewater Master Plan identified the need for an additional water storage facility, trunk watermain and pumping station to service Development Areas 2A and 2B.

The Water and Wastewater Master Plan made the following recommendations for the future areas discussed:

1. There is insufficient fire flow to service this area. Further, while it is estimated that there is sufficient fire flow and storage to service Walkerton to the year 2043, the Wallace Street standpipe may reach the end of its service life prior to this time at which point it is recommended that additional capacity for the Town be reviewed as part of a Municipal Class EA process. A Class EA process focusing on the

South Pressure Zone, the Wallace Street Standpipe, the existing booster station, and the potential for a new standpipe in Area 2A may be advanced at any time. The inclusion of Area 2A within the settlement area boundary at this time would provide the opportunity for the Town to consider, in more detail, the construction of a water tower in this Area at such a time that planning is initiated. Further, the Town could start pursuing funding for this project, as opportunities permit. The Municipality recently applied under the Housing-Enabling Water Systems Fund but were not successful. It is the intention of staff to reapply for funding through the second round of the Housing-Enabling Water Systems Fund.

2. There is sufficient capacity for wastewater conveyance and treatment. However, wastewater trunk extension may be required to service this area.
3. Municipally owned stormwater management facilities are recommended prior to conveyance within the receiving drainage system.

The future population of these areas is 1,586 persons. The cost of these projects is estimated at \$12,528,200. It is assumed the project costs will be debentured over ten years at 5% interest.

Since the “Walkerton only - Ridout Stormwater” project was removed from the list of projects, there is no longer a different rate for development within the town of Walkerton, and instead, there is only a municipal wide rate. The newly proposed rate for a single detached dwelling within the Municipality of Brockton is **\$4,618.**

It is recommended that Council accept the revised Development Charges Background Study as presented, including the updated list of projects and associated costing, and proceed with first and second reading of the proposed Development Charges By-Law. This will allow for further community input and proposed consideration at the January 14th Council meeting.

Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- | | |
|---|-----|
| • Recommendations help move the Municipality closer to its Vision | Yes |
| • Recommendations contribute to achieving Heritage, Culture, and Community | Yes |
| • Recommendations contribute to achieving Quality of Life | Yes |
| • Recommendations contribute to achieving Land Use Planning and the Natural Environment | Yes |
| • Recommendations contribute to achieving Economic Development | Yes |
| • Recommendations contribute to achieving Municipal Governance | Yes |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

Respectfully Submitted by:



Sonya Watson, Chief Administrative Officer



Trish Serratore, Chief Financial Officer



Dalton Stone, Municipal Services Coordinator



Dieter Wetz, Building and Planning Manager/CBO