

February 20, 2024

Magda Badura
CAO/Treasurer
Municipality of West Elgin
22413 Hoskins Line
Rodney, Ontario
N0L 2C0

Dear Magda Badura:

Re: Proposal for the Municipality of West Elgin 2024 Development Charges
Background Study and By-law

Further to the motion of Council for a request for a quote, Watson & Associates Economists Ltd. (Watson) is pleased to provide a proposal letter concerning the Municipality's 2024 Development Charges (D.C.) Background Study and By-law.

Below outlines the summary of the study process, team members that will undertake the assignment, as well as the proposed workplan. We look forward to any questions in relation to this proposal.

1. Introduction

The Municipality of West Elgin has requested a proposal to undertake the preparation of a D.C. Background Study and By-law. The D.C. study will result in the emplacement of a D.C. by-law, meeting the requirements of the Development Charges Act, 1997 (D.C.A.), as amended.

In preparing this proposal, we recognize that the overall objective of this study is to provide funds that will allow the Municipality to finance the capital works required for development and to permit the Municipality to grow on a financially sound basis while complying with the new legislated requirements as set out in:

- Bill 108 (More homes, More Choice Act, 2019);
- Bill 138 (Plan to Build Ontario Together Act, 2019);
- Bill 197 (COVID-19 Economic Recovery Act, 2020);
- Bill 213 (Better for People, Smarter for Business Act, 2020);
- Bill 109 (More Homes for Everyone Act, 2022);
- Bill 23 (More Homes, Built Faster Act, 2022);
- Bill 134 (Affordable Homes and Good Jobs Act, 2023); and



- Associated regulations.

Watson has been actively involved with a number of municipalities and the Municipal Finance Officers' Association in interpreting and analysing the recent changes to the legislation. These legislative changes will be incorporated into the Municipality's study and have been summarized in Appendix A of this proposal.

The work plan will include the following:

- Review the Municipality's current policies regarding recovery of capital expenditures from new development and recommend an appropriate development charge strategy. Strategies regarding recovery of costs associated with excess capacity designed to service growth beyond the buildout period will also be examined;
- Review and develop policies with staff, addressing issues such as exemptions, discounting and credits, phase-in strategies and indexing options, as well as credits for various classes of development including but not limited to: residential, institutional, commercial, and industrial developments;
- Develop the timing of payment provisions, D.C. rate freeze, interest policies, and definitions in the Municipality's draft D.C. by-law, as outlined in the D.C.A.;
- Comply with the requirements of the D.C.A., and its associated regulation O.Reg. 82/98. This includes preparing a D.C. background study comprising a forecast of anticipated development, determining eligible services, estimating increased needs for each service, measuring 15-year historical levels of service, developing an asset management plan for projects included in the study and rules for imposing the calculated charges as well as the legislative requirements;
- Undertake the statutory public process requirements, including the need to hold at least one public meeting under the provisions of the legislation; and
- Ensure that financing is in place to pay for the services required to accommodate future development in the Municipality.

2. Our Perspectives on the Requirements of the Assignment

With respect to specific requirements for this assignment, we would provide the following:

- A review of potential D.C. policies on cost recovery of capital expenditures, including policies on exemptions, phase-ins, indexing, discounting, and credits will be undertaken;
- Provide policy advice and analysis with respect to:
 - The planning period time-horizon for services;
 - The Local Service Policy;
 - Special area rates, phasing, and discretionary exemptions;



- Payment agreements, credits, front-ending agreements and subdivision agreements; and
 - D.C. recovery policies and strategies;
- Work with staff to prepare a Local Service Policy, under section 59(2) of the D.C.A. This policy sets out the responsibility of the developer versus what capital works will be included in the D.C. study;
- Hold the following four (4) meetings with Municipal staff and/or Council:
 - Hold one (1) start-up meeting to provide staff with information about the project, legislative requirements, and to discuss the study process;
 - Hold one (1) full day of meetings with staff from each department to review 15-year historical service standard information, anticipated capital needs and to discuss D.C. policy and other matters;
 - Present the report and proposed rates at a statutory Public Meeting (including a survey of D.C. rates in other municipalities);
 - Attend a meeting for passage of the final D.C. by-law;
- Prepare the D.C. background study document for staff input, presenting an analysis of the data collected, a D.C. schedule based on defined calculation methodology, with a sound legal basis, and policy recommendations. Prepare a draft by-law for staff and Council's consideration;
- Be available for the Municipality as an expert witness at the OLT in the event of an appeal (based on a separate budget) and provide post-adoption implementation support; and
- Staff also have the option to request for Watson to prepare and hold the following additional meetings:
 - Stakeholder meeting(s) to meet with the development community and other stakeholders to seek input into the D.C. process; and/or
 - One (1) Council Workshop to present an overview of the D.C. legislation, methodology, and policy considerations.

Further, we would give appropriate consideration to all the matters addressed by the D.C.A., including:

- The preparation of growth projections (anticipated development) over 10-year and longer-term forecast periods, based on the Municipality's Official Plan, and any other necessary plans or documents. The growth forecast will address residential, commercial, industrial and institutional development by time period, type, size, and general location. Other categories may be discussed at project initiation;
- The capital servicing requirements of the anticipated growth. We will meet with individual departments for an in-depth review of capital needs, understanding that changes to the growth forecast will require a change in the level of capital needs;



- The 15-year level of service cap and deductions for benefit to existing development (i.e. property tax or non-D.C. funding), post planning period capacity, excess capacity, grants and other contributions, etc.;
- Credits, full or partial exemptions, etc.;
- Collection policies and related administrative matters;
- The long-range capital and operating cost examination, as well as the asset management plan required by the D.C.A., as amended;
- The rules regarding D.C. implementation (e.g. phasing-in, indexing, municipal-wide versus area-specific charges, allocation between class of developments including mixed uses and changes in use);
- As per the amended Act, area-rating of charges will be considered; and
- Preparation of a D.C. survey of peer municipalities.

Our detailed workplan for undertaking the D.C. study process is provided in Figure 2-1.

Should this proposed work schedule not reflect the work plan anticipated by staff, Watson would be pleased to review and amend as necessary.

Figure 2-1
Proposed D.C. Background Study Workplan

STUDY STEPS	KEY ELEMENTS
PROJECT MANAGEMENT	Upon award, Watson will establish communication between Watson staff and Municipality staff. We will prepare an internal project management plan that outlines the following: <ol style="list-style-type: none">1. Description of detailed work tasks.2. Detailed schedule with beginning and end dates associated with each task.3. Deliverables with scheduled delivery dates for draft and final documents associated with each detailed task.
1. STUDY START-UP/ TRANSITIONAL ISSUES	<ol style="list-style-type: none">1.1 Work program approval.1.2 Identification of policies and other special issues to be addressed during the study process.1.3 A “D.C. Checklist” package sent by Watson to staff which overviews the D.C. process and includes sample Public Meeting notices and Notices of Passage.1.4 Discussion of services to be included in the D.C. study for recovery.



STUDY STEPS	KEY ELEMENTS
	1.5 A virtual meeting with staff to review items 1.1 to 1.4 and provide information on the overall D.C. process. (study start-up meeting).
2. DATA COLLECTION AND REVIEW OF BACKGROUND MATERIAL	<p>2.1 Information gathering regarding historical (past 15 yr.) asset inventories, capital budget projections and future capital requirements.</p> <p>2.2 Review long-term debt and identification of existing facility oversizing.</p> <p>2.3 Review the Official Plan, Strategic Plan, any necessary master plans, and any other relevant background documents for input into the D.C. study.</p>
3. GROWTH PROJECTION DEVELOPMENT	<p>3.1 Review and incorporate various types of data into the growth forecast including: population and employment trends, building permit data, etc.</p> <p>3.2 Review the current long-term population and employment forecasts. This will include analyzing factors such as occupancy, vacancy, and classes of development.</p> <p>3.3 Draft Growth forecast (residential, commercial, industrial and institutional) for timing and location of development.</p> <p>3.4 Finalization of the growth forecast, based on recommendations through discussions with staff.</p>
4. SERVICE STANDARD AND CAPITAL NEEDS ANALYSIS	<p>4.1 Determine historical service standard information (15-year) from each applicable Municipal department. The methodology for calculating levels of service and the maximum amount of D.C. funding available will be discussed with staff.</p> <p>4.2 Include long-term debt, credits, and identification of existing facility oversizing.</p> <p>4.3 Review capital expenditure information to assess growth related benefits and benefits to existing costs.</p>
5. STAFF INTERVIEWS	5.1 Meet with staff (in-person) to review the 15-year historical service standards, capital items, etc.



STUDY STEPS	KEY ELEMENTS
6. DEVELOPMENT CHARGE CALCULATIONS AND ASSOCIATED POLICIES	<p>6.1 Estimation of the costs to meet the increase in the need for service attributable to development, the required capital including new infrastructure, upgrading and/or oversizing of existing facility, consistent with not exceeding the 15-year service standard, where necessary (for all identified services other than water and wastewater).</p> <p>6.2 Calculation of the D.C., based on need for service identified in 6.1, reduced by:</p> <ul style="list-style-type: none">6.2.1 Any existing capacity created for which Council did not indicate D.C.s would be used (at the time the capacity was created).6.2.2 The extent to which existing development would benefit from the increase in service.6.2.3 Anticipated capital grants, subsidies, or other contributions in respect of the capital costs. <p>6.3 Development of draft D.C. rules for exemptions (e.g. universities), phase-ins, indexing, charges for redevelopment, etc. Discussions will be held with staff to determine the impacts of potential discounts, exemptions, credits, etc.</p> <p>6.4 Discussion of strategies to recover costs associated with excess capacity designed to service growth beyond the forecast period.</p> <p>6.5 Discussion of current practices for capital cost recovery for water and wastewater services and confirmation of changes in approach (i.e. D.C.s versus <i>Municipal Act</i> capital charges).</p>
7. LOCAL SERVICE POLICY	<p>7.1 Prepare a Local Service Policy with staff based on current practice in the Municipality.</p> <p>7.2 Provide examples of comprehensive local service policies and other examples.</p>



STUDY STEPS	KEY ELEMENTS
8. EXAMINATION OF LONG-TERM CAPITAL/ OPERATING COSTS	8.1 Examine the long-term capital and operating costs for capital infrastructure improvements.
9. ASSET MANAGEMENT PLAN	9.1 Prepare an asset management plan to deal with all assets whose capital costs are proposed to be funded under the D.C. by-law and demonstrate that all the assets mentioned in the asset management plan are financially sustainable over their full life cycle.
10. DRAFT D.C. BACKGROUND STUDY	<p>10.1 Preparation of the draft D.C. background study and by-law for staff review.</p> <p>10.2 Determination of preliminary recommendations on categories of services (for reserve fund and credit purposes), by-law commencement date, expiry date, collection timing, etc.</p> <p>10.3 Feedback from the draft background study will be incorporated into the final background study.</p>
11. FINAL D.C. BACKGROUND STUDY	11.1 Finalize the D.C. Background study and draft by-law to release to the Public as per the requirements of the D.C.A., as amended (60 days prior to by-law passage).
12. PUBLIC MEETING PROCESS	<p>12.1 Advertisement (Municipal staff) and holding of Public Meeting.</p> <p>12.2 Attend and present the study and its findings at the public meeting.</p> <p>12.3 Receipt and consideration of public submissions.</p>
13. BY-LAW PASSAGE	<p>13.1 Provide Staff with by-law(s) and any applicable documents for consideration of Council.</p> <p>13.2 Attend the Council meeting to pass the by-law.</p>
14. IMPLEMENTATION PROCESS	<p>14.1 Collection Policies/Process.</p> <p>14.2 By-law indexation.</p> <p>14.3 Reserve fund reporting requirements.</p>
OPTIONAL ITEMS	



STUDY STEPS	KEY ELEMENTS
15. COUNCIL WORKSHOP	15.1 Conduct one (1) Council workshop to present the draft findings and seek input prior to finalizing the D.C. background study.
16. STAKEHOLDER MEETING(S)	16.1 Undertake one (1) or more meetings with stakeholders and the development community to seek input into the D.C. process with respect to capital projects and policies.

3. Watson & Associates Economists Ltd.

Watson is one of Canada's leading economic consulting firms, comprised of a committed 36-person staff of municipal economists, planners and accountants. The firm has been in operation since 1982.

Serving over 250 municipal clients and utility commissions and 47 school boards throughout Ontario, many of which are long-term repeat clients, the firm is recognized as a leader in the municipal finance/local government field. The firm's senior members have participated extensively as expert witnesses on municipal finance and education matters at the Ontario Land Tribunal (OLT) for 40 years.

Watson is widely recognized as a leading authority on the fiscal aspects of the municipal government sector. The firm has earned its reputation for quality of analysis, as well as pragmatic and insightful interpretation of the issues we manage. We are well known for achieving results that translate into successful outcomes for our clients.

A feature of many studies completed by the firm includes the development of a solid information basis, and then working closely with staff and politicians to develop consensus around controversial issues. Further, many of our studies involve public participation, presenting key information to the public in an understandable format and seeking public input in developing recommendations and future directions as part of a study process.

Our firm has undertaken over one-half of the consulting work done in Ontario in the D.C. field during the past decade. In addition to conducting policy studies and co-ordinating by-law preparation and adoption processes, we have carried out numerous special issue studies, provided continuing advice to municipalities on D.C.s in specific situations and have presented papers on the D.C.A. at numerous municipal conferences. We have also participated in numerous OLT hearings and related processes. As a result of the large number of D.C. studies completed by our firm, Watson has the significant advantage of being able to assemble a solid information base which, when coupled with our sound working relationships with municipal staff and others, enables us to facilitate



the development of consensus around controversial issues. Public participation, particularly from key stakeholders, is very important. Our approach is designed to ensure that material is presented in an understandable format, in order to encourage public input in the development of recommendations and future directions as part of a study process.

3.1 Project Team Members

The following staff members are available and are committed to assisting the Municipality in its preparation of the D.C. background study and by-law.

Daryl Abbs, MBE, PLE, Managing Partner, will be the project manager for the D.C. background study and by-law. He will be the day-to-day contact and be responsible for the capital needs review, policy review, attend staff meetings, calculations, and the compilation and preparation of reports and presentations. Daryl will also conduct presentations to staff, Council, and Stakeholders (if applicable). Daryl has over 10 years of public sector experience. Prior to joining Watson in February of 2015, Daryl worked at the City of St. Catharines, undertook labour market forecasting for Service Canada (Labour Market and Socioeconomic Information Directorate), and worked for a Member of Parliament. Since joining the firm in 2015, Daryl has worked primarily in the areas of development charge studies, parkland analysis, community benefit charges, water/wastewater and stormwater rate studies, fiscal impact assessments, and service delivery reviews. To date, Daryl has worked on over 75 development charge studies, including studies for Dutton Dunwich, Malahide, Aylmer, Central Elgin, Bluewater, Bruce County, and Sarnia. Daryl has also participated in a number of D.C. appeal settlements and mediations. Daryl holds a B.A. (Honours) degree in Economics from McMaster University, a Master of Business Economics degree from Brock University, and is currently a Professional Land Economist.



Tayler Murphy, MBAN, BBA, Analyst, will assist with the data collection, policy review, staff meetings, calculations and the preparation of reports and presentations. Tayler works primarily in the area of development charges. Tayler is currently working on numerous D.C. studies including Dutton Dunwich, Brant County, Pelham, Lincoln, and Clearview. Tayler joined the firm in the spring of 2022 and brings experience in finance and consulting. Tayler holds a Bachelor of Business Administration (Honours) degree and a master's degree in Business Analytics from the Schulich School of Business.



Jamie Cook, MCIP, RPP, PLE, Managing Partner, will be responsible for overseeing the preparation of the growth forecast portion of the study. Mr. Cook joined Watson 22 years ago and has over 24 years' experience in developing economic/fiscal impact studies and economic models across Canada. He is currently a member of the firm's senior management group which oversees all facets of corporate assignments and decision making. Mr. Cook has also defended his work at the OLT on several occasions. He is a registered professional planner (RPP), a professional land economist (PLE) and a member of the Economic Developers Council of Ontario (EDCO).



Vladislav Petrov, B.A., M.A., Senior Consultant, will assist in the preparation of the growth forecast. Vlad has over six years of municipal experience and joined the firm in 2017, primarily working in the areas of demographics and land needs forecasting. Vlad has assisted with data input and analysis in the areas of growth forecasting for D.C. background studies, C.B.C. strategies, and land needs studies. His previous experience includes working as an Assistant Business Analyst for Cancer Care Ontario, an Economic Analyst for the Burlington Economic Development Corporation, a Business Consultant for FreshInsights Consulting and later as an Economic Development Intern for Halton Region.

A curriculum vitae and contact information for each of the above individuals is provided in Appendix C and can be reviewed on the company's website: www.watsonecon.ca.

4. Budget

Based on the work programs identified above, our budget estimate to complete the D.C. background study and the public process is \$29,900 (exclusive of applicable taxes). It is assumed that meetings are held in-person, with the exception of the start-up meeting and by-law passage (which are assumed to be virtual). A breakdown of the budget estimate by study step and by individual consultant is presented below.



Table 4-1
Municipality of West Elgin
Development Charges Background Study

Detailed Estimate for Each Major Study Component	Watson & Associates Economists Ltd.				
	Daryl Abbs Managing Partner	Tayler Murphy Analyst	Jamie Cook Managing Partner	Vlad Petrov Senior Consultant	Total Resources
Hourly Rates	\$285	\$145	\$320	\$190	
Development Charges Background Study and By-law					
1 Study Startup (1)* - V	2	3	-	-	5
2 Data Collection and Review of Background Material	4	4	2	4	14
3 Growth Projection Development	1	1	4	10	16
4 Service Standard and Capital Needs	6	8			14
5 Staff Interviews (1)* - P	11	11	-	-	22
6 Development Charge Calculation and Associated Policies	6	6	-	-	12
7 Local Service Policy	2	2	-	-	4
8 Examination of Long Term Capital/Operating	1	1	-	-	2
9 Asset Management Plan	1	1	-	-	2
10 Prepare Draft Background Study and By-law for staff review	5	10	1	2	18
11 Finalize D.C. Background Study	1	2	-	-	3
12 D.C. Public Meeting (1)* - P	6	4	-	-	10
13 D.C. By-law Passage Meeting (1)* - V	4	2	-	-	6
14 Implementation Process	3	-	-	-	3
Subtotal Number of Hours	53	55	7	16	131
Subtotal Fees	\$15,105	\$7,975	\$2,240	\$3,040	\$28,400
Disbursements					1,500
Total D.C. Fees (excl. applicable taxes)					\$29,900
Optional Items					
15 Council Workshop (1)* - P					\$ 2,400
16 Stakeholder Meeting (1)* - P					\$ 2,400

(#)* indicates number of Meetings

V - Virtual Meeting

P - In-person Meeting

- The budget relates to the calculations, report preparation and policy adoption only (including input into the by-law formation) and does not cover time should an appeal occur, or liability for the results thereof. Similarly, advertising and legal costs have not been incorporated herein.
- The budget provides for four (4) meetings (start-up, one (1) day of staff interviews, public meeting, and by-law passage) as well as the development of the D.C. report and by-law.
- If Municipal staff would like to have a Council Workshop, Stakeholder Meeting, or any other additional meetings, we would be available to prepare for and attend at an upset budget of \$1,300 per virtual meeting or \$2,400 per in-person meeting (travel costs and disbursements will be invoiced at costs, subject to the approval of the Municipality).
- Out-of-pocket disbursements for long distance calls, copying and related expenses, are invoiced at cost. Budget does not include applicable taxes.
- Our billings are submitted on a monthly basis for time worked on the project during the previous month. Billings are on a net 30-day basis.



- The quotation provides for a digital copy of the draft and final reports along with a draft of the D.C. by-law in a form ready for final review by the Municipality.

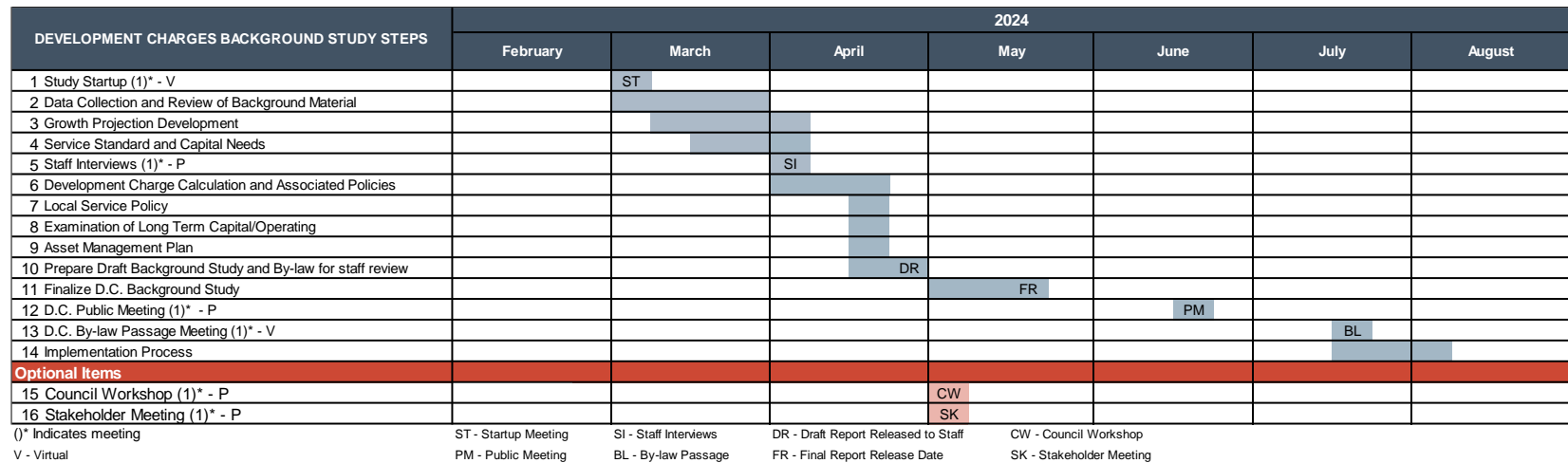
We believe based on our experience, that the budget accurately reflects the time required to undertake all the steps necessary for the completion of a defensible development charge calculation that will provide the necessary funds for the Municipality to finance and accommodate new development. However, we are prepared to review our budget with the Municipality should a different level of effort be envisioned. In addition, we believe that the investment in having the work done by a specialist firm such as Watson can potentially provide significant financial and long-term economic benefit to the Municipality.

5. Schedule

Assuming project initiation with the first meeting in early March 2024, the study process has been designed to provide the Municipality with a D.C. background study and draft D.C. by-law by mid-May 2024. Final adoption of a D.C. by-law by the Municipality would be targeted for mid-July 2024. The study is considered to be “complete” for purposes of the legislation at the time of Council approval prior to by-law passage. The timelines will be reviewed during the kick-off meeting and specific dates can be modified.



Figure 5-1
Municipality of West Elgin
Proposed Timeline





6. Other Matters

6.1 Accessibility

Watson is committed to producing accessible documents that comply with A.O.D.A. (Accessibility for Ontarians with Disabilities Act, 2005) guidelines, as well as adherence to C.N.I.B. (Canadian National Institute for the Blind) Clear Print guidelines. Watson can provide reports as PDF files that pass the Adobe Acrobat Pro DC Accessibility Checker.

Illustrations in the form of images, figures, diagrams, and complex tables often display data that is difficult to make accessible to people with visual disabilities. To effectively communicate complicated information in a way that is accessible and understandable to the reader, such illustrations are inserted as enhanced metafiles with descriptive, perceivable, and understandable alternative text. In addition, a comprehensive rendering of the data is included in the text to complement the illustrations and communicate results clearly.

In cases where complex data tables are being provided, or the Municipality requires customized report styles, templates and specific formatting (e.g. the use of capital letters, underlining, italics, font sizes and colours), we will discuss any special circumstances with the Municipality. Often, complex data tables would be included as a separate appendix in order that they can be separated from the main document when being published in the public domain (e.g. Municipal website) where accessibility is required.

Our proposed budget for this work is reflective of the accessibility features outlined above. If, however, a higher level of digital accessibility is required, we are able to provide this service at an additional cost to the Municipality. This additional cost would be determined based on the Municipality's specific requirements.

6.2 COVID-19

In response to the COVID-19 pandemic and the recommendations given by the Province, Watson has implemented strategies to ensure the safe interaction with our clients, employees, and the public. Furthermore, we are committed to the successful completion of all contracts using the best tools available. Our employees are set up to work remotely and have been trained in software and processes to continue to work collaboratively with all our clients, colleagues, and sub-contractors. We also have the ability to teleconference through audio and video means to hold meetings, interviews, etc. In addition, we have been working with clients in the existing environment on conducting virtual public meetings and have had discussions regarding possible online/digital public engagement opportunities, should that become a necessity. We



continue to communicate with our clients and third-party service providers on their own business continuity plans to ensure cooperation and best practices.

6.3 Conflict of Interest

Watson has reviewed current projects and confirms that none of the project team members have a conflict of interest.

7. Terms of Agreement

Having read the above Letter of Contract from Watson & Associates Economists Ltd., dated February 20, 2024, the Municipality of West Elgin agrees to acceptance of this proposal and to engage Watson & Associates Economists Ltd. upon the terms set out therein.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

Daryl Abbs
Managing Partner

Signed: _____

Accepted on behalf of: _____

Municipality of West Elgin

Date: _____



Appendix A

Changes to the D.C.A.



Changes to the D.C.A.

The following provides for an overview of recent legislative changes, for completeness and understanding of the proposed workplan.

Bill 108, More Homes, More Choice Act, 2019

On May 2, 2019, the Province introduced Bill 108, which proposed changes to the D.C.A. The Bill was introduced as part of the Province's "More Homes, More Choice: Ontario's Housing Supply Action Plan." The Bill received Royal Assent on June 6, 2019.

While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until proclamation by the Lieutenant Governor (many of these changes were revised through Bills 138 & 197). The following provisions were proclaimed and became effective January 1, 2020:

- Rental housing and institutional developments pay D.C.s in six (6) equal annual payments commencing at occupancy. Non-profit housing developments pay D.C.s in 21 equal annual payments. Interest may be charged on the instalments, and any unpaid amounts may be added to the property and collected as taxes.
- The D.C. amount for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined at the date of issuance of the first building permit or, in special cases and where the D.C. by-law provides, at the approval of a plan of subdivision (for certain services only).

On February 28, 2020, the Province released updated draft regulations related to the D.C.A. and the Planning Act. A summary of those changes is provided below.

Changes to Eligible Services – Prior to Bill 108, the D.C.A. provided a list of ineligible services whereby municipalities could include growth related costs for any service that was not listed. With Bill 108, the changes to the D.C.A. would now specifically list the services that are eligible for inclusion in the by-law. Further, the initial list of eligible services under Bill 108 was limited to "hard services," with the "soft services" being removed from the D.C.A. These services would be considered as part of a new community benefits charge (discussed below) imposed under the Planning Act. As noted in the next section this list of services has been amended through Bill 197.

Mandatory 10% Deduction – The amending legislation would remove the mandatory 10% deduction for all services that remain eligible under the D.C.A.



Remaining Services to be Included in a New Community Benefits Charge (C.B.C.) Under the Planning Act – It was proposed that a City may, by by-law, impose a C.B.C. against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies. The C.B.C. was proposed to include formerly eligible D.C. services that would no longer be eligible for D.C.s, in addition to parkland dedication and bonus zoning contributions.

Bill 108 was further refined based on Bills 138 and 197; and proclaimed on September 18, 2020 along with Bill 197.

Bill 138, Plan to Build Ontario Together Act, 2019

On November 6, 2019, the Province released Bill 138 which provided further amendments to the D.C.A. and Planning Act. This Bill received Royal Assent on December 10, 2019 and was then proclaimed, resulting in sections related to the D.C.A. (schedule 10) becoming effective on January 1, 2020. The amendments to the D.C.A. included removal of instalment payments for commercial and industrial developments that were originally included in Bill 108.

Bill 197, COVID-19 Economic Recovery Act, 2020

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197 which provided amendments to a number of Acts, including the D.C.A. and Planning Act. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020, received Royal Assent on July 21, 2020, and was proclaimed on September 18, 2020. The following provides a summary of the changes.

D.C. Related Changes

List of D.C. Eligible Services

As noted above, under Bill 108 some services were to be included under the D.C.A. and some would be included under the C.B.C. authority. However, Bill 197 revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services are as follows:

- Water supply services, including distribution and treatment services.
- Wastewater services, including sewers and treatment services.
- Storm water drainage and control services.
- Services related to a highway.
- Electrical power services.
- Toronto-York subway extension.
- Transit services.
- Waste diversion services.



- Policing services.
- Fire protection services.
- Ambulance services.
- Library services
- Long-term Care services
- Parks and Recreation services, but not the acquisition of land for parks.
- Public Health services
- Childcare and early years services.
- Housing services.
- Provincial Offences Act services.
- Services related to emergency preparedness.
- Services related to airports, but only in the Region of Waterloo.
- Additional services as prescribed.

Classes of Services – D.C.

Pre-Bill 108/197 legislation (i.e. D.C.A., 1997) allowed for categories of services to be grouped together into a minimum of two categories (90% and 100% services).

The Act (as amended) repeals and replaces the above with the four following subsections:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of s. 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

As well, the removal of 10% deduction for soft services under Bill 108 has been maintained.

Note: an initial consideration of “class” appears to mean any group of services.

10-Year Planning Horizon

The 10-year planning horizon has been removed for all services except transit.

C.B.C. Related Changes



C.B.C. Eligibility

Through the Provincial process and provided in Bill 197, the C.B.C. is limited to lower-tier and single tier municipalities. A C.B.C. study is not included as part of this process.

Transition

The specified date for municipalities to transition to the new D.C. rules (i.e. update their by-laws to reflect the eligible services) is two years after Schedules 3 and 17 of the COVID-19 Economic Recovery Act comes into force (i.e. September 18, 2022).

Bill 213, Better for People, Smarter for Business Act, 2020

Bill 213 was introduced in October of 2020 and received Royal Assent on December 8, 2020. One of the changes, that became effective upon Royal Assent, includes amending the Ministry of Training, Colleges and Universities Act by introducing a new section that would exempt the payment of development charges for developments of land intended for use by a university that receives operating funds from the Government. This mandatory exemption will be included in the Municipality's draft by-law.

Bill 109: More Homes for Everyone Act, 2022

On April 14, 2022, Bill 109 received Royal Assent. One of the changes of the Bill and Ontario Regulation (O. Reg.) 438/22 that took effect upon Royal Assent included amending the D.C.A. and O. Reg. 82/98 related to the requirements for the information which is to be included in the annual Treasurer's statement on D.C. reserve funds and the requirement for publication of the statement. The following additional information must be provided for each D.C. service being collected for during the year:

- a) whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-law;
- b) if the answer to a) is no, the amount the municipality now expects to incur and a statement as to why this amount is expected; and
- c) if no money was spent from the reserve fund during the year, a statement as to why there was no spending during the year.

The changes to the D.C.A. has also been amended to now require that the annual Treasurer's statement be made available to the public on the website of the municipality or, if there is no such website, in the municipal office.

Bill 23: More Homes Built Faster Act, 2022



On November 28, 2022, Bill 23 received Royal Assent. This Bill amends a number of pieces of legislation including the Planning Act and D.C.A. It is noted that, as of the time of writing, the Province has announced (on December 13, 2023) potential changes to the phased-in requirements and the removal of studies as eligible costs. The details of these changes will be forthcoming in early 2024 and Watson will monitor and advise as to the nature of these changes. The following provides a summary of the changes to the D.C.A.:

Additional Residential Unit Exemption

The rules for these exemptions are now provided in the D.C.A., rather than the regulations and are summarized as follows:

- Exemption for residential units in existing rental residential buildings – For rental residential buildings with four or more residential units, the greater of one unit or 1% of the existing residential units will be exempt from D.C.
- Exemption for additional residential units in existing and new residential buildings
 - The following developments will be exempt from a D.C.:
 - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit;
 - A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
 - One residential unit in a building or structure ancillary to a detached, semi-detached, or rowhouse on a parcel of urban land, if the detached, semi-detached, or rowhouse contains no more than two residential units and no other buildings or ancillary structures contain any residential units.

Removal of Housing as an Eligible D.C. Service

Housing services is removed as an eligible service. Municipalities with by-laws that include a charge for housing services can no longer collect for this service.

New Statutory Exemptions for Affordable Units, Attainable Units, Inclusionary Zoning Units, and Non-Profit Housing developments

Affordable units, attainable units, inclusionary zoning units and non-profit housing developments are exempt from the payment of D.C.s, as follows:

- Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws are exempt from a D.C.
- Affordable Rental Units: Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.



- **Affordable Owned Units:** Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
- **Attainable Units:** Excludes affordable units and rental units; will be defined as prescribed development or class of development and sold to a person who is at “arm’s length” from the seller.
 - Note: for affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.

Further to the above, Bill 134: Affordable Homes and Good Jobs Act, 2023 which was released on September 28, 2023 and received Royal Assent on December 4, 2023 provides a new definition of “affordable” under the D.C.A.:

- Owned unit (lesser of): cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in a new Bulletin; and
- Rental unit (lesser of): rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in a new Bulletin.

Note: the above exemptions for affordable and attainable units are not currently in force. These exemptions will be in force upon proclamation and revisions to the regulations. The bulletin has yet to be published.

- Non-Profit Housing: Non-profit housing units are exempt from D.C.s and D.C. instalment payments due after November 28, 2022.

Historical Level of Service extended to 15-year period instead of the historical 10-year period

Currently, the increase in need for service is limited by the average historical level of service calculated over the 10-year period preceding the preparation of the D.C. background study. This average is now extended to the historical 15-year period.

Revised Definition of Capital Costs

The definition of capital costs has been revised to remove studies. Furthermore, the regulations to the Act will prescribe services for which land or an interest in land will be restricted. As at the time of writing, no services have been prescribed.

Mandatory Phase-in of a D.C.

For all D.C. by-laws passed after January 1, 2022, the charge must be phased-in annually over the first five years the by-law is in force, as follows:



- Year 1 – 80% of the maximum charge;
- Year 2 – 85% of the maximum charge;
- Year 3 – 90% of the maximum charge;
- Year 4 – 95% of the maximum charge; and
- Year 5 to expiry – 100% of the maximum charge.

D.C. By-law Expiry

A D.C. by-law now expires ten years after the day it comes into force (unless the by-law provides for an earlier expiry date). This extends the by-law's life from five years, currently.

Instalment Payments

Non-profit housing development has been removed from the instalment payment section of the Act (subsection 26.1), as these units are now exempt from the payment of a D.C.

Rental Housing Discount

The D.C. payable for rental housing development will be reduced based on the number of bedrooms in each unit as follows:

- Three or more bedrooms – 25% reduction;
- Two bedrooms – 20% reduction; and
- All other bedroom quantities – 15% reduction.

Maximum Interest Rate for Instalments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications

No maximum interest rate was previously prescribed. As per Bill 23, the maximum interest rate is set at the average prime rate plus 1%. This maximum interest rate provision would apply to all instalment payments and eligible site plan and zoning by-law amendment applications occurring after November 28, 2022.

Requirement to Allocate Funds Received

Annually, beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year for water, wastewater, and services related to a highway. Other services may be prescribed by the regulation.



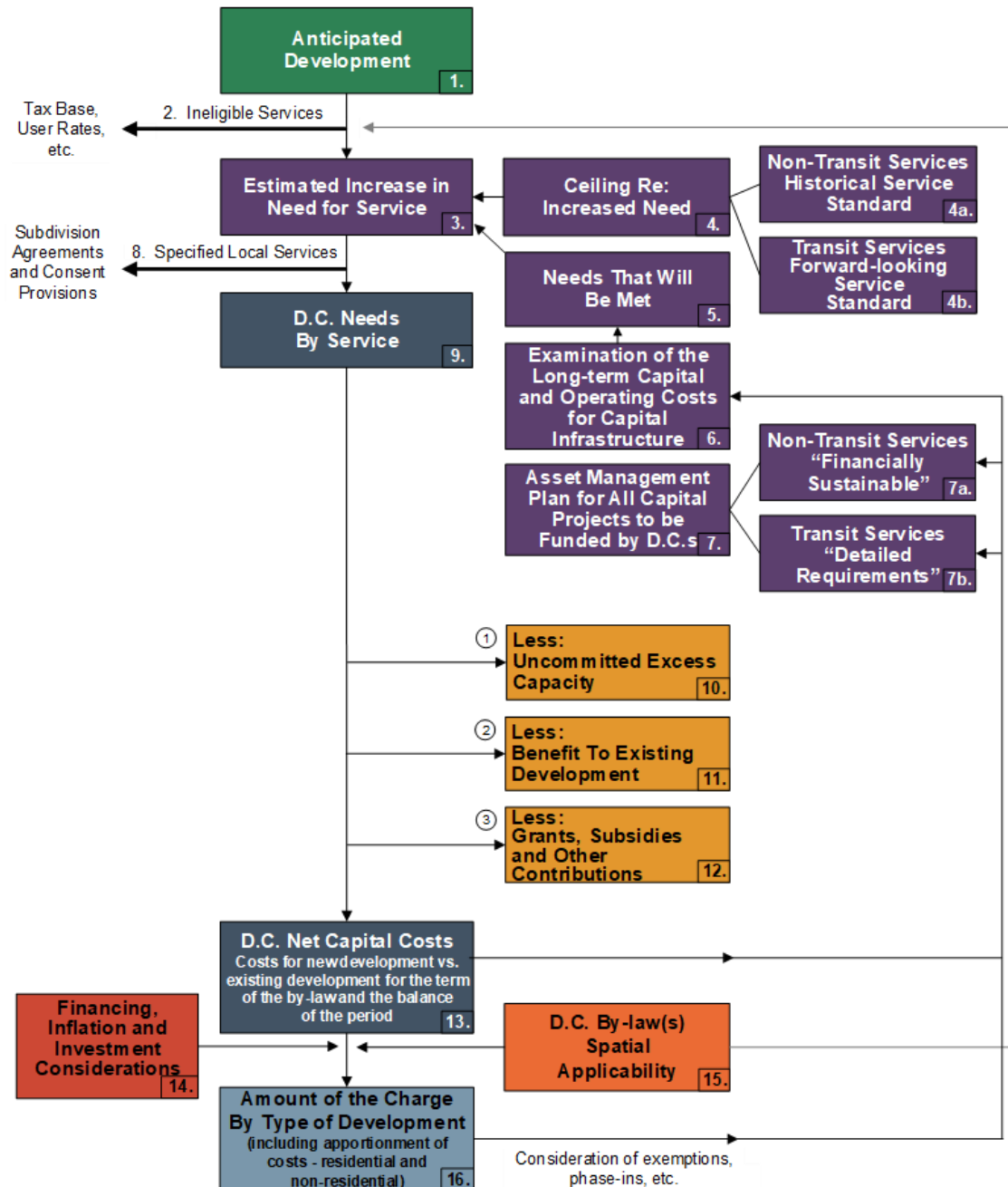
Appendix B

D.C. Methodology



Figure B-1
D.C. Calculation Methodology

The Process of Calculating a Development Charge under the Act that must be followed



The D.C.A. and its regulations, as amended, provides a specified number of steps, which must be undertaken in the calculation of development charge. Figure B-1



illustrates diagrammatically our firm's understanding of the methodology required. A brief discussion is provided below:

Step 1 involves estimating the anticipated amount, type, and location of development for which development charges can be imposed. This estimate is needed for the first two five-year periods and then to the end of the planning period. Annual estimates do not appear to be mandatory.

Step 2 involves inclusion of the eligible services as amended through Bill 197. Ineligible services are excluded from the calculation, as any expenditure in this area must be made from the tax base, user rates, etc.

Step 3 requires that "the increase in the need for service attributable to the anticipated development...be estimated for each service" that is involved. This replaces the "growth-related net capital cost" reference in the 1989 Act. This estimate does not appear to require project-specific consideration at this stage as it refers to "need" and not to "project solutions" or the means by which such needs are to be met. It may therefore be appropriate to address it in terms of "service units." These are the same factors that can be used to measure past and future levels of service in a subsequent step.

Step 4a is to ensure that, for non-transit services the increase in need included in Step 3 does "...not include an increase that would result in the level of service (for the anticipated development increment) exceeding the average level of that service provided in the Town over the 15-year period immediately preceding the preparation of the background study. O. Reg. 82/98 (s. 4) goes on to indicate that "...both the quantity and quality of a service shall be taken into account in determining the level of service and the average level of service."

Step 4b relates to transit services, requires a review process which differs from other services. The review process includes following the method and criteria to estimate the planned level of service which includes calculating the level of service based on a forward looking forecast. O. Reg. 82/98 states that all transit services are considered a prescribed service and therefore a detailed review is necessary.

Step 5 requires that for an increase in need to be included in Step 3, Council must indicate that it intends to ensure that such an increase in need will be met, presumably in accordance with the timing periods established in Step 1. Once again, this would appear to be a broad, need-related approval and not necessarily a long-range capital budget approval.

Step 6 calls for an examination of the long-term capital and operating costs for capital infrastructure to be included in the development charge background study and considered by Council before passing a D.C. by-law. Ideally, this information would be available to Council when it takes Step 5, but this does not appear to be a requirement



and is dependent on the timing of the steps in the process. Steps 3 and 5 are early steps and Step 6 could occur later.

Step 7a requires an asset management plan for non-transit services which would include all assets whose capital costs are proposed to be funded under the development charges by-law(s). It must demonstrate those assets are financially sustainable over their full life cycle. The asset management plan must also contain any other information as prescribed in the regulations.

Step 7b requires an asset management plan for transit services that shall include the following:

- A section that sets out the state of local infrastructure;
- A section that sets out the proposed level of service;
- An asset management strategy; and
- A financial strategy.

Step 8 involves removing from the D.C. calculation those kinds of local services for which the Town can impose directly or indirectly a charge related to a development or a requirement to construct a service related to a development, by way of a condition or agreement under section 51 or 53 of the Planning Act. It also involves ensuring that appropriate policies are established such that those services are, in fact, addressed subsequently in that fashion and are neither double counted nor omitted. Under section 59.1 of the amended D.C.A., no additional levies may be charged with regards to new developments except as permitted under the Development Charges Act, as amended.

Step 9 involves detailing the resultant increase in needs. The calculation of the net costs which can be recovered via D.C.s (Step 13) involves making three separate and additional deductions from the gross costs, as detailed in Steps 10, 11, and 12.

Step 10 represents a deduction from the increase in the need for service attributable to the anticipated development that can be met using the Town's excess capacity, other than excess capacity which is "committed," i.e., where Council has indicated a clear intention that it would be paid for by D.C.s or other similar charges, before or at the time it was created.

Step 11 involves a further reduction to the need, by the extent to which such an increase in service would benefit existing development. The level of service restriction in Step 4 is related, but not the same as this test. This is a potentially difficult adjustment to make, in that it could be argued that almost any new facility would have some impact on, and provide some benefit to, existing development (possibly other than some sanitary, storm, and water works, neighbourhood parks and other works which are highly localized to growth areas).



Step 12 involves reducing the capital costs necessary to provide the increased services (which is the first mention of such costs) by capital grants, subsidies and other contributions made or anticipated by Council and in accordance with various rules as to attribution between the share related to new versus existing development.

Step 13 involves tabulating the total capital costs considered above by service in terms of those that would benefit new development vs. those that would benefit existing development, and in each case, for those that will be incurred during the term of the proposed by-law vs. those which will not. The estimated and actual value of credits being carried forward is to be noted as well.

Step 14 involves increasing the costs set out in Step 13 where debenture debt is required, and a cash flow analysis reveals a net financing cost requirement.

Step 15 involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the D.C.A., it is now mandatory to “consider” area-rating of services (providing charges for specific areas and services), however, it is not mandatory to implement area-rating.

Step 16 involves relating the costs involved to anticipated development for each period under consideration and using allocations between residential and non-residential development and between one type of development and another, to arrive at a schedule of charges.



Appendix C

Watson & Associates Economists Ltd.

CORPORATE PROFILE

Watson & Associates Economists Ltd. (Watson) is one of Canada's leading economic consulting firms. Established in 1982, we offer a comprehensive range of fiscal planning and policy services to clients in government and the private sector throughout Ontario and beyond.

Our unique and dynamic team of specialists has assisted clients from over 250 municipalities, utilities and school boards, as well as private industry, and senior levels of government, to frame their financial and economic strategies.

Watson is widely recognized as a leading authority on the fiscal aspects of the municipal government sector. The firm has earned its reputation for quality of analysis, as well as pragmatic and insightful interpretation of the issues we manage. We are well known for achieving results that translate into successful outcomes for our clients.

“We are well known for achieving results that translate into successful outcomes for our clients.”

OUR PHILOSOPHY

At Watson, we firmly believe that professional expertise, wide experience with local issues and the provincial legislative environment, and an understanding of client expectations are the basic fundamentals for analyzing issues and securing the desired results.

With every assignment, we strive to identify the strategies that are best suited to meeting the challenges facing our clients. Since 1982, our integrated team of financial and economic specialists has provided quality research and analytical expertise to clients. In that time, we have built long-term relationships with a broad range of municipal, provincial and school board clients, who value our judgment and advice.

Also, Watson has numerous working relationships with major law firms, planning and engineering companies, with whom we also work on multi-disciplinary assignments.

“We strive to identify the strategies that are best suited to meeting the challenges facing our clients.”



OUR SERVICES

We offer our clients a broad range of economic forecasting and financial planning services to help them plan for their future. Our main areas of specialization include:

MUNICIPAL, SCHOOL BOARD, CONSERVATION AUTHORITY, AND UTILITY FINANCIAL POLICY STUDIES

- Financial and economic impact assessment for major projects and new development areas
- Municipal capital and operating budget policy
- User rate studies (e.g. water, wastewater, stormwater, solid waste, recreation, licensing)
- Development application processing fees (e.g., planning applications, building permits, development engineering fees)
- Long range planning for school accommodation
- Asset management and PSAB
- Water and wastewater financial plans (O. Reg. 453/07)

DEVELOPMENT-RELATED CAPITAL FUNDING STUDIES

- Development charge studies – municipal, utility, and boards of education, including research and calculation of the charge, by-law adoption process, expert witness testimony, front-end financing, subdivision agreement links and implementation matters
- Community benefits charge strategies
- Parkland dedication reviews

DEVELOPMENT MARKET AND DEMOGRAPHIC FORECASTING STUDIES

- Forecasts, feasibility studies and land needs assessment for a variety of land uses
- Population, household, non-residential space and employment forecasts
- Growth management studies

SERVICE MASTERPLANNING AND ECONOMIC ASSESSMENT

- Assessment of long-term service needs
- Present value costing and financial affordability evaluation for major undertakings
- Property value impact and compensation policy
- Business, employment and other economic impacts

LOCAL GOVERNMENT RESTRUCTURING AND GOVERNANCE

- Assessment of options and strategies
- Service evaluation and financial impact analysis
- Benchmarking and performance measurement
- Asset and liability distribution
- Ward boundary reviews

Our goal is to do the very best for our clients. We are determined to produce outstanding results by taking advantage of the most appropriate computer modelling, analytical techniques and up-to-date databases and research available. At Watson, our vision is to continue to strive for excellence. We endeavour to go beyond our clients' expectations of service and establish ourselves as the leading provider of top-quality economic consulting services in our selected markets.



Development Charges (DC)

Background

Development charges (DC) and related policies concerning cost-sharing, special area charges, and subdivider emplacements are all ways of enabling municipalities to grow in a functional and financially sound manner.

The physical growth of municipalities requires significant investment in infrastructure. Much of that investment comes in the form of DCs collected from the developers of new urban subdivisions, as well as infill development.

DCs must be potentially justified to, and approved by, the Ontario Land Tribunal (OLT, formerly known as the LPAT), if appealed. Watson provides a proven approach to municipalities to enable them to qualify to collect these charges.

Expertise

With recent OLT (LPAT) decisions requiring a level of detailed demographic analysis and given the mandatory asset management reporting requirement now associated with the Act, Watson brings the combined expertise which most other consultants cannot bring to these types of studies.

We have assisted more than 100 municipalities, most on multiple occasions, in moving successfully through the calculation and consultation process, as part of putting a by-law and funding scheme in place.

In recent years, our role has also been directed toward:

- establishing workable capital financing approaches, which integrate DC revenue with the necessary general fund contributions;



Expertise cont'd

- devising sound exemption policies as part of an economic development strategy, downtown renewal scheme or the promotion of intensification; and
- updating and amending by-laws, to stay current with increased municipal cost responsibility as a result of environmental and other increased requirements.

As part of the implementation process, Watson also provides ongoing advice and assistance to municipalities with respect to policy interpretations, amendments, and reserve fund questions.

Team

Our DC policy specialists include:

- Andrew Grunda, Managing Partner & Principal
- Jamie Cook, Managing Partner
- Peter Simcisko, Managing Partner
- Sean-Michael Stephen, Managing Partner
- Daryl Abbs, Managing Partner
- Erik Karvinen, Manager
- Nancy Neale, Manager
- Byron Tan, Manager
- Brad Post, Senior Project Coordinator
- Navreet Bains, Senior Project Coordinator
- Adam Fischer, Senior Project Coordinator
- Stephen Monrad, Senior Consultant
- Vlad Petrov, Senior Consultant
- Matt Bouroukis, Senior Consultant
- Lynn Duong, Consultant
- Sara Lourenco, Consultant
- Connor Jakobschuk, Consultant
- Subrina Goolsarran, Consultant
- Shaila Taku, Consultant
- Catherine Jiao, Analyst
- Gisele Sarbandi, Analyst
- Tayler Murphy, Analyst
- Balpreet Passi, Analyst
- Jaco de Beer, Analyst
- Majd Natout, Analyst

Client List

Municipalities

Adelaide Metcalfe
Adjala (Adjala-Tosorontio)
Ailsa Craig
Ajax
Alfred and Plantagenet
Algonquin Highlands
Alliston
Amaranth
Amherstburg
Ancaster
Arkona
Armstrong
Arnprior
Arthur
Asphodel-Norwood
Aurora
Aylmer
Bagot and Blythfield
Bancroft
Barrie
Bath
Bayham
Belleville
Black River-Matheson
Blandford-Blenheim
Bluewater
Bosanquet
Boyd Island
Bracebridge
Bradford
Bradford West Gwillimbury
Brampton
Brandon (Manitoba)
Brant County
Brantford
Brighton
Brock
Brockville
Brooke-Alvinston
Bruce County
Burford
Burleigh & Anstruther
Burlington
Caledon
Calgary (Alberta)
Cambridge
Carleton Place
Carling
Casselman
Cavan Monaghan
Central Elgin
Central Huron
Centre Hastings
Centre Wellington
Champlain
Chandos
Chatham
Chatham-Kent
Chatham (Township)
Chatsworth
Chisholm
Clarence-Rockland
Claresholm (Alberta)
Clarington (Newcastle)
Clearview
Cobourg

Cochrane
Colborne
Collingwood
Cookstown
Cornwall
Cumberland
Deep River
De Salaberry (Manitoba)
Deseronto
Dover
Drayton
Dufferin County
Dundalk
Dundas
Durham Region
Dysart et al
East Garafraxa
East Gwillimbury
East Luther (East Luther Grand Valley)
East Williams
East York
East Zorra-Tavistock
Edmonton (Alberta)
Eldon
Elgin County
Elmvale
Elora
Emily
Ennismore
Eramosa
Erin
Ernestown
Essa
Essex (Town)
Essex County
Etobicoke
Fenelon
Fenelon Falls
Fergus
Flamborough
Forest
Fort Erie
Fort Frances
Fort Saskatchewan (Alberta)
Frontenac County
Frontenac Islands
Galway and Cavendish
Gananoque
Georgian Bay
Georgina
Glanbrook
Gloucester
Goulbourn
Grand Bend
Grande Prairie (Alberta)
Grand Valley
Gravenhurst
Greater Madawaska
Greater Napanee
Grey County
Grey Highlands
Grimsby
Guelph (City)
Guelph/Eramosa
Guelph (Township)
Haldimand County
Haldimand-Norfolk
Halifax (Nova Scotia)
Halton Region
Halton Hills
Hamilton (City)
Hamilton (Township)
Hamilton-Wentworth
Hanover (Manitoba)
Harvey
Harwich
Hastings
Havelock-Belmont-Methuen
Hawkesbury
Hornepayne
Huntsville
Huron County
Huron Elgin
Ingersoll
Innisfil
Iroquois Falls
Kanata
Kawartha Lakes
Kearney
Kent County
Kincardine
King
King-Nobleton
Kings County (Nova Scotia)
Kingston (City)
Kingston (Township)
Kingsville
Kitchener
Lakeshore
Lambton Shores
Lanark County
Larder Lake
LaSalle
Laxton, Digby & Longford
Learnington
Leduc County (Alberta)
Leeds and Grenville
Leeds and the Thousand Islands
Limerick
Lincoln
Lindsay
London (City)
London (Township)
Loyalist
Lucan
Machin
Madawaska Valley
Malahide
Mapleton
Mariposa
Markham
McDougall
McGillivray
McNab/Braeside
Meaford
Melancthon
Merrickville/Wolford
Metropolitan Toronto
Metro Vancouver (British Columbia)
Middlesex Centre
Middlesex County
Midland

Milton
Minto
Mississauga
Mississauga Library Board
Mississippi Mills
Moncton (New Brunswick)
Mono
Montague
Moosonee Dev. Area Board
Morris
Mulmur
Muskoka District
Muskoka Lakes
Nepean
Newmarket
New Tecumseth
Newbury
Niagara Region
Niagara Falls
Niagara-on-the-Lake
Niverville (Manitoba)
Norfolk County
North Bay
North Dorchester
North Dumfries
North Dundas
North Glengarry
North Grenville
North Lambton
North Middlesex
North Perth
North Plantagenet
North York
Northumberland County
Norwich
Oakville
Onondaga
Ops
Orangeville
Orillia (City)
Orillia (Township)
Oro-Medonte
Osgoode
Oshawa
Otonabee
Ottawa
Ottawa-Carleton
Owen Sound
Oxford County
Parkhill
Parkland County (Alberta)
Parry Sound
Peel Region
Pelee Island
Pelham
Pembroke
Penetanguishene
Perth
Petawawa
Petroia
Pickering
Pittsburgh
Plympton-Wyoming
Point Edward
Port Colborne
Port Hope

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ECONOMISTS LTD.



Municipalities (Cont'd)

Port Severn	Sault Ste. Marie	Sudbury (City)	Wasaga Beach
Prescott & Russell	Scarborough	Taché (Manitoba)	Waterdown
Prince Albert (Saskatchewan)	Scugog	Tay	Waterloo (City)
Prince Edward County	Seguin	Tecumseh	Waterloo Region
Prince George (British Columbia)	Selwyn	Temiskaming Shores	Wawa
Puslinch	Severn	Thames Centre	Welland
Quinte West	Shelburne	The Archipelago	Wellesley
Ramara	Sidney	The Blue Mountains	Wellington County
Red Rock	Simcoe County	Thedford	Wellington North
Regina (Saskatchewan)	Sioux Lookout	The Nation	West Carleton
Renfrew (County)	Smiths Falls	Thorold	West Elgin
Renfrew (Town)	Smith-Ennismore-Lakefield	Thunder Bay	West Grey
Richmond Hill	Southampton	Thurlow	West Garafraxa
Rideau Lakes	South Bruce	Tilbury North	West Lincoln
Ritchot (Manitoba)	South Bruce Peninsula	Tillsonburg	Westminster
Rockland	South Frontenac	Timmins	West Nissouri
Rockcliffe Park	Southgate	Tiny	Westport
Rocky View County (Alberta)	South Huron	Toronto	West Williams
Romney	South Stormont	Toronto Transit Commission	Whitby
Russell	Southwest Middlesex	Tottenham	Whitchurch-Stouffville
St. Albert (Alberta)	South-West Oxford	Trent Hills	Whitewater Region
St. Catharines	Southwold	Trent Lakes	Wilmot
St. Clair	Springwater	Trenton	Windsor
St. Anne (Town) (Manitoba)	Stoney Creek	Uxbridge	Winnipeg (Manitoba)
St. Anne (Rural Municipality) (Manitoba)	Stormont, Dundas, and Glengarry Counties	Vancouver (British Columbia)	Wood Buffalo (Region) (Alberta)
St. Marys	Storrington	Vanier	Woodland Beach
St-Pierre-Jolys (Manitoba)	Stratford	Vaughan	Woodstock
St. Thomas	Strathcona County (Alberta)	Verulam	Woolwich
St. Vincent	Strathroy-Caradoc	Vespra	Yellowknife (NWT)
Sarnia	Strong	Victoria County	York Region
Saugeen Shores	Sudbury Region	Wainfleet	York (City)
		Warwick	Zorra

Water Boards and Utilities

Aylmer Secondary Water Supply System
Bradford West Gwillimbury P.U.C.
Chatham-Kent P.U.C.
Collingwood Utilities Services
Elgin Area Primary Water Supply System
Essex Union Water Board
Lakefront Utilities Services Inc.

Lake Huron Primary Water Supply System
Lambton Area Water Supply System
Peterborough Utilities
Port Burwell Secondary Water Supply System
St. Thomas Area Secondary Water Supply System
Union Water Supply System
Windsor Utilities Commission

School Boards

Algoma District School Board
Algonquin and Lakeshore Catholic District School Board
Avon Maitland District School Board
Bluewater District School Board
Brant Haldimand-Norfolk Catholic District Board
Bruce Grey Catholic District School Board
Catholic District School Board of Eastern Ontario (52)
Conseil de district du Centre Sud-Ouest (58)
Conseil scolaire de district catholique de l'Est Ontarien (65)
Conseil scolaire de district catholique Franco-Nord (60.2)
Conseil des écoles publiques de l'Est de l'Ontario (59)
Conseil scolaire de district des écoles catholiques de Sud-Ouest (63)
Conseil scolaire de district catholique Centre-sud (64)
Conseil scolaire de district catholique du Centre-Est de l'Ontario (66)
Dufferin-Peel Catholic District School Board
Durham Catholic District School Board
Durham District School Board
English Language School Board of Prince Edward Island
Grand Conseil de la Nation Waban-Aki and Aboriginal Affairs and Northern Development Canada
Grand Erie District School Board
Greater Essex County District School Board
Halton Catholic District School Board
Halton District School Board

Hamilton-Wentworth District School Board
Hamilton-Wentworth Catholic District School Board
Hastings and Prince Edward District School Board
Huron-Perth Catholic District School Board
Kawartha Pine Ridge District School Board
Kenora Catholic District School Board
Lakehead District School Board
Limestone District School Board
London District Catholic School Board
Near North District School Board
Niagara Catholic District School Board
District School Board of Niagara
Nipissing Parry Sound Catholic District School Board
Ontario Association of School Business Officials
Ottawa-Carleton Catholic District School Board
Ottawa-Carleton District School Board
Peel District School Board
Peterborough, Victoria, Northumberland and Clarington Catholic District School Board
Renfrew District School Board
Simcoe County District School Board
Simcoe-Muskoka Catholic District School Board
Sudbury Catholic District School Board
Sudbury District School Board



School Boards (Cont'd)

Thames Valley District School Board
Thunder Bay Catholic District School Board
Toronto Catholic District School Board
Toronto District School Board
Upper Grand District School Board
Waterloo Catholic District School Board

Waterloo District School Board
Wellington Catholic District School Board
Windsor Essex Catholic District School Board
York Catholic District School Board
York Region District School Board

Federal and Provincial Agencies

Aboriginal Affairs and Northern Development Canada
(Department of Indian and Northern Affairs)
Agriculture and Food
Canadian Forestry Service
Conservation Halton
Consumer and Corporate Affairs Canada
Credit Valley Conservation Authority
Economic Development and Tourism
Environment and Energy - Fiscal Planning and Information
Management Branch
Essex Region Conservation Authority
Finance
Grand River Conservation Authority
Grey Sauble Conservation Authority
GO Transit
Government Finance Officers' Association (British Columbia)
Greater Toronto Area Co-ordinating Committee
GTA Task Force
Hamilton Conservation Authority
Interim Waste Authority

Lake Simcoe Region Conservation Authority
Metropolitan Toronto Conservation Authority
Ministry of Correctional Services, Nova Scotia
Ministry of Transportation
Municipal Affairs - Planning & Research
- Municipal Finance
- Community Planning
- Local Govt. Organization
Natural Resources Canada - Siting Task Force Secretariat
Niagara Peninsula Conservation Authority
Northern Affairs
Northwest Territories, Dept. of Local Government
Nottawasaga Conservation Authority
Nova Scotia Solicitor General's Dept.
Ontario Hydro
Ontario Land Corporation
Ontario Power Generation Corp.
Ontario Realty Corporation
Saugeen Valley Conservation Authority
Waterloo Region Review Commission

Associations and Corporations

Ace Aviation
Algoma Central Properties Inc.
AMCTO
APPEAL
Araz Developments Inc.
Armbro Enterprises Inc.
Bank of Montreal
BILD
Canadian Environmental Law Association
CNR Real Estate Division
Canadian Parking Association
Canadian Salt Company
Campeau Corporation
Commemorative Services of Ontario
Consumers' Gas
Coral Inn
ESRI
Fletcher's Meadow Landowners' Group
George Wimpey Canada Limited
Georgian Homes
The Goldman Group
Golf Glen Terraces Ltd.
Grand Oak Group
H.H. Angus
Halton U.D.I. Chapter
Hamilton-Wentworth Homebuilders
Highland Hamlet Inc.
Inducon
Kanata West Landowners Group
Kitchener-Waterloo Homebuilders
Lexlaw Investments Ltd.
100 Main Street
Mattamy Homes
J.K. McLennan Developments Ltd.
Manitoba Hydro

Metrus Properties
Milac Holdings Limited
Multi-Area Developments Inc.
Municipal Electric Association
Municipal Finance Officers Association
Niagara Home Builders Association
Ontario Environmental Law Association
Ontario Forest Industries Association
Ontario Ground Water Association
Ontario Homebuilders' Association
Ontario Hospital Association
Ontario Lumber Manufacturing Association
Ontario Municipal Water Association
Ontario Restaurant Hotel and Motel Association
Ontario Water Works Association
Orlando Corporation
Oshawa Transit
Parking Authority of Toronto
Philip Environmental Inc.
Queensville Properties
The Sorbara Group
Stinnes Enerco Inc.
Swallow Glen Ltd.
Tim Donuts Ltd.
Torchin Group
Toronto Homebuilders Assoc.
Unireco Industries Inc.
Urban Development Institute
Vesta Management
Waste Diversion Ontario
Wat-Cha Farms
Wescast Industries
Western Excavators
Wycliffe Homes
737156 Ontario Ltd.



Planning and Engineering Firms

Acres
AECOM
Ainley & Associates
R.V. Anderson
Andrew, Thompson & Assoc. Ltd.
Aquafor Beech Ltd.
BluePlan Engineering Consultants Limited
Burnside Engineering
The Butler Group
CH2M Hill Engineering
Cosburn Patterson Wardman Limited
CRA
Cushman & Wakefield Ltd.
Delcan
Deloitte, Haskins & Sells
Dillon Consulting Limited
Earth Tech (Proctor & Redfern)
Ecological Services for Planning Ltd.
EDA Collaborative
Fenco MacLaren Inc.
Fotenn
Gamsby and Mannerow Engineers
Gartner Lee Ltd.
Giffels Associates Limited
Gore & Storrie Limited
IBI

IMC Consulting Group Inc.
iTrans
Jagger Hims Limited
Jean Monteith and Associates Limited
John Bousfield Associates Limited
The Jones Consulting Group Ltd.
Keir Consultants
KMK Consulting
Landmark Planning Associates Inc.
Macaulay Shiomi Howson
MacViro
Malone, Givens, Parson
Meridian Planning Consultants
Miller, O'Dell Planning Associates Inc.
Moore/George Associates Inc.
Page & Steele, Architects, Planners
Philips Engineering Ltd.
Resource Integration Systems Ltd.
Senes Consultants Limited
SPR Associates Inc.
Stantec
Totten Sims Hubicki
Triton Engineering Ltd.
Walker, Nott, Dragicevic Limited
Young & Wright Architects

Law Firms

Aird & Berlis
Bell, Baker
Blake, Cassels & Graydon
Borden & Elliot
Brooks, Harrison, Mann & Associates
Burgar, Rowe
Canadian Environmental Law Association
Cunningham, Swan, Carty, Little & Bonham
Davies and Company
Davies Howe Partners
Gloria J. Epstein & Associates
Fasken Campbell Godfrey
Feehely, Gastaldi & Hayes
Gardner, Roberts
Goodman & Goodman
Graham, Wilson & Greene
Grant & Acheson
Hinnegan & Babcock
Howell, Fleming
Hughes, Amys
Lampard, Ellis
Lang, Michener, Lash & Johnston

McCarthy Tétrault
McMillan, Binch
Miller Thomson
Morris, Rose, Ledgett
O'Connor MacLeod
Osler, Hoskin & Harcourt
Overland LLP
Pearson, Flynn, Sturdy & Lennox
Pensa and Associates
Perry & Outerbridge
Reble, Ritchie
Ross & McBride
Russell, Christie, Miller & Koughan
Siskind, Cromart, Ivey & Dowler
Stiver, Vale
Sullivan Mahoney
Templeman, Menninga
Thompson Rogers
Wardlaw, Mullin, Carter & Thwaites
Waterhouse, Holden, Amey, Hitchon
Weir & Foulds
Willms & Shier

Non-profits and Community Organizations

Bruce Grey Child & Family Services
Burlington Economic Development Corporation
Community Foundation Grey Bruce
Conservation Halton
Credit Valley Conservation Authority
Essex Region Conservation Authority
Grand River Conservation Authority

Grey Sauble Conservation Authority
Hamilton Conservation Authority
Lake Simcoe Region Conservation Authority
Metropolitan Toronto Conservation Authority
Niagara Peninsula Conservation Authority
Nottawasaga Conservation Authority
Saugeen Valley Conservation Authority

Daryl Abbs, BA (Hons), MBE, PLE

Managing Partner



Daryl has advanced quickly to his current responsibilities as Managing Partner since joining Watson in 2015 as an Analyst.

He works in the areas of municipal finance, development charges, water and wastewater rate studies, stormwater rate studies, fiscal impact assessments, and service delivery reviews.

Daryl's experience and education have equipped him with a strong acumen in municipal finance, statistical analysis and forecasting techniques.

EDUCATION

2014, Brock University
Master of Business Economics

2011, McMaster University
Bachelor of Arts (Honours), Economics

EMPLOYMENT HISTORY

Current

Managing Partner, Watson & Associates Economists Ltd.

- Focused on municipal finance, development charges, water and wastewater rate studies and fiscal impact assessments.

2014/2015

Executive Assistant, Member of Parliament

- Assisted the Member in the execution of their duties, including preparation of speeches and presentations, preparation for question period, and assisting with a parliamentary committee.



EMPLOYMENT HISTORY cont'd

2014

Junior Analyst, Labour Market and Socioeconomic Information Directorate, Service Canada

- Analyzed economic trends in the Ontario labour market and reported on potential occupational outcomes.
- Updated the economic “environmental” scan for Ontario, analyzing various federal, provincial and local economic trends.

2013

Co-op Student, Recreation and Community Services, City of St. Catharines

- Facilitated and monitored the “New Trees” planting program.
- Managed the administration requirements for the Urban Forestry Advisory Committee meetings.

2012-2013

Teaching Assistant, Economics Department, Brock University

- Conducted tutorials and review sessions for introductory, intermediate, advanced and MBA programs; graded exams and assignments.

PROFESSIONAL CERTIFICATIONS

- Professional Land Economist (PLE)

PROFESSIONAL AFFILIATIONS

- Member, Association of Ontario Land Economists
- Member, Municipal Finance Officers' Association of Ontario

EXPERTISE

- Asset Management/PSAB
- Development charges
- Developer/cost sharing
- Financial and economic impact of development
- Feasibility/business case studies
- Municipal financial planning and policy
- Service delivery reviews
- Stormwater rate studies
- Water and sewer rate studies
- Waste management

Tayler Murphy, BBA (Hons), MBAN Analyst



Tayler joined Watson in 2022, as part of our Municipal Finance group. She works primarily in the areas of municipal finance and development charges.

Her strong academic background in finance and analytics makes her a valuable resource to the firm and our clients.

EDUCATION

2021, Schulich School of Business – York University
Master of Business Analytics

2017, Schulich School of Business – York University
Bachelor of Business Administration (Honours), specializing in finance and operations

EMPLOYMENT HISTORY

Current

Analyst, Watson & Associates Economists Ltd.

- Supports the areas of municipal finance and development charges.

2021-2022

Data Analyst, Suncor

- Analyzed Scope 3 emissions data to identify and understand hotspots and develop solutions to reduce overall emissions and costs.
- Developed Scope 3 emissions calculator to track and forecast emissions.
- Created various reports and models to better understand emission trends.



EMPLOYMENT HISTORY cont'd

2018-2020

Finance Student, Sudbury Integrated Nickel Operations, Glencore

- Analyzed cost history for large corporate accounts to identify overpayments and reduce costs.
- Performed various data entry tasks related to accounts payables and payroll.
- Updated and maintained quantitative business tools, as needed.

2017-Current

Co-Founder, Dream to Be, Non-Profit Organization

- Manages finances, operations, marketing, and fundraising.
- Fundraises to pay for registration fees and equipment for first time, female hockey players between the ages of 4 and 10 whose families otherwise cannot afford the expense.

EXPERTISE

- Development charges
- Financial and strategic analysis
- Financial and economic impact of development
- Feasibility/business case studies
- Water and sewer rate studies
- Asset management/PSAB

Jamie Cook, MCIP, RPP, PLE

Managing Partner



Jamie is a land economics and land-use planning consultant. During his career, he has worked for both the private and public sectors in a variety of positions with increasing responsibility.

Over the past two decades with Watson, Jamie has been a key player in developing the firm's expertise in several core areas, including demographics, growth management, employment lands needs, economic impact analysis, real estate market analysis and municipal finance.

In addition to his technical expertise, Jamie has an extensive background in the policy and legislative framework surrounding municipal finance and planning matters.

Throughout his career, he has developed wide-spread experience working with numerous public sector clients in both urban and rural locations across Canada in the above-mentioned core areas.

In 2018, Jamie and Jack Ammendolia, Managing Partner at Watson, developed the Research, Data Collection & Analysis course for Seneca's Sustainable Planning & Development program. The course was foundational for students interested in starting or advancing a career in sustainable land-use planning and community development.

EDUCATION

1999, Queen's University

Master of Urban and Regional Planning, Land Use and Real Estate, Environmental Planning and Management

1997, British Columbia Institute of Technology

Select Courses in Geographical Information Systems (GIS) and AutoCAD

1996, University of Guelph

Bachelor of Environmental Science (Honours), Natural Resource Management, Resource and Environmental Economics



EMPLOYMENT HISTORY

Current

Managing Partner, Watson & Associates Economists Ltd.

- Carries responsibility for the firm's planning and land economics practice.
- Manages multi-disciplinary projects related to growth management and long-term urban land needs.
- Oversees residential, industrial, and commercial market analysis studies, economic and municipal financial impact analysis studies, including research, computer modelling, report writing and presentations.
- Involved in the preparation of municipal, utility and school board development charge studies.

1999-2000

Policy Advisor, Ministry of Municipal Affairs & Housing

- Analyzed and advised the Office for the Greater Toronto Area and the Minister's office on issues related to land-use planning, municipal infrastructure, telecommunications and regional economic competitiveness.
- Completed research studies, briefing notes, Minister's responses and cabinet submissions related to GTA-wide issues.

1998

Planning Assistant/GIS Specialist, Natural Resources Canada, Strategic Planning Division

- Assisted in the development of an intranet-based facilities management GIS for Natural Resources Canada's nation-wide real property.

1997

Planning/GIS Technician, Regional Municipality of Halton, Planning & Public Works Department

- Assisted municipal planners and engineers with mapping services regarding regional land-use planning, environmental services and transportation projects.

PROFESSIONAL CERTIFICATIONS

- Canadian Institute of Planners (CIP)
- Professional Land Economist (PLE)
- Registered Professional Planner (RPP)



PROFESSIONAL AFFILIATIONS

- Member, Association of Ontario Land Economists
- Member, Canadian Institute of Planners
- Member, Lambda Alpha International Society of Land Economists
- Member, Ontario Professional Planners Institute

EXPERTISE

- Development charges
- Economic impact of development
- EDC growth forecasts
- Employment lands strategies
- Enrolment projections and demographic studies
- Growth management/MCR/OP, secondary plan growth forecasts
- Intensification studies
- Municipal competitiveness
- Municipal financial planning and policy
- Office market studies
- Retail market studies

Vladislav Petrov, BA, MA

Senior Consultant



Vlad joined Watson in 2017 with a strong economic background and familiarity with both the municipal and regional levels of government. His experience has allowed him to use analytical and data modelling techniques to research, develop and implement various projects.

Vlad's capabilities make him an asset to Watson and our clients, in the areas of demographics and land needs forecasting.

EDUCATION

2016, Ryerson University

Master of Arts, International Finance and Economics

2015, Ryerson University

Bachelor of Arts, International Economics and Finance

EMPLOYMENT HISTORY

Current

Senior Consultant, Watson & Associates Economists Ltd.

- Supports the areas of demographics and land needs forecasting.

2017

Economic Development Intern, Halton Region

- Managed data initiatives including economic database updates, key sector and industry cluster studies, trend analysis, data enquiry response and quarterly economic reports.

Business Consultant, FreshInsights Consulting

- Led three successful projects including a go-to market strategy, tactical growth plan and product development recommendation.



EMPLOYMENT HISTORY cont'd

2016-2017

Economic Analyst, Burlington Economic Development Corporation

- Managed the economic and market analysis to support the successful development and implementation of BEDC's Strategic Plan.

2015-2016

Graduate Assistant, Ryerson University

- Conducted tutorials and held office hours in the areas of Microeconomics and Engineering Economics; invigilated and graded exams.

2014-2015

Assistant Business Analyst, Cancer Care Ontario

- Collaborated with multiple stakeholder groups and departments to gather and document project requirements and analyze data for the delivery of Business Requirements Documents.

EXPERTISE

- Development charges
- Employment lands strategies
- Growth management studies
- Intensification studies
- Municipal competitiveness
- Municipal comprehensive reviews
- Office market studies
- Official plan reviews
- Retail market studies
- Secondary plan growth forecasts
- Ward boundary reviews