



*A People Place, A Change of Pace*  
**SHELBURNE**  
ONTARIO, CANADA

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**Meeting Date:** Monday, May 31, 2021

**To:** Mayor Mills and Members of Council

**From:** **Jim Moss, Director of Development and Operations**

**Report:** DO 2021-03

**Subject:** **Sewage Allocation Policy**

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## Recommendation

Be it Resolved that Council of the Town of Shelburne:

1. Receives report DO2021-03 Sewage Capacity Allocation dated May 31, 2021 for information purposes; and that
2. Council renew the allocation of servicing capacity to previously allocated draft plans of subdivision/condominium including Shelburne 89 Developments Inc. (Fieldgate) (File No. DPS 18/01, 257 units), Centreville (Shelburne) Inc. (File Nos. DPS 17/01, DPC 17/01, 58 units), and Scone Developments – Stone Ridge Phase 1 (File Nos. DPS 17/02 and DPC 17/02, 33 units), and that such allocation of the service shall run with the draft plan approval until the plan is registered and all dwelling units are constructed and occupied or until expiry of the applicable draft plan(s), whichever occurs first; and that
3. Council establish servicing reserves of 51 m<sup>3</sup>/day for ICI development in the Stage 2 area and 10 m<sup>3</sup>/day for residential and mixed-use infill and intensification in the Stage 1 and Stage 2 area; and that

4. Council directs that applications in process for development that exceeds the remaining unallocated servicing capacity may continue to be processed on the basis of the ongoing environmental assessments and related design work for future infrastructure capacity upgrades and subject to holding provisions, conditions of approval, development agreements and/or other planning and legal instruments, as may be recommended by staff for Council consideration at the time of development approval, as appropriate; and that
5. Council considers the Draft Servicing Allocation Policy to be further reviewed and finalized by Staff and brought back to Council for final approval.

## Background

On March 22, 2021, report DO 2021-02 on the Sewage Capacity Allocation of the current sewage treatment plant was presented to Council.

On April 7<sup>th</sup>, 2021, a letter and form were issued requiring the submission of servicing allocation renewals and new requests, and to give notice of the Special Meeting, to:

- Owners of conditionally approved developments with current allocations
- Owners of land subject to current planning applications or other servicing requests
- Owners of land proposed for future development
- General public

A special Council meeting was held April 28, 2021 for development allocations. Servicing allocation requests and renewals were not required for landowners with final approvals for development or for which a building permit has been issued, and for residential developments for five (5) or fewer units.

The owners of these developments presented their projects and future allocation needs going forward. Additionally, Council requested Staff undertake a review of policies from other municipalities and report back to Council with a policy for more effective management for servicing allocation that ensure capacity allocations, once approved, follow the principal of “use it or lose it” regarding allocation.

## Analysis

At the April 28<sup>th</sup> meeting the following servicing allocation renewals were received as shown in Table 1:

**TABLE 1:**

<b>Development</b>	<b>Status</b>	<b>Stage Area(s)</b>	<b>Total Units and/or GFA</b>
Shelburne 89 Developments (Fieldgate) - 900 Main St. E.	Draft approved, pre-servicing Servicing allocated for 250 units in November 2019, 7 units added in September 2020	2 and 3	257 units
Centreville (Shelburne) Inc. 600 Main St. E.	Draft approved, engineering approvals and pre-servicing agreement in process Servicing allocated for 58 units March 2018	1	58 units
Scone Developments – Stone Ridge Phase 1	Draft approved, pre-servicing Servicing allocated for 33 units in June 2019	2	33 units
<b>Total Renewals</b>			<b>348 units</b>

The following servicing allocation requests (not previously allocated) were received as shown in Table 2:

**TABLE 2:**

<b>Development</b>	<b>Status</b>	<b>Stage Area(s)</b>	<b>Total Units and/or GFA</b>
Shelburne 89 Developments (Fieldgate) - 900 Main St. E.	Draft approved block, pre-servicing Commercial site plan in process (application filed in July 2020) Pre-consultation for med/high density	2	0.74 ha commercial 71 units
Scone Developments – Stone Ridge Phase 2	Draft approved block, pre-consultation	2	11 units

NMJ / Sahyog / 2728476 Ontario Inc.- 416/420/428 Main St. W.	Draft plan and zoning applications in process (applications filed in Dec. 2020)	2	190 units
1005024 ONTARIO LTD. / Shigetaka Kamata - 501-505 Main St. W.	Draft plan application in process (application filed in Aug. 2020)	2	142 units
Stella-Jones Inc. 201 Wellington Street	Phase 1 Site Alteration Permit July 2020 Phase 2 Site Plan Application in process (application filed in Dec. 2019) Phase 3 Pre-consultation	2	0.62 ha industrial
786413 Ontario Inc. (Flato Developments) 500 Main St. W.	Applications received March 2021	Non-Urban	93 units 0.19 ha commercial
<b>Total New Requests</b>			<b>507 units</b> <b>1.55 ha ICI</b>

As summarized in report DO 2021-02, the remaining unallocated capacity of the WPCP as of available data to year-end 2020 is 79 m<sup>3</sup>/day which is estimated to provide for up to 94 residential units OR 2.83 hectares of Industrial / Commercial / Institutional (ICI) Gross Floor Area (GFA).

Based on the servicing allocation renewal forms received and information presented by the owners of the developments with existing servicing allocation (Table 2), the re-allocation of previously allocated capacity to accommodate new servicing allocation requests is not supported by these owners as they intend to make full use of their existing/previous allocations in the near future.

Table 3 summarizes the remaining WPCP servicing capacity and compares it with the allocation renewals and new requests received. As shown in Table 3, the year-end 2020 unused treatment capacity is 550 m<sup>3</sup>/day of which 356 m<sup>3</sup>/day is available for new development after accounting for allocated developments with final approvals that are under construction or that only

require a building permit and previously committed small infill development approvals (developments with less than 5 units). Of the 356 m<sup>3</sup>/day of remaining capacity, 277 m<sup>3</sup>/day has been allocated to three residential developments and all three owners of these developments are seeking renewal of their allocations, for a total of 277 m<sup>3</sup>/day. Renewal of these allocations will reconfirm the remaining 79 m<sup>3</sup>/day unallocated capacity.

**TABLE 3:**

<b>Net Remaining Capacity After Contingencies</b>	(from SBA letter March 9, 2021)	<b>550 m<sup>3</sup>/day</b>
Allocations for registered plans and infill approvals (192 units)	(Hyland Village remaining units and approved infill lots)	154 m <sup>3</sup> /day
Allocations for ICI approved / under construction (1.93 ha)	(Turnstone, 147 Luxton Way, 108 Prentice Dr., 301 Col. Phillips Dr., 485387 S.R. 30 - BMP)	40 m <sup>3</sup> /day
<b>Subtotal Remaining Capacity</b>		<b>356 m<sup>3</sup>/day</b>
<b>Allocated developments seeking renewal:</b>		
Fieldgate (257 units)	(flow estimate based on units and population estimate)	214 m <sup>3</sup> /day
Centreville (58 units)	(flow estimate based on units and population estimate)	40 m <sup>3</sup> /day
Stone Ridge / Maramel (33 units)	(flow estimated based on units and population estimate)	23 m <sup>3</sup> /day
<b>Subtotal Renewal Requests</b>		<b>277 m<sup>3</sup>/day</b>
<b>Remaining Unallocated Capacity</b>		<b>79 m<sup>3</sup>/day</b>
<b>New Requests for Servicing Allocation / Reserves:</b>		
Fieldgate (0.74 ha commercial plus 71 units)	(flow estimate based on GFA, units and population estimate)	70 m <sup>3</sup> /day
Scone Developments Phase 2 (11 units)	(flow estimate based on units and population estimate)	8 m <sup>3</sup> /day
NMJ / Sahyog / 2728476 Ontario Inc. (190 units)	(flow estimate based on units and population estimate)	155 m <sup>3</sup> /day
1005024 Ontario Ltd. (142 units)	(flow estimate based on units and population estimate)	103 m <sup>3</sup> /day
Stella-Jones Inc. (0.62 ha)	(flow estimate based on GFA)	17 m <sup>3</sup> /day
786413 Ontario Inc. (Flato)	(flow estimate from Bousfields letter)	146 m <sup>3</sup> /day
<b>Subtotal New Requests</b>		<b>499 m<sup>3</sup>/day</b>
<b>Capacity Shortfall</b>		<b>420 m<sup>3</sup>/day</b>

The renewal of allocations for the three draft approved residential subdivision developments noted requires 277 m<sup>3</sup>/day or 78% of the 356 m<sup>3</sup>/day remaining capacity for residential units and would leave 22% or 79 m<sup>3</sup>/day available for other new development including ICI. To promote balanced growth and based on available serviced lands and historic water usage and wastewater flows, approximately 18-20% of remaining capacity should be considered to establish a reserve for planned ICI development.

The following ICI developments are in process and proposed within the Stage 2 area:

- Commercial: Fieldgate: 0.74 ha ICI = 24m<sup>3</sup>/day
- Industrial: Stella-Jones: 0.62 ha ICI = 17 m<sup>3</sup>/day
- Institutional: Hyland Heights E.S. Expansion (+92 students capacity): 10m<sup>3</sup>/day
- Total: 51 m<sup>3</sup>/day

There are a number of small infill and intensification applications in process and proposed that individually have a minor impact on servicing but collectively have some cumulative impact. The Official Plan supports intensification within the Stage 1 and 2 built-up areas. However, there is insufficient unallocated capacity remaining to fully service all of the planned and proposed developments and intensification potential in the Stage 1 and 2 areas. To promote compatible forms of infill, intensification and mixed use development within the existing built-up area where services are available, a servicing reserve should be considered for Stages 1 and 2. A reserve of 10 m<sup>3</sup>/day would provide for in the range of 12 to 30 units in these areas, depending on the types of housing and/or mixed use development.

The net remaining capacity after Stage 2 ICI and Stages 1-2 infill, intensification and mixed use would be 18 m<sup>3</sup>/day unreserved/unallocated (available to add to Staging area reserves, as a further contingency, or as a general reserve to allocate to other new development at the time of approval).

As indicated in Table 3, the demands for servicing based on the requests received exceed the remaining unallocated capacity by 420 m<sup>3</sup>/day. Upgrades to the WPCP will be required in order to address servicing requests for development applications received and in process that are beyond the remaining reserve capacity. These applications should continue to be processed with the understanding that holding provisions, conditions of approval and development agreements will be required where necessary to

ensure the timing and progression of development is subject to and aligned to the availability of new capacity with planned infrastructure improvements. Staff did review Allocation Policies from Wellington North and Orangeville and have attached a Draft Servicing Allocation Policy (Attachment 1) for discussion and consideration.

### Financial Impact

N/A

### Policies & Implications

Council consideration of the draft Servicing Allocation Policy

### Consultation and Communications

Steve Burnett and Associates  
GSP Group Inc

### Council Strategic Priorities

Council's Strategic Priorities has three Goals - Sustainable, Engaged and Livable. There are a total of 12 targets with the three Goals.

The updated Sewage Capacity Allocation Report relates to the following Goals:

Target T2: Municipal services review and evaluation

Target T3: Invest in critical infrastructure

Target T6: Promote more open communication

Target T7: Promote partnership and collaboration

Target T8: Enhance marketing and education

### Supporting Documentation

Appendix 1 – Draft Servicing Allocation Policy

Prepared by:

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Jim Moss, Director of Development and Operations

Respectfully Submitted:

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Jim Moss, Director of Development and Operations

Reviewed by:

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Denyse Morrissey, CAO





## CORPORATE POLICY

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<b>DEPARTMENT:</b>	<b>WATER/SEWER</b>
<b>SECTION:</b>	<b>Draft Servicing Allocation Policy</b>
<b>APPROVAL:</b>	<b>COUNCIL</b>
<b>POLICY NUMBER:</b>	<b>2021-XX</b>
<b>DATE OF PRESENTATION:</b>	<b>May 31, 2021 (DRAFT)</b>
<b>EFFECTIVE DATE:</b>	

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### 1. PURPOSE:

The purpose of this policy is to establish:

1. A framework and procedures for the allocation of water and wastewater servicing capacity through the Town's planning application review and approval process.
2. To build upon and further implement the Development Staging Plan and policies of the Town's Official Plan.

### 2. POLICY STATEMENT:

Pursuant to the Official Plan, new development in the Town of Shelburne requires connections to municipal water and wastewater services and staging to align with available and planned municipal servicing. This Policy is intended to be used to require and evaluate requests and renewals for the allocation of municipal water and wastewater servicing for planned development and other requests for new or increased servicing allocation.

This Policy and information collected by the Town pursuant to it will be used by the Town to:

- estimate water and wastewater servicing demands;
- establish servicing reserves in development staging areas designated in the Town's Official Plan;
- allocate servicing to planned development at the time of approval;
- consider other requests for servicing allocation, such as those related to a change of use in a commercial building or unit or industrial processes that require additional servicing allocation;
- require the timely use of servicing allocations through servicing allocations and related planning or other approvals, conditions and agreements; and
- assist and inform the Town's efforts to plan and sustainably manage water and wastewater infrastructure.
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### 3. POLICY

1. Servicing allocation requests shall be completed and submitted to the Town of Shelburne using the required form provided by the Town and including such additional information as the Town may require, by or on behalf of property owners for any land that requires new municipal servicing connection(s) and/or will generate new or additional demands on municipal water and/or wastewater services, including:
  - (a) Requests for Municipal Approval of a building permit, except for:
    - i. a change of use of an existing building or property that has existing municipal water and sanitary sewer connections where the change does not increase the size of the existing services and/or impacts to servicing are considered minor as determined by the Town Engineer; and/or
    - ii. a building or property where municipal servicing was previously allocated to the property with a related Planning Act approval for the development; and,
    - iii. there is sufficient unallocated reserve servicing capacity available to the property or area as determined by the Town Engineer.
  - (b) Complete applications for development made under the Planning Act;
  - (c) Applications and requests to revise or extend draft approved plans and conditional approvals under the Planning Act;
  - (d) Other requests, plans and proposals for which municipal servicing is or will be required.
2. Municipal servicing requests will be considered at such times as determined by the Town of Shelburne in conjunction with related Planning Act decisions and other requests and based on annual reporting as outlined under Policy 4 below.
3. Council approval of servicing allocation is required, except for Municipal Approval of a building permit where servicing allocation requests are not required under Policy 1(a).
4. An annual report to Town Council will be completed by the Town's Director of Development and Operations with input from the Town Engineer and Town Planner to:
  - a) update Council on the status of remaining reserve servicing capacity and allocated development as of the end of the previous calendar year; and,
  - b) summarize and review any new municipal servicing requests compared to remaining capacity and related infrastructure needs and implications, for Council consideration.

The timing of this annual reporting will be determined by the Town.



5. Servicing reserves and allocations will be determined in accordance with the following:
  - a) the Staging of Development Plan (Schedule 'B1') and Section 7.10 Servicing and Staging of Development in the Town's Official Plan;
  - b) this Servicing Allocation Policy;
  - c) the most recent annual report on remaining capacity as outlined in Policy 4.
6. Where Planning Act approvals are required for development, servicing allocations are made by Council resolution at the time of development approvals and may include conditions to:
  - a) ensure the timely use of allocated servicing;
  - b) require the phasing of development, annual limits on the number of residential units or amount of non-residential gross floor area allocated;
  - c) set maximum water usage and/or wastewater generation.

These and other requirements for servicing allocation may be included in development agreements to be registered on title.

**For consideration / discussion:**

- "Use it or lose it"
  - o Current: allocation tied to development approval, runs with the approval (e.g. 3-year draft plan approval – if draft plan expires, allocation expires)
  - o Option: servicing agreement (annual or based on timeline set in agreement) – lock-in at pre-servicing OR subdivision agreement (can retract if in default of the pre-servicing or subdivision agreement)
  - o May re-distribute reserves/allocations if development does not proceed within 3 years of conditional approval
  - o May set annual limits at sole discretion of Council, require phasing, no pre-sale agreements
- Development priorities:
  - o Priority reservation in advance subject to Holding provisions, allocation at lifting of Holding provision, tied to in-service date for related infrastructure – Priority 1 ready to go within 1 year, Priority 2 within 1-3 years
  - o Optimize use of existing infrastructure as priority to extending/expanding servicing into new areas
  - o Potential priority developments based on planning objectives and evaluation criteria (per Official Plan)
    - Contributes to meeting the intensification target within the built-up area
    - Contributes to achieving the density target in the designated greenfield area
    - Includes mixed-use, commercial, employment or institutional development on land designated for these uses



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- Contributes to meeting the affordable housing targets of the Official Plan
- Includes rental housing and/or housing designed to meet special needs
- Optimize the use of existing municipal infrastructure within the urban area
- Represent a logical, cost-efficient extension of existing services within the urban area
- Support active transportation (walking, cycling)
- Support the use of transit and/or provide facilities for future transit services
- Provide indoor community facilities such as schools or recreation facilities
- Maximize parks and open space provision
- Contribute to enhanced urban design
- Contribute to a complete community and compact urban form

## 5. CONTACT

### ***Mailing and website address:***

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