
HALDIMAND COUNTY

Report PDD-09-2019 Servicing Allocation-2018 Year End Update and Recommendations



For Consideration by Council in Committee on March 26, 2019

OBJECTIVE:

To provide an update on the current status of servicing allocations in Haldimand County and recommend new service allocations.

RECOMMENDATIONS:

1. THAT Report PDD-09-2019 Servicing Allocation-2018 Year End Update and Recommendations be received;
2. AND THAT Haldimand County Water and Wastewater Treatment Capacities included as Attachment 1 to Report PDD-09-2019 be accepted as the basis for servicing allocation recommendations;
3. AND THAT these proposals are deemed to be consistent with the Provincial Policy Statement 2014, the Provincial Growth Plan 2006 and other matters of provincial interest;
4. AND THAT the Servicing Allocation proposals recommended in Attachment 2 to report PDD-09-2019 are deemed to conform to the Haldimand County Servicing Allocation Policy and By-law 1073/10 and be approved.

Prepared by: Peter Minkiewicz, Supervisor, Planning and Development

Reviewed by: Mike Evers, MCIP, RPP, BES, Director, Planning and Development

Respectfully submitted: Craig Manley, MCIP, RPP, General Manager of Community and Development Services

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

A Servicing Allocation Policy and By-law was approved by Council in March of 2010 (PED-PD-10-2010). In general, the Servicing Allocation Policy outlines the process of how servicing allocation is to be distributed among developments in Haldimand County on an annual basis. Service Allocation requests by community are presented together with recommendations for approval for specific periods of time. All requests that have been received, have been referenced within the report. Commentary regarding capital works and water and wastewater system improvements are also provided to give a summary of the opportunities and/or challenges experienced within each of the communities within Haldimand County. In all communities, with the exception of Jarvis, there is sufficient wastewater capacity to support all projects that have requested/required allocation. In Jarvis, the County has initiated the required Environmental Assessment process to establish additional wastewater capacity and has budgeted the capital funding required to implement a solution. Water capacity is available in all communities for current and future development.

BACKGROUND:

Since its inception in 2007, the Water and Wastewater Servicing Capacity Management Strategy (Strategy) has provided a consistent basis for allocating servicing capacity in a prudent and fair manner. The overall intent of the program is to maximize existing investments in County water and wastewater treatment infrastructure. Throughout the life of the program, County staff has monitored its successes and made improvements, where possible, to ensure that this program is as efficient as possible. One such improvement was the introduction of the 'use it or lose it' criterion after the first year of the program which was designed to prevent developers from obtaining and then not using capacity. This was often to the detriment of other developers who may not have ranked as high in the scoring (i.e. due to location, mix of units, development type, etc.) but who had historically delivered on their project commitments. This part of the program has worked well and ensures that developers who have performed continue to receive favourable consideration and have the ability to move additional projects forward. Meanwhile, those developers that have consistently not performed or followed through on their commitments, are placed at the back of the queue, should one exist.

A Servicing Allocation Policy and By-law was approved by Council in March of 2010 (PED-PD-10-2010). In general, the Servicing Allocation Policy outlines the process of how servicing allocation is to be distributed among developments in Haldimand County, acknowledges the criteria used in assessment scoring (i.e. the 10 criteria described in section 3.0 below) and implements responsibilities to appropriate municipal staff where applicable. The By-law formally implements the policy and outlines that no land shall be used or built upon and no building or structure shall be erected or used unless full municipal water and sanitary sewer capacity is available and the County has allocated such services to the said lands or building, or the County has exempted the development or class of development from the requirement of an allocation of capacity.

The last full review and allocation approvals were granted via report PED-PD-39-2017, which was approved by Haldimand County Council on December 17, 2017 and included a number of extensions running to December 31, 2018. Commensurate with a newly elected Council, a revised reporting schedule for the 2018 Servicing Allocation program was established by Council via report PD-41-2018, with existing allocations extended to April 2, 2019. The election of a new Council required that the new Council members be given opportunity to understand the process, and as such, the standard year-end service allocation schedule for 2018 was not appropriate.

In addition to the annual allocation reports, the General Manager of Community and Development Services/Deputy CAO has authority to allow extensions for projects for up to one year to provide flexibility for short term extensions pursuant to Haldimand County Servicing Allocation Policy and By-law 1073/10. The General Manager also has the ability to assign capacity to site plans that do not require any Council approvals (e.g. zoning amendment) and infill lots requiring capacity from the infill reserve. Those authorities help streamline development and have been used again as part of the 2018 allocation program. Given the increased volume and pace of development in the County, the importance of maximizing investments in servicing infrastructure and allocating this capacity in a fair and reasonable manner is enhanced.

The Annual Servicing Allocation Review Notice, was circulated on August 24, 2018 with a return date of September 25, 2018; through which the County received a number of extension requests. Those who returned the notice, as well as paid the required fees, were included within the annual review and assessment; those who did not, were not included as part of the process and will not be receiving any recommendation for capacity at this time. If developers or proposals seek to move forward and obtain allocation through the year an evaluation of available capacity would be undertaken based on the circumstances and relative to existing approved allocation at that time.

This latest report completes an evaluation of all proposed developments and their request for servicing capacity. This report has been prepared jointly by the Planning & Development and Engineering and Capital Works Divisions. The purpose of this report is to:

- implement the County's Servicing Allocation Policy and By-law;
- provide an update about the status of servicing capacity at the various water and wastewater treatment plants;
- outline the impact of allocation recommendations relative to current principles to retain capacity for infill planning in the Haldimand County Water and Wastewater Treatment Plants;
- provide an update about the status of development projects that have previously received servicing allocation;
- recommend servicing allocation consistent with the approved scoring system to provide some current developments with the opportunity to proceed within a defined timeline;
- provide comment on approved extensions to development projects that previously received servicing allocation where appropriate.

ANALYSIS:

1.0 Existing Capacity

A detailed breakdown of treatment capability, average daily flow and available treatment capacity at each of the County's facilities has been developed by Engineering and Capital Works and is provided in Attachment 1. The relationship of this data to development allocations is included in the detail sheets of Attachment 2. Included below is a summary of those details for each urban area and the Lake Erie Industrial Park.

Caledonia:

Currently, there is sufficient water and wastewater servicing capacity to allocate to all proposed developments in Caledonia.

Wastewater

Given the significant development pressures being experienced in Caledonia, wastewater servicing capacity is addressed based upon three separate factors as follows:

- I. Remaining servicing capacity within the system prior to any planned system improvements;
- II. Potential additional capacity obtained through short term planned process and infrastructure improvements;
- III. Servicing requirements beyond the short term process and infrastructure improvements to address full build out of Caledonia and any proposed urban area expansions.

1. Remaining Wastewater Servicing Capacity

Wastewater capacity will become constrained once all of the allocations for 2019 are taken into account. It is noted that this is a temporary situation and is anticipated to be remedied by mid 2019 (see subsection 2 below for additional detail).

There are no new significant development requests for capacity within Caledonia which need to be considered by Council as part of this report. Notwithstanding, a number of significant projects

have received extensions from the General Manager of Community and Development Services/Deputy CAO (herein referred to as the GM CDS) due to there being a degree of activity on those projects in 2018. The current allocations apply to approximately 1,100 residential units spread across a variety of projects, including Avalon (Empire), McKenzie Meadows, Orkney Townhouses, Harrison Flats, Slack Plaza, and a variety of commercial projects including the Old Mill, Wendy's and the fairgrounds project. All of these projects retain allocation until at least December 31, 2019.

All of the above noted projects, outlined in more detail in Attachment 2, will draw down existing wastewater capacity to just 63.7 cubic metres/day.

2. Short Term Planned Process and Infrastructure Improvements

Currently, the Caledonia Water and Wastewater Treatment Plant (WWTP) is not capable of running at its full rated capacity due to a process limitation in the aeration system. The solution to the process limitation is to install new air diffuser heads. The funding for this work was approved in the 2017 Rate Supported Water and Wastewater Capital Forecast and is scheduled for completion by July 2019.

Once the aeration system project is completed, the Caledonia WWTP will be capable of treating flows up to its rated capacity of 7,200 cubic metres/day which will bring an additional 2,750 cubic metres/day on line for the purposes of allocating to development. That amount of capacity is equivalent to 3,055 single detached dwellings. While it will not be a sufficient amount to accommodate all of the potential development in Caledonia, it will serve to 'bridge the gap' to the larger treatment capacity solution (e.g. plant expansion or other—see subsection 3 below) that will be developed by Engineering and Capital Works through the Master Servicing Plan process.

Based on the above, and as we move forward, staff is of the opinion that there will be opportunity to support allocating capacity as projects approach the design and construction phases. This is based on the following:

- the capacity limitation for the Caledonia WWTP can be addressed through a known and straightforward design modification;
- the budget to carry out this design modification was approved by Council in 2017; and
- the work to complete the design modification has been initiated and is expected to be completed in 2019.

This ensures that future phases of the McClung subdivision (including McClung South currently under review) can move forward, as well as other projects such as Beattie Estates (significant proposal in south Caledonia that represents a potential development of 678 residential units (singles and towns)). Additional developments, such as the Caledonia Gateway project (now under new ownership and undergoing new design concept) could also be considered as they come forward given the amount of capacity that is expected to be realized through these improvements. Notwithstanding this positive news, staff will continue to work with developers to ensure appropriate phasing such that development is strategically planned to coincide with infrastructure improvements.

3. The Longer Term Need for Additional Wastewater Treatment Capacity

As noted above, the improvements to the WWTP will result in a sizeable amount of additional treatment capacity. However, most of this capacity is "ear marked" for the remaining phases of the McClung Subdivision (2,000 units) and planned developments on the south end of Caledonia.

Beyond these projects, there is the future Gateway project and other known, vacant development lands in the south and north ends of Caledonia. Caledonia Master Servicing Plan update studies identify the need for additional wastewater treatment capacity to accommodate longer term growth in Caledonia. Funding was approved in the 2019 Rate Supported Water and Wastewater Budget to initiate a siting exercise and feasibility study for a new wastewater treatment plant proposed to be located on the north side of the Grand River. Additionally, funding is identified in the ten year forecast of the 2019 Rate Supported Water and Wastewater Budget to conduct the Environmental Assessment, acquire land, complete design and construct a new wastewater treatment plant.

Water

There is sufficient water capacity to allocate to all proposed developments in Caledonia. Potable water in Caledonia is supplied from Hamilton via the Caledonia/Cayuga distribution system. The current maximum day demand of the Caledonia/Cayuga system is 40% of the maximum day demand permitted under the Hamilton/Caledonia Water Servicing Agreement. Anticipated water demand associated with all allocations recommended for Caledonia within the report, would result in a total water demand of 6,910 m³/day or 50% of the current agreement with the City of Hamilton. Thus, there is sufficient water capacity available for future projects, including those identified in the wastewater section above.

Cayuga:

Currently, there is sufficient water and wastewater servicing capacity to allocate to all proposed developments in Cayuga.

Wastewater

In 2017, Council approved several new servicing allocation requests which include the new central administration building and the new Cayuga library. Over the course of 2018, the GM CDS provided extensions for a site plan by the Pelican Group at 24 Ottawa Street (4 apartments and 2 offices), a development at 41 Munsee Street South (2 semi-detached units), and two commercial developments (bank and restaurant) and a tire discount warehouse on lands owned by HML Holdings.

The Cayuga WWTP is currently operating at 61% of the rated capacity as stated in the facility's Certificate of Approval issued by the Ministry of the Environment, Conservation and Parks (MECP).

Water

Potable water in Cayuga is supplied from Hamilton via the Caledonia/Cayuga distribution system. The maximum day demand of the Caledonia/Cayuga system is currently at 50% of the maximum day demand permitted under the Hamilton/Caledonia Water Servicing Agreement.

Dunnville:

Currently, there is sufficient water and wastewater servicing capacity to allocate to all proposed developments in Dunnville.

Wastewater

Among some of the projects recommended for (re)allocation are: Meritage Landing Phase 3; Dunnville Retirement Home; No Frills; Moodie Schilstra George Street; Cross Street Landing; and the Alder Street school site. In the 2017 report, it was recommended that servicing allocation continue to be provided to the Frank Marshall Business Park (FMBP) and the County lands at the corner of Ramsey Drive and Broad Street to provide an opportunity for these lands to be marketed appropriately and to support the County's Economic Development efforts to obtain Provincial Site

Certification. This has been extended to 2019 under the authorities of the GM CDS. The allocations also retain a healthy residual capacity being available for the infill reserve.

The Dunnville WWTP is currently operating at 53% of the rated capacity as stated in the facility's Certificate of Approval issued by the Ministry of the Environment, Conservation and Parks (MECP).

Water

Potable water in Dunnville is supplied from the Dunnville Water Treatment Plant which receives raw water from Lake Erie via an intake located in Port Maitland. The maximum day demand of the Dunnville water system is currently at 55% of the rate capacity of the Dunnville Water Treatment Plant.

Hagersville:

Currently, there is sufficient water and wastewater servicing capacity to allocate to all proposed developments in Hagersville.

Wastewater

There are no new allocation requests that require Council's review and approval within Hagersville. Allocation considerations for 2018 have been primarily in the form of extensions that have been dealt with by the GM CDS. Specifically, a number of draft approved plans have been approved for extensions (e.g. Walpole Square Phase 9 and Accu II Crystal Lake). The Haldimand Gardens Phase 4 subdivision plan (now referred to as Hagersville Gardens), has been purchased by Empire Communities and has been through the application process for a revised plan of subdivision. The original project was draft approved in 2006 and was reallocated capacity in 2016 for 150 units (for another 2 years). Since the project has changed ownership and the plan has been reworked, a revised allocation has been considered by the GM CDS under his delegated authority. The application itself (re: draft approval) was brought forward in early 2018 for a public meeting and Council's consideration. The consideration by the GM CDS was only to assign allocation for the initial phase of the project at this time, which is up to 150 residential units (an increase of 70 units from the previous approval of 80 dwellings).

The Hagersville WWTP was successfully re-rated in 2017 from 3,055 m³/day to 4,200 m³/day, giving long term capacity to accommodate forecasted growth in the community. The plant is currently operating at approximately 60% of the rated capacity as stated in the facility's new Environmental Compliance Approval (ECA) issued by the Ministry of the Environment, Conservation and Parks (MECP). Ongoing inflow and infiltration (I/I) abatement activities within Hagersville are also expected to contribute to providing long term wastewater treatment capacity.

Water

Potable water is supplied to Hagersville from the Nanticoke Water Treatment Plant (WTP) which receives raw water from Lake Erie via an intake that utilizes the Ontario Power Generation forebay.

The maximum day demand of the Nanticoke Water Treatment Plant is approximately 65% of the rated capacity of the facility.

Jarvis:

Currently, there is sufficient water servicing capacity but not wastewater servicing capacity to allocate to any newly proposed developments in Jarvis. However, the County has initiated the required steps through update to the Jarvis Master Servicing Plan to address this short term issue.

Wastewater

The introduction of enhanced flow control equipment in 2017 (i.e. new flow meters installed on the forcemain pipe to the lagoons) has provided more accurate information on capacity. This information indicates that there is less reserve than previously thought and thus the community of Jarvis is experiencing a wastewater constraint. Using new flow data, the average day wastewater production in Jarvis has increased, based on the five year average. This increase in average day wastewater production has resulted in an insufficient amount of treatment capacity to cover all recommended allocations within this report. Given that there is currently a 110 m³/day of available capacity, that a Municipal Class Environmental Assessment (MCEA) is well underway to identify the preferred option for obtaining additional wastewater treatment for the community of Jarvis and that Council has approved budget to proceed with the construction of the MCEA's preferred option, staff are confident that maintaining allocation to active approved projects representing a total 211 residential units does not pose risk to the County. This includes Jarvis Meadows Phase 2 (currently under construction—56 single detached lots), Country Fields (currently under construction—8 freehold singles and 25 condo singles), Gusenbauer (Milmont) Townhouses (site plan approval imminent—48 condo townhouse units) and Cargo-Ease industrial development. The continued allocation to these projects requires that the 5% infill reserve be reduced to zero and its capacity be allocated to the recommended projects noted above. While this is not an ideal situation, the approach ensures that the plant is operating within its rated capacity and that well advanced projects can continue to/through the construction stage. This will result in a temporary restriction on infill development as a wastewater servicing solution is developed.

In terms of new projects seeking capacity, there are two that have come forward since late 2017. These projects (and any others to follow) are not able to advance to construction at this time as additional wastewater treatment capacity must be secured. However, these projects (described immediately below) can proceed through the application process and can be approved by the County conditional upon sewage treatment capacity being in place prior to development proceeding. The first of these two projects is Jarvis Meadows Phase 3 (139 single detached residential units) which represents the next phase of the largest residential project in the community. This development has achieved draft plan and zoning approval in 2018 and has progressed to the detailed design stage with submittal of Environmental Compliance Approval (ECA) applications to the Province being anticipated in early 2019. The development is also currently at the stage of preparing a pre-servicing agreement for execution. Given the status of this project and the certainty associated with development proceeding (track record for this project; demand for product; County approvals secured), combined with the fact that a Municipal Class Environmental Assessment (MCEA) is in process of being completed (to determine the preferred option for increasing wastewater treatment capacity), staff is recommending granting conditional allocation capacity to the full build out of this project. This allocation is subject to the approval of the MCEA and the developer cannot commence site works until that critical stage is completed.

A second new project is a commercial car wash which has gone through the pre-consultation stage but has not yet advanced to a planning application. It is unclear at this stage if the proponent intends to continue to the application stage given the constraints in Jarvis. Should he advance, the same comments for Jarvis Meadows Phase 3 noted above would apply.

As noted in the paragraph above, in order to address current wastewater treatment capacity constraints in the community of Jarvis, a longer term wastewater servicing plan needs to be developed. To address this, staff initiated the Jarvis Master Servicing Plan update and a Municipal Class Environmental Assessment, in 2018 to identify a preferred wastewater servicing option for the community of Jarvis. These studies will both define the long term servicing strategy for Jarvis and formally determine a preferred option for obtaining additional wastewater treatment capacity. The

preferred option will either involve construction of a sanitary forcemain to Townsend or further expansion/enhancements to the existing lagoon within Jarvis. The construction of the preferred solution is planned to begin late in 2019, with budget approved in the 2019 Rate Supported Water and Wastewater Capital Forecast and would represent a wastewater servicing solution that would be in the ground when the need coincides with development.

Continued focus on I/I abatement in Jarvis will also continue in 2019 in an effort to claw back some wastewater treatment capacity in the short term. This may provide an opportunity for projects to move forward in a phased manner if sufficient capacity is achieved.

Water

Potable water is supplied to Jarvis from the Nanticoke Water Treatment Plant (WTP) which receives raw water from Lake Erie via an intake that utilizes the Ontario Power Generation forebay. The maximum day demand on the Nanticoke water system is at 65% of the current capability of the facility.

Townsend:

Currently, there is sufficient water and wastewater servicing capacity to allocate to all proposed developments in Townsend.

Wastewater

Townsend has a large capacity for wastewater treatment that is available for developments. There has been a significant servicing allocation request received for Townsend relating to the expansion of Parkview Meadows which was granted allocation by Council, was site plan and zoning approved in the fall of 2017 and is nearing completion. Several proposals, namely ACCU II Townhouse (condominium) development and ACCU II Apartment and Commercial proposal, are not recommended to receive servicing allocation as part of this process. The two applications for ACCU II were submitted in 2007 with servicing allocation granted for the last 8 years, without the necessary securing of final development approvals. The proposed development has not been granted allocation since 2015. It is noted however, that there is an abundance of capacity available within the system for these developments to be considered at a future date, even if the Jarvis capacity solution is a forcemain to Townsend. Given the above are site plans, the GM CDS could allocate servicing capacity to the projects should they advance to approval/construction stage.

Wastewater in Townsend is treated at the Townsend lagoon. The Townsend lagoon consists of three wastewater treatment cells and one bio solids storage cell that receives and temporarily stores bio solids generated at Haldimand and Norfolk wastewater treatment facilities. The Townsend lagoon is currently operating at 13% of the rated capacity as stated in the facility's Certificate of Approval issued by the Ministry of the Environment, Conservation and Parks (MECP).

Water

Potable water is supplied to Townsend from the Nanticoke Water Treatment Plant (WTP) which receives raw water from Lake Erie. The maximum day demand on the Nanticoke water system is at 65% of the current capability of the facility.

Lake Erie Industrial Park (LEIP):

Currently, there is sufficient water servicing capacity but no wastewater servicing capacity to allocate to any proposed developments in LEIP.

Wastewater

The LEIP lagoons service Stelco and the industries located within LEIP. The LEIP lagoon consists of three cells and has two, forty-five day windows (spring and fall) when lagoon contents can be discharged. The LEIP lagoon is currently operating at 110% of the rated capacity as stated in the facility's Certificate of Approval issued by the Ministry of the Environment, Conservation and Parks (MECP). Since LEIP wastewater flow has exceeded rated flow capacity the last two years, no capacity should be considered for allocation at this time.

Haldimand County staff have been working with Stelco to review the existing infrastructure's ability to service additional development. County staff and Stelco have been investigating reuse options as well as lagoon expansion options.

Water

Potable water is supplied to LEIP from the Nanticoke Water Treatment Plant. The maximum day demand on the Nanticoke water system is at 65% of the current capability of the facility.

2.0 Retaining Water and Wastewater Treatment Reserve Capacity to Support Infill Proposals

As introduced and approved in 2009 (Report PED-PD-57-2009), it is recommended that the following principle be continued and generally incorporated into the allocation process (as outlined in Attachment 1, this principle has been followed where possible):

- Five percent (5%) of the remaining wastewater plants' treatment capacity will be held in reserve to allow flexibility to approve infill projects with minor treatment capacity requirements. This will serve to ensure that the County's Places to Grow requirements can be met. Planning staff will be responsible for tracking and allocating servicing capacity to the minor infilling development proposals on a case by case basis. It should be noted that the County's Places to Grow requirements are measured on a County-wide basis collectively, as opposed to being measured for each specific urban area separately. As such, when the minimum infill requirements cannot be met in a specific urban area, the infill development which occurs in the other urban areas can balance the County's infill requirements and ensure that the County's Places to Grow obligations are being met.

3.0 Servicing Assessment Criteria

The servicing allocation criteria (used as part of the allocation assessment since 2007) are listed below and have been applied to each of the development projects currently being considered by the County. All existing development proposals have been ranked based on the number of criteria each project meets. Based upon the available water and wastewater servicing amounts (as set out in Section 1.0 above) and these criteria, staff have developed recommendations intended to allocate available servicing capacity in a consistent, fair and objectively transparent manner to meet the interests of the County and to manage any inherent risks associated with the process of allocation. A detailed list of all current developments and recommended allocations is included as Attachment 2. The allocation principles that have been adopted by Council and which form the ranking system are as follows:

- ***Location***

The "Growth Plan for the Greater Golden Horseshoe" (Growth Plan) was released on June 16, 2006 and updated in 2017. One main policy initiative of the Growth Plan that relates to development within urban areas is that by the year 2015 and for each year thereafter, a

minimum of 40%* of all residential development occurring annually will be within the built up area.

With respect to the location of development occurring in the built up area, the County has identified 'built boundaries' and has incorporated them into the Haldimand County Official Plan. Development of an infill or intensification nature within the built up areas (i.e. built boundary) is encouraged, as infrastructure and support services exist to best accommodate growth. Redevelopment of former brownfield sites is also encouraged. Preference is given to infilling and intensification developments over Greenfield development (i.e. developments within the urban boundaries but outside of the 'built boundaries').

**Note: the Province (Ministry of Municipal Affairs and Housing) has approved the County's Places to Grow alternative intensification target of 32%.*

- **Density and Mix of Housing Types**

A second policy initiative of the Growth Plan is to have municipalities achieve density targets of 50 residents and jobs combined per hectare*. The Ministry of Municipal Affairs and Housing has approved alternative density targets for outer-ring municipalities, such as Haldimand County, to ensure that the density target is appropriate given the characteristics of the municipality and adjacent communities. Also, the intent of the target is not to impose such densities on every development; rather, it is intended to be measured over the entire Greenfield area. In light of these points, County staff is considering the "density" criterion not as an absolute assessment of whether the proposal would achieve densities of 50 residents and jobs per hectare, but rather whether the proposal represents a higher density alternative to typical single detached dwellings as envisioned in the Growth Plan. Greater preference is given to higher density residential development since it provides a more efficient use of land. Consideration should also be given to affordable housing projects based upon their ability to provide housing choices for lower income households.

**Note: the Province (Ministry of Municipal Affairs and Housing) has approved an alternative blended Greenfield density target of 29 persons/jobs per hectare (46 persons per hectare for residential development and 15 persons per hectare for employment development).*

- **Ease of Servicing**

This criterion is aimed at determining which developments are more easily serviced with water and sanitary sewers and require minimal grading or engineering to deal with stormwater management. Ideally, connection to municipal services without the extension of those services to promote infilling development and simple grading, that outlets to existing systems, is preferred and rated more favourably.

- **Front Ending**

The *Development Charges Act* provides opportunity for a municipality and a developer to enter into an agreement that will eventually provide the developer with a means of being reimbursed for oversizing infrastructure above the County's normal requirements. Reimbursement would be obtained from property owners within an identified benefiting area when those lands are developed in future. In addition, some proponents have arrangements to oversize infrastructure without the benefit of a development charges-related reimbursement plan that will nonetheless facilitate future growth. Proposals that include front ending or obvious oversizing are rated more favourably.

- ***Positive or Neutral Impact on the County***

Proposals that will have a positive or neutral financial impact on the County in terms of infrastructure requirements, capital planning and property assessment are favoured.

- ***Provision of External Roads or the Completion of Existing Arterial Roads***

Proposals that would assist in the completion of planned external roads that have been identified through Master Servicing Plans (e.g. ring roads) or lead to the completion of existing arterial roads would be advantageous to the County. Although this criterion may not be applicable to current development proposals, it is worthy of including in the allocation criteria for future consideration.

- ***Assumption/Maintenance***

Proposals that can proceed without the requirement for engineering components to be assumed by the County are favoured, as they do not further burden the municipality with future operation, maintenance and replacement costs. Such components that may be required to be assumed by the County include public roads, water, sanitary sewers, pumping stations and stormwater management facilities.

- ***Engineering Approvals***

Typically for the approval of draft plans of subdivision or zoning by-law amendment applications, proponents are required to demonstrate that the proposal is viable from an engineering perspective. Once the rezoning is approved and a subsequent site plan is submitted or a draft plan of subdivision is approved with conditions, a proponent is then required to prepare detailed engineering plans for review by the approval authority. Once the engineering design standards are established and the plans approved, a site plan or pre-servicing agreement is executed between the proponent and the County to ensure that development proceeds in accordance with the approved plans. This can be an onerous and costly development. This criterion is intended to assess how much engineering design and review has already been undertaken by the proponent and the County. In addition, the proposals are also assessed based on how recent the work has been undertaken as design standards change and environmental quality control has become more stringent. Projects that have been the subject of recent review and are nearer to final approval by County staff are more favourably considered. It should be noted that this criterion will depend upon County staff, the developer and developer's engineer(s) working expeditiously to finalize drawings and agreements to meet the recommended allocation timelines.

- ***Employment***

As per County Council direction of August 7, 2007, preference is given to those projects that are employment generators (i.e. industrial or commercial) since they add to the assessment base and create jobs that extend beyond the development's construction period. Those projects that generate new permanent employment opportunities are considered more favourable.

- ***Track Record***

The approved evaluation criteria includes a 'use it or lose it' criterion. The 'use it or lose it' criterion provides a mechanism to assess the performance of a developer in working towards using their servicing allocation over the recommended period. In the event that a developer does not use all or a portion of their servicing allocation and wants to request an extension of their allocation when the next allocation review is undertaken, staff and Council will assess

whether the developer's request for an extension is justified based upon the developer's explanation why the allocation has not been utilized.

The status of development projects that currently have servicing allocation allotted or are requesting allocation are outlined in detail in Attachment 2 as are the allocation recommendations. The ten servicing allocation criteria (described immediately above) have been applied to each of the projects currently being considered by the County.

FINANCIAL/LEGAL IMPLICATIONS:

The Servicing Allocation process and reviews are completed in accordance with the User Fee and Service Charges By-law. The allocation of servicing is instrumental in the collection of development charges. Water and wastewater infrastructure is costly to build but is designed to effectively service long term needs within the County. The County finances its growth related water and wastewater infrastructure through the issuance of debt with the aim of repaying such debt from development charge revenues generated through future growth. The 2018 servicing allocation recommendations support future growth which in turn generates the development charge revenue to help fund the County's capital infrastructure investment needs.

STAKEHOLDER IMPACTS:

Staff of the Planning and Development Division and Public Works Operations Department have jointly worked together to prepare this report.

Notice:

All developers on the County's development mailing list (which includes all those individuals and companies that submitted letters/requests for this allocation review) have been notified of this matter coming before Council in Committee (CIC) on March 26, 2019 and the need to register as a delegation to speak about the matter. In addition, the public meeting notice included information regarding an open house held on March 21, 2019 addressing the Servicing Allocation 2018 Year End Update and Recommendations. The open house is held in advance of the report going to Council in Committee as an open drop-in session for developers, Council members, and the general public to review the subject report recommendations (PDD-09-2019) and discuss the report with staff.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. 2018 Servicing Capacity–Water and Wastewater Plants.
2. Status of Developments and Servicing Allocations to Specific Development Proposals/Additional Recommended Allocations to Specific Development Proposals for:

- A. Caledonia
- B. Cayuga
- C. Dunnville
- D. Hagersville
- E. Jarvis
- F. Townsend
- G. Lake Erie Industrial Park