Municipality of Lakeshore
Regular Council Meeting Agenda

Tuesday, September 27, 2022, 6:00 PM

Electronically hosted from Council Chambers, 419 Notre Dame Street, Belle River

Pages

1. Call to Order

2. Land Acknowledgement

3. Moment of Reflection

4. Disclosures of Pecuniary Interest

5. Recognitions

6. Public Meetings under the Municipal Act, 2001

    1. Section 357 Tax Adjustments 7

        Recommendation:
        Authorize the reduction of taxes under section 357 of the *Municipal Act, 2001* totaling $5,828.24 for adjustments affecting the 2021 and 2022 taxation years, as presented at the September 27, 2022 Council meeting.

7. Public Meetings under the Planning Act

8. Public Presentations

9. Delegations

1. Results of Public Engagement – Location of a cGaming Centre 10

Recommendation:
Option #1 – Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore supports the location of a gaming site at 446 Advance Boulevard; and further that, subject to the Provincial approval of the OLG business case for the gaming site and the AGCO approval of the relocation of the PowerPlay Gaming Centre, funding for the staff resources required to implement the cgaming permitting program be funded from OLG revenue and overall wage surplus for the remainder of 2022 and be included in the 2023 base budget, all as further described in the report of the Division Leader – Civic Affairs presented at the September 27, 2022 Council meeting;

or

Option #2 – Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore does not support the location of the Power Play Gaming Centre at 446 Advance Boulevard.

1. Tony Rosa, Community Gaming & Entertainment Group

2. Dedication of Parkland By-law Update 43

Recommendation:
Direct the Clerk to read By-law 89-2022, adopting the parkland dedication rates that were in force prior to September 18, 2022; and

Direct Administration to prepare a draft Parkland Dedication By-law incorporating Option 1, the 2 year phased in approach for alternative rates, all as further described in the report presented at the September 27, 2022 Council Meeting.

1. Daryl Abbs, Watson & Associates Economists Ltd

1. River Ridge - Request for Draft Plan of Subdivision Extension, 37-T-97010 228

Recommendation:
Direct Administration to advise the County of Essex that Lakeshore supports extending draft plan approval for the River Ridge Subdivision (File No. 37-T-97010) for a three-year period (from October 20, 2022 to October 20, 2025); with the condition that the plan of subdivision shall not permit direct access onto Oakwood Avenue, all as presented at the September 27, 2022 Regular Council Meeting.

2. 2023 Council Meeting Schedule 238

Recommendation:
Approve the 2023 schedule of Regular Council Meetings, as described in the report presented at the September 27, 2022 Council meeting.

14. Announcements by Mayor

15. Reports from County Council Representatives

16. Report from Closed Session

17. Notices of Motion

1. Councillor McKinlay - Greenhouses 242

Recommendation:
Whereas the Municipality of Lakeshore has received a study related to Greenhouses prepared by Storey Samways Planning Ltd. (SSPL);

and Whereas the Municipality of Lakeshore has consulted with the residents of Lakeshore;

and Whereas residents by large majority have expressed opposition to Greenhouses in Lakeshore;

and Whereas the Municipality of Lakeshore has inadequate infrastructure, related to traffic and water, to accommodate the Greenhouse Industry;

and Whereas the Municipality of Lakeshore has insufficient resources to accommodate and enforce regulatory compliance required;

and Whereas the Municipality of Lakeshore lacks the frontline expertise to assess the potential impacts of Greenhouses on the environment;

and Whereas the Greenhouse Industry contributes to light and air pollution seriously impacting our environmental footprint;

and Whereas the Municipality of Lakeshore has no mechanism to change the Provincial legislation and reclassify Commercial green housing to industrial use;

Therefore, be it resolved that the Municipality of Lakeshore opposes large commercial Greenhouses in rural areas;

And be it further resolved that the Municipality requests that large commercial greenhouses are reclassified as industrial use.

18. Question Period

19. Non-Agenda Business

20. Consideration of By-laws

Recommendation:
By-laws 88-2022 and 89-2022 be read and passed in open session on September 27, 2022.

1. By-law 88-2022, Being a By-law to Confirm Proceedings of Council for September 13, 2022 243

2. By-law 89-2022, Being a By-law to Provide for the Dedication of Parkland or the Payment of Cash in Lieu Thereof as a Condition of Development or Redevelopment 244

21. Closed Session

22. Return to Open Session

23. Adjournment

Recommendation:
Council adjourn its meeting at ___ PM.

Municipality of Lakeshore – Report to Council

Finance

Accounting & Revenue

To: Mayor & Members of Council

From: Michelle Heslop, Team Leader Revenue

Date: September 8, 2022

Subject: Section 357 Tax Adjustments

Recommendation

Authorize the reduction of taxes under section 357 of the *Municipal Act, 2001* totaling $5,828.24 for adjustments affecting the 2021 and 2022 taxation years, as presented at the September 27, 2022 Council meeting.

Background

Under section 357 of the *Municipal Act, 2001,* ratepayers may make application to the municipality for adjustments to property taxes as a result of changes to the property affecting assessment. Such changes may include demolition of structures, assessment office clerical errors, reduced space used for business, properties becoming exempt, etc.

Comments

Administration has reviewed all applications received and the properties meeting the requirements under section 357 of the *Municipal Act, 2001* to receive property tax adjustments are listed in the attached Schedule “A”.

Administration is supportive of the Municipal Property Assessment Corporation’s revised assessment amounts and Administration recommends approving the adjustment to taxes.

Others Consulted

The Municipal Property Assessment Corporation provided assessment information to assist in adjustment calculations.

Financial Impacts

The tax reduction breakdowns are as follows:

Municipal portion: $ 2,842.99
County portion: $ 2,209.75
Education portion: $ 683.27
Garbage fee reduction (92.23)

Total $5,828.24

The municipal portion of the cost is charged to the Finance Services budget centre, Property Tax Write-offs Expense account. The garbage fee reductions ($92.23) are charged to the Solid Waste budget centre,

Attachments: Schedule A – S.357 Adjustment Listing

Report Approval Details

Document Title:	S.357 Tax Adjustments.docx
Attachments:	- S.357 Adjustment Listing.docx
Final Approval Date:	Sep 19, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Michelle Heslop

Submitted by Justin Rousseau

Approved by Truper McBride

Roll #	Year	Class	Assessment Amount From	Assessment Amount To	Reduction	Beginning Date	End Date	# Days	Municipal Adjustment	County Adjustment	Education Adjustment	Total Tax Writeoff	Reason
110 000 00800	2021	RT	588,000	522,000	66,000	2021-01-01	2021-12-31	365	$ 413.85	$ 323.02	$ 100.98	$ 837.85	DUPLICATE BARN CORRECTION
130 000 06100	2022	FT	351,000	348,000	3,000	2022-01-01	2022-12-31	365	$ 4.80	$ 3.73	$ 1.15	$ 9.68	DEMO-HOUSE
210 000 38810	2022	RT	405,000	159,000	246,000	2022-01-22	2022-12-31	344	$ 1,483.96	$ 1,151.72	$ 354.73	$ 2,990.41	HOUSE FIRE
590 000 05560	2021	RT	820,000	782,000	38,000	2021-01-04	2021-12-31	362	$ 236.32	$ 184.45	$ 57.66	$ 478.43	DATA CORRECTION
590 000 05560	2022	RT	820,000	782,000	38,000	2022-01-01	2022-12-31	365	$ 243.22	$ 188.77	$ 58.14	$ 490.13	DATA CORRECTION
700 000 03300	2021	RT	350,000	293,600	56,400	2021-08-19	2021-12-31	135	$ 130.80	$ 102.10	$ 31.92	$ 264.82	CLASSIFICATION CHANGE
700 000 03300	2021	FT	-	73,400	(73,400)	2021-08-19	2021-12-31	135	$ (42.56)	$ (33.22)	$ (10.38)	$ (86.16)	CLASSIFICATION CHANGE
880 000 00600	2022	RT	71,300	7,300	64,000	2022-02-03	2022-12-31	332	$ 372.60	$ 289.18	$ 89.07	$ 750.85	DEMO-HOUSE
									$ 2,842.99	**$ 2,209.75**	**$ 683.27**	**$ 5,736.01**	
												92.23	* Garbage removed $92.23
												$ 5,828.24	

Municipality of Lakeshore - Report to Council

Strategic & Legal Affairs

Civic Affairs

To:	Mayor & Members of Council
From:	Brianna Coughlin, Division Leader – Civic Affairs
	Alex Denonville, Team Leader – Civic Engagement
Date:	September 20, 2022
Subject:	Results of Public Engagement – Location of a cGaming Centre

Recommendation

Option #1 – Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore supports the location of a gaming site at 446 Advance Boulevard; and further that, subject to the Provincial approval of the OLG business case for the gaming site and the AGCO approval of the relocation of the PowerPlay Gaming Centre, funding for the staff resources required to implement the cgaming permitting program be funded from OLG revenue and overall wage surplus for the remainder of 2022 and be included in the 2023 base budget, all as further described in the report of the Division Leader – Civic Affairs presented at the September 27, 2022 Council meeting;

or

Option #2 – Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore does not support the location of the Power Play Gaming Centre at 446 Advance Boulevard.

Background

On July 14, 2022, the Municipality of Lakeshore received a proposal from the Community Gaming and Entertainment Group (CGEG) to locate the Power Play Gaming Centre from 13320 Desro Drive in the Town of Tecumseh to 446 Advance Boulevard in the Municipality of Lakeshore. The proposal, along with the legislative framework and potential municipal administrative responsibilities, was presented to Council at the August 9, 2022 meeting and has been included in this report as Appendix A.

Following the presentation of the above-noted report, Council passed resolution #318-08-2022:

> Direct Administration to schedule a public input session in September, 2022 regarding the proposed relocation of a cGaming Centre to 446 Advance Boulevard, as presented at the August 9, 2022 Council meeting.

Comments

As part of the proponent's requirement for public consultation under the regulations of the Alcohol and Gaming Commission of Ontario (AGCO), the proponent advertised in the Windsor Star on two consecutive weeks seeking written comments on the proposed location of the facility to 446 Advance Boulevard. Written comments were directed to both the AGCO and the Municipality of Lakeshore by August 29, 2022. No written comments were received as part of this process.

As directed and in accordance with the requirements of the *Ontario Lottery and Gaming Corporation Act,* Administration undertook a public engagement process regarding the proposed gaming site. The following is a brief outline of the engagement process:

- Virtual open house held Monday, September 12th
- In-person open house held Wednesday, September 14th at the Atlas Tube Recreation Centre
- Online survey available for comments from August 26th to September 19th

The public engagement process included notice on the municipal website, email distribution, social media, and advertised in the Lakeshore News.

The engagement initiative was also covered by a number of local media outlets, including: Blackburn News, AM800, WindsoriteDOTca, and CTV News – Windsor.

Part 1: Public Feedback

Public Information Sessions

The virtual open house held September 12, 2022 saw 23 registered participants and 14 attendees. Questions were related to traffic, zoning, parking, and complaints or issues at the current gaming centre.

The in-person open house held September 14, 2022 was attended by 19 participants who had the opportunity to ask questions to the applicant and learn about Lakeshore's role in the process as well as general community engagement. Five surveys were distributed at the event, with four returned that evening.

Survey

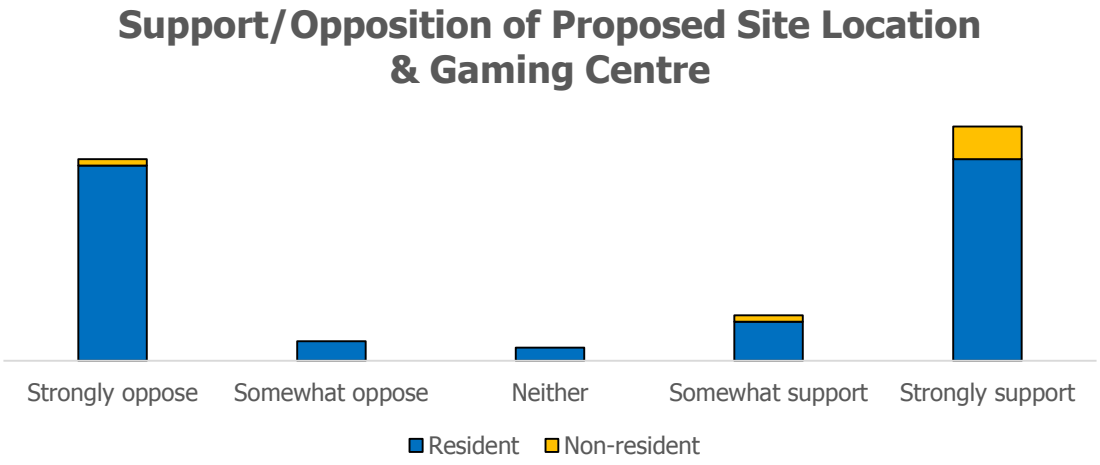
As part of the consultation process, Administration drafted a survey to gather feedback from members of the public regarding specific questions relating to the location of a cGaming Centre within the Municipality of Lakeshore.

74 surveys were submitted through the municipal website and 5 hard copy surveys were submitted. Seventy-two respondents self-identified as residents, while seven respondents self-identified as non-residents.

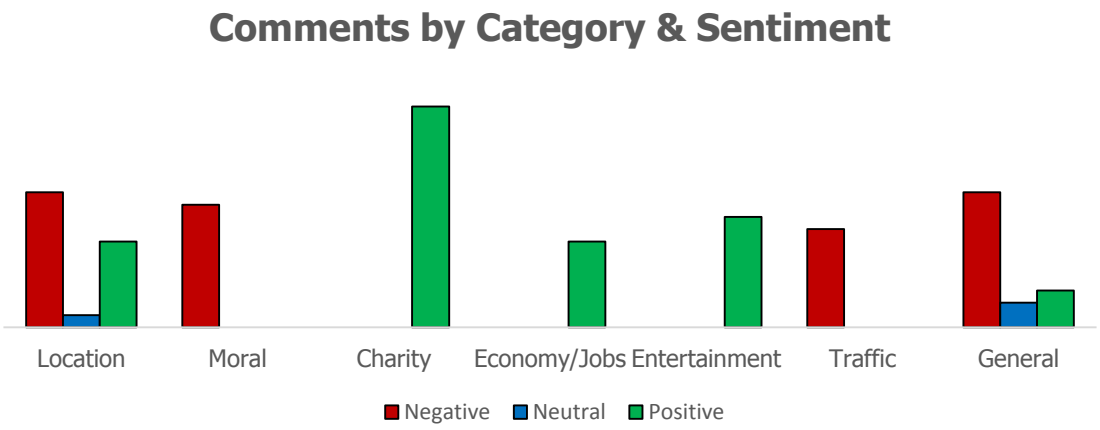
Compared to other Lakeshore surveys, interest was relatively low on this initiative. It should also be noted that online surveys have limitations and do not necessarily capture an accurate representation of the population.

Below are graphic summaries of the responses along with a brief explanation.

The first chart, “Support/Opposition of Proposed Site Location & Gaming Centre,” breaks down the number of responses to the question “To what extent do you support or oppose the establishment of a gaming site, for a Charitable Gaming Centre, at 446 Advance Blvd. in the Municipality of Lakeshore?” Responses from self-identified residents are shown in blue with non-residents shown in yellow. The responses show both strong support and strong opposition to the proposed site and gaming centre.



In addition to the questions identified above, the survey also allowed for respondents to provide additional comments. The comments have been anonymized, analyzed, and categorized with brief descriptions below. Each comment may include multiple categories.



Location: Negative comments generally focused on the site's proximity to a daycare and church. Positive comments went the other way, supporting the site because it is far enough away from residential areas and fits well with the other uses in the area.

Moral: All comments were noted as negative with respondents conveying their belief that gambling is bad for society so should not be supported by the Municipality. Some comments also noted a perception that the gaming centre could correlate to an increase in crime and/or impaired driving.

Charity: All the comments in this category noted the positive impact and work that local charities can do with proceeds from the gaming centre.

Economy: These comments noted the positives of bringing jobs to Lakeshore, the gaming centre benefitting other local businesses in the area, as well as additional tax revenue.

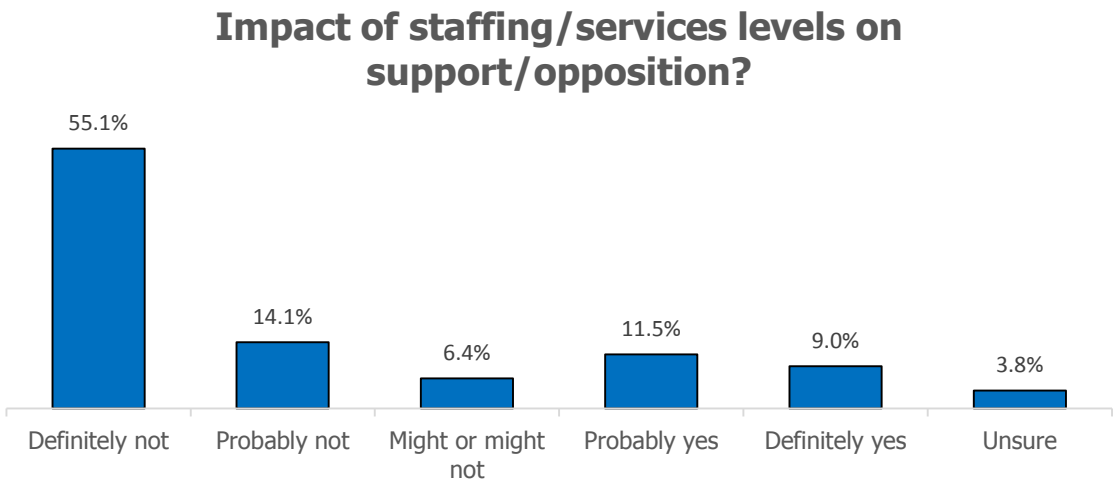
Entertainment: This category is a corollary to the economy comments. Respondents largely noted that the centre would be a welcome entertainment attraction to Lakeshore.

Traffic: Respondents noted that more visitors to the centre would increase traffic in the area.

General: These uncategorized comments mostly reiterated the respondent's support/opposition to the site.

The next chart shows a breakdown of responses to the question "If a cGaming Centre is established in the Municipality of Lakeshore, additional municipal staff and resources would be needed to administer and enforce the gaming licenses required by the Province of Ontario. It is expected that these costs would be offset by revenue from the

cGaming Centre. Does the need for additional municipal staff affect your support or opposition to the proposed gaming site and cGaming Centre?"



Of the responses, 12 provided additional comments/concerns related to the impact on municipal staffing/service levels. Of those comments, five noted that all additional municipal expenses should be covered by the increased revenue/gaming centre. Two comments indicated additional jobs would be a positive and one suggested outsourcing licence enforcement. The other four comments were incorporated into the previous analysis as they were not related to the question.

Part 2: Staffing Resources – subject to cGaming proposal approval by AGCO and OLG

As noted in the previous report to Council on August 9, 2022, the introduction of cGaming would represent a dramatic increase lottery permitting activities and one that is very different from the services currently required of the community and provided through the Municipality's current lottery licensing program.

Currently, lottery licensing comprises 10% of overall duties of a Civic Affairs Assistant and generates an average revenue of $14,000 per year. The duties associated with cGaming are more and greater than is expected under the current lottery licencing program.

The following table provides an overview of responsibilities under the current lottery licensing program versus the increased responsibilities with a cGaming permitting program.

Activities	**Current Duties**	**cGaming Duties (additional responsibilities to current licensing program)**
Eligibility	Determine eligibility of charities, including charitable status, review of constitution/by-laws, audited financial statements, organizational annual budget, lottery annual budget, list of board of directors and list of participants (for youth sports only) Annual eligibility update recommended	Determine eligibility of charities, including charitable status, review of constitution/by-laws, audited financial statements, organizational annual budget, lottery annual budget, list of board of directors and list of participants (for youth sports only) Annual eligibility update required Coordination with OLG and charitable gaming provider/association to determine any concerns or violations that would prohibit eligibility
Licence/Permit approval	Process and approve lottery licences with prize values under $50,000 subject to applicable conditions and use of proceeds	Process and approve lottery permits for charitable gaming on behalf of the OLG subject to applicable conditions and use of proceeds
Monitoring	Process post-lottery reports submitted by charities within 60 days of the lottery event Ensure proceeds have been spent in accordance with lottery conditions Follow-up with charities if reports are not submitted in a timely manner Ensure enforcement for violations of licence conditions	Process permit reports submitted by charities monthly Ensure proceeds have been spent in accordance with permit conditions, including analysis of financial statements and invoices Follow-up with charities if reports are not submitted in a timely manner; notify charitable gaming partners and OLG of any breaches of requirements

	(may range from no further licences or up to/including criminal charges)	
Reporting	Quarterly reporting to the AGCO regarding the number and type of lottery licences issued by the Municipality Annual report to Council recommended	Monthly reporting to the OLG and charitable gaming partners Validation of the distribution of funds to charities Validation of the funds received by the Municipality (2.79% of wins) Annual report to Council recommended
Training	Provide training to internal staff Provide information to new charities participating in lottery licensing Provide updates relating to legislative changes	Provide training to internal staff Provide information to new charities participating in OLG permitting program Coordinate and participate in annual or quarterly meetings with charitable gaming partners and charities

Administration estimates that the additional permitting responsibilities required for cGaming will increase administrative duties by 34% for the processing of permit applications and reports. Additionally, there will be supervisory responsibilities relating to training, enforcement, required quarterly meetings with the Gaming Association and annual reporting to Council and the OLG. Regular supervisory responsibilities are estimated to range between 7-14% of supervisory duties, as time spent on enforcement would vary throughout the year. Significant time would be spent in the first year establishing the program.

This new cGaming Permitting Program cannot be accommodated in the current staff complement. As such, additional staff would need to be hired to accommodate this new programming.

While staff could be hired solely for the coordination of the cGaming Permitting Program, this provides an opportunity for the Municipality to move forward with service level improvements that would be mostly offset by the funds received from the OLG for administrative responsibilities relating to cGaming, estimated to be approximately $150,000 annually. Council has identified by-law and policy development as a priority which could be significantly enhanced with additional resources. In addition, Administration recommends creating a dedicated resource for committee training and coordination. These services could be performed with the additional staff complement.

Administration recommends that the following two positions be approved for the Civic Affairs Division:

1. Civic Affairs Assistant (20 hours per week) – administrative responsibilities relating to cGaming are estimated at approximately 0.4 FTE. The position would also include administrative responsibilities for other types of municipal lottery licensing as well as general administrative support for the division. The 2023 wage with benefits and pension would be approximately $44,000.

2. Team Leader – Legislative Affairs (full-time) – supervisory responsibilities relating to cGaming are estimated at 0.3 FTE. Regular approvals, training and quarterly meetings would account for approximately 0.15 FTE while onboarding new charities and enforcement activities could vary significantly. The 2023 wage with benefits and pension would be approximately $126,000.

The Team Leader is a position that was identified in the Organizational Review for consideration in 2025. Administration recommends that a full-time position be approved at this time to take on the supervisory responsibilities for cGaming as well as additional supervisory responsibilities such as onboarding, training and program deliverables for records management and additional support, training and coordination for committees. This would make more time available for the Division Leader – Civic Affairs for additional Council policy development and policy management.

It is noted that the hiring of the above-noted staffing resources would be subject to the successful approval of the cGaming proposal by both the AGCO and the OLG and subject to the completion of agreement with the OLG regarding the cGaming program.

Options for Council Consideration

As part of the approval process for both the AGCO and OLG, the Municipality must provide a resolution of Council noting its support or opposition to the proposed location. As such, Administration is recommending that Council provide direction through one of the following options:

Option #1 – advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore supports the location of a gaming site at 446 Advance Boulevard; and further that, subject to the Provincial approval of the OLG business case for the gaming site and the AGCO approval of the relocation of the PowerPlay Gaming Centre, funding for the staff resources required to implement the cgaming permitting program be funded from OLG revenue and overall wage surplus for the remainder of 2022 and be included in the 2023 base budget, all as further described in the report of the Division Leader – Civic Affairs presented at the September 27, 2022 Council meeting;

or

Option #2 – Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore does not support the location of the Power Play Gaming Centre at 446 Advance Boulevard.

Financial Impacts

Should Council support the proposal for the location of the Power Play Gaming Centre at 446 Advance Boulevard, and should the proposal subsequently be approved by both the AGCO and the OLG, Administration will move forward with the staffing resource identified (Team Leader and Administrative Assistant) which is anticipated to be largely offset by the anticipated revenue received from OLG annually.

Recruitment would need to occur quickly following an approval by the AGCO and OLG, in order to establish agreements and procedures with the OLG and service provider, as well as to prepare for permits for eligible charities. As such, it is anticipated that there may be a financial impact for 2022 beginning as early as November (more likely December).

	2022 Financial Impact	**2023 Financial Impact**
Part-time Administrative Assistant (wages for 20 hours per week with pension and benefits)	$12,000	$44,000
Team Leader	$19,000	$126,000
Revenue from cGaming**		($150,000)
Total estimated impact	$31,000	$20,000

** Based on actual estimates from current OLG licensing fees in a neighboring Municipality who ran similar operations.

Any financial impacts for 2022 would be funded from any revenue received from the OLG and from overall wage surplus, and the 2023 impacts would be included in the 2023 base budget.

Attachment

Appendix A – Proposal to Relocate a cGaming Center, presented at the August 9, 2022 Council meeting

Report Approval Details

Document Title:	Results of Public Engagement - Location of a cGaming Centre.docx
Attachments:	- Appendix A - ProposaltoRelocateacGamingCentre.pdf
Final Approval Date:	Sep 22, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Brianna Coughlin and Alex Denonville

Submitted by Kristen Newman

Approved by Justin Rousseau and Truper McBride

Municipality of Lakeshore – Report to Council

Strategic & Legal Affairs

Civic Affairs

To: Mayor & Members of Council

From: Brianna Coughlin, Division Leader – Civic Affairs

Date: July 26, 2022

Subject: Proposal to Relocate a cGaming Centre

Recommendation

Direct Administration to schedule a public input session in September, 2022 regarding the proposed relocation of a cGaming Centre to 446 Advance Boulevard, as presented at the August 9, 2022 Council meeting.

Background

On July 14, 2022, the Municipality of Lakeshore received a proposal from the Community Gaming and Entertainment Group (CGEG) to relocate the Power Play Gaming Centre from 13320 Desro Drive in the Town of Tecumseh to 446 Advance Boulevard in the Municipality of Lakeshore. The proposal has been included in this report as Appendix A.

Beginning in 2005, the Ontario Lottery and Gaming Commission (OLG) partnered with charities, commercial bingo hall operators and municipalities to allow for the transformation of existing bingo halls to charitable gaming (cGaming) centres, which allow for electronic versions of charitable gaming as well as traditional paper products. There are 37 approved sites throughout the Province of Ontario, which are all former bingo hall sites licensed through the Alcohol and Gaming Commission of Ontario (AGCO).

The following is an overview of the responsibilities of each participant in the cGaming process.

Stakeholder	Responsibilities	Activities
Ontario Lottery and Gaming Corporation (OLG)	Responsible for the conduct and management of all cGaming site, as per section 207(1)(a) of the *Criminal Code of Canada*	Issues licences and contracts to providers, charity associations and municipalities

Stakeholder	Responsibilities	Activities
Ontario Charitable Gaming Association (OCGA)	A provincial body representing all the charities participating in cGaming	Provides training and support for charities participating in cGaming throughout Ontario Contracted by the OLG to develop policies and procedures
Charitable Gaming Centre Association (CGCA)	An association representing charities participating at their local site	Supports member charities and facilitates participation with the CGCSP
Charitable Gaming Centre Service Provider (CGCSP)	Provides the venue for the cGaming site, including all technology and equipment and is responsible for daily operations	Managers the facility and all gaming activity, including site marketing and staffing Coordinates with the CGCA for scheduling of participation of local charities and distribution of profit sharing
Municipality	Initial: Approves cGaming program to operate within the municipal boundaries subject to public input Ongoing: Monitors ongoing eligibility of charities, provides permits to eligible charities (as per OLG guidelines)	Approve gaming site subject to a public input session and provincial approval based on OLG business case Determine eligibility of charities and issue permits on behalf of the OLG; monitor and ensure compliance with permit requirements including the use of proceeds; ensure monthly reports are received from the CGCSP and validate the distribution of funds to charities; ensure monthly reports and banking statements are received from charities; investigate and notify OLG of any breaches of the requirements by charities or the CGCSP
Charities	Apply for permits and provide volunteers to participate at cGaming events	Apply for permits and adhere to the requirements, including monthly reporting and monitoring of use of proceeds

Comments

Legislative Process for Approval of a cGaming Site

The Power Play Gaming Centre (formerly the Classic III Bingo Hall) received approval for the cGaming model in 2019 and has been operating as such since 2020.

The CGCSP for the Power Play Gaming Centre is the Community Gaming and Entertainment Group. The CGCA is the Tecumseh Gaming Association, which represents 25 charities within Essex County. The Tecumseh Gaming Association has provided a letter of support for the proposed relocation (included in Appendix A).

The proposed location at 446 Advance Boulevard is zoned as Mixed Use, which permits a “place of entertainment”. The Zoning By-law defines a Place of Entertainment as:

> a motion picture of other theatre, amusement arcade including **game machines,** arena, auditorium, assembly hall, billiard or pool room, **bingo hall,** drive-in theatre, bowling alley, indoor racquet courts, indoor swimming pool, ice or roller rink, studio, dance hall or music hall, but does not does not include an adult entertainment establishment or any place of entertainment or amusement otherwise defined of classified herein. (bold font emphasis added here for clarity).

The OLG advises that this is the first time a proposal has come forward to move a cGaming site into a municipality that does not have a previously approved gaming site. As such, the proposal requires approval from both the AGCO to licence the location, as well as the OLG for the location/operation of the site.

Both the AGCO and OLG approval processes require a resolution from the Municipality of Lakeshore to support the location of the cGaming centre within the municipality.

As part of the requirement for AGCO approval, the Community Gaming and Entertainment Group published a public notice in the Windsor Star on July 23, 2022 advising of the proposed relocation of the cGaming centre. Written comments may be submitted to both the AGCO and the Municipality of Lakeshore until August 29, 2022.

The OLG approval is governed by Ontario Regulation 81/12: Requirements for Establishing a Gaming Site, under the *Ontario Lottery and Gaming Corporation Act, 1999*. This process requires the OLG to prepare a business case for the proposed gaming site, to be submitted to the Minister, that sets out the cost of establishing the proposed gaming site, demonstrates the viability of the proposed gaming site and the adequacy of responsible gaming features for the proposed gaming site, and sets out or demonstrates any other matter that the Corporation considers appropriate.

As part of this process, Council is required to seek public input into the establishment of the proposed gaming site and then provide OLG with a written description of the steps it

took to do so and a summary of the public input received. Then Council would have the opportunity to consider whether it wishes to pass a resolution supporting the establishment of the gaming site in the municipality. The decision of Council would then be sent to both the AGCO and the OLG, as well as the applicant. This would satisfy the municipal requirements of both the OLG and AGCO processes. Following that, the OLG would then complete its business case for presentation to the Province for a final determination as to whether to approve the gaming site.

Introduction of cGaming - Administrative Responsibilities

Unlike traditional lottery licensing programs with set fees established by the AGCO, the permit application process for cGaming is free for eligible charities. Instead, participating charities and the municipality receive a percentage of the net gaming wins. It is estimated that the municipal portion of wins (2.79%) would be approximately $150,000 annually. It is noted that this revenue was significantly lower in recent years due to the COVID-19 pandemic, however these revenues have increased in 2022.

Currently lottery licensing is undertaken by the Civic Affairs division as approximately 10% of overall duties, and generates an average revenue of $14,000 per year. While cGaming represents a significant opportunity for local charities, it also comes with a significant increase in time and staffing resource requirements. It is estimated that the additional permitting responsibilities required for cGaming will add an average of 40 hours per month to process permits. Additionally, there will be supervisory responsibilities relating to training, enforcement, required quarterly meetings with the Gaming Association and annual reporting to Council and the OLG. These additional responsibilities are expected to consume a minimum of 105 hours (3 work weeks) regular activities per year. Hours spent on enforcement would vary. This increased workload cannot be accommodated in the current staff complement. As such, additional staff members would need to be hired to accommodate this new programming. A business case will be brought to Council which will include the costs and resources needed, which are anticipated to be offset by the anticipated revenue received from OLG annually.

It is the recommendation of Administration that a public input session be scheduled to solicit feedback from the community on the proposed gaming site. The public input session would be held mid-September, 2022 and consist of an in-person open house and a virtual session. These will be advertised via social media, print newspaper outlets, and municipal website. Members of the public will have access to the related information and a form on the Municipality’s website to submit written comments.

Others Consulted

Ontario Lottery and Gaming Corporation (OLG)

Alcohol and Gaming Corporation of Ontario (AGCO)

Community Gaming and Entertainment Group (applicant)

Financial Impacts

Under the AGCO approval process, the applicant (Community Gaming and Entertainment Group) has the responsibility to bear the costs of public engagement for the proposed relocation and establishment of the gaming site within the Municipality of Lakeshore. The Applicant has already undertaken the public notice in the Windsor Star, as required by the AGCO.

The cost of the proposed public input session, including materials and public notice, is estimated to be approximately $3,500.

Attachments

Appendix A – Proposal to relocate a Class A cGaming Centre, submitted by the Community Gaming and Entertainment Group

Report Approval Details

Document Title:	Relocation of a cGaming Centre - Power Play.docx
Attachments:	- Appendix A - Power Play Relocation Proposal.pdf
Final Approval Date:	Aug 4, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Brianna Coughlin

Submitted by Kristen Newman

Approved by Justin Rousseau and Truper McBride

A PROPOSAL TO RELOCATE A

"Class A"

cGaming Centre

446 Advance Blvd.
Lakeshore, Ontario
N8N 5G8

Community Gaming and Entertainment Group
3240 Electricity Drive, Windsor, Ont., N8W 5J1
Phone (519) 948 – 7500
Fax (519) 945 - 7822

Community Gaming & Entertainment Group
O/a Power Play Gaming Centre
13320 Derso Drive
Tecumseh, Ontario
N8K 0B6

July 6, 2022

Mayor Tom Bain and Council Members:

Re: Relocation of Power Play Gaming Centre

We are requesting your approval to relocate our cGaming centre to 446 Advance Blvd, Lakeshore (Zoned MU 1 which allows for commercial recreation). We have acquired 20,000+ square feet. We operate 7 days a week and provide bingo sessions, POD games, Taptix games and Bar & Lounge. We employ 35 employees, have 25 charities and currently generate $700,000 annually to these charities.

Sincerely,

Tony Rosa
President & CEO
CGEG

Background of CGEG

Power Play Gaming Centre is operated by Community Gaming and Entertainment Group (CGEG), which has been operating several Bingo Halls now cGaming centres in the Windsor Tecumseh area since 2007. Our cGaming centres are as follows in Windsor Breakaway Gaming Centre, Paradise Gaming Centre and All Star Gaming Centre. In Tecumseh we operate Power Play Gaming Centre.

cGaming centres are operated in partnership with the OLG. They maintain the "Manage and Conduct" part of the partnership while the charities are the beneficiary of the revenues generated from the facility.

In 2005 the industry started to work with government to move the bingo industry in Ontario to the 21st century. At the time we could not operate any bingo or break open tickets on or through a computer or video device. Partnering with the OLG has enabled us to bring our industry into the 21st century. There is 37 such cGaming centres throughout the province of Ontario. The closest operators to our facilities are locations in Chatham and Leamington.

Community Gaming and Entertainment Group
3240 Electricity Drive, Windsor, Ont., N8W 5J1
Phone (519) 948 – 7500
Fax (519) 945 - 7822

Biography of Tony Rosa

Tony is currently President and CEO of Community Gaming and Entertainment Group (CGEG) out of Windsor, Ontario. CGEG operates 4 cGaming centres in Windsor and Tecumseh in conjunction with the Ontario Lottery and Gaming Corporation (OLG) under the new Charity Revitalization program. They employ approximately 250 people and operate 250 sessions per month serving over 400 charities. He also is President and Chair of the Commercial Operators Association of Ontario (CGAO).

Tony has been involved in the Charitable Bingo industry since 1985. Prior to Tony joining CGEG he was Director of Operations for Bingo Country which he joined in 1989. In 1989 Bingo Country had 9 Bingo Halls in operation, at its peak time had 63 Bingo Halls and operated in three different provinces, Ontario, Saskatchewan and British Columbia. . Tony started in the Bingo industry in Brampton Ontario where he was General Manager of Brampton Bingo Country (now Rutherford Bingo) since it started in 1985. Tony is registered with the AGCO and was also registered with the BCLC when operating in BC.

Community Gaming and Entertainment Group
3240 Electricity Drive, Windsor, Ont., N8W 5J1
Phone (519) 948 – 7500
Fax (519) 945 - 7822

Tecumseh Gaming Association
c/o 13320 Desro Drive,
Tecumseh, ON
N8N 2L9

July 5/2022

Dear Mayor Tom Bain & Town Council Members:

Please accept this letter of support from the charities of the Tecumseh Gaming Association for the relocation of Power Play Gaming Centre. Currently, Power Play Gaming Centre is located at 13320 Desro Drive in Tecumseh, Ontario. The new address will be 446 Advance Blvd. in Lakeshore, Ontario.

The Tecumseh Gaming Association was incorporated without share capital on May 14, 2020, by Letters Patent from the Province of Ontario. Currently the association is comprised of 25 local charitable organizations (see attached list of current charity organization members).

The main purpose of the Association is to promote interest in charitable gaming, and to distribute the proceeds generated from charitable gaming to members of the Association.

Since 2011 (we have gone back a lot further, but just to give you an idea) the Association distributed more than $5,767,000 in gross proceeds to its charitable member organizations. These proceeds are then used by our charitable members to help them fulfill their mandates by providing needed programs and services for our local communities & other local charities.

We look forward to this new adventure and collaborating with the Lakeshore community and council.

Thanking you in advance for your consideration,

Sincerely,

Brian Adlam

Brian Adlam – President – Tecumseh Gaming Association

Attachment – 1 page

Tecumseh Charity Association

List of Charities:

ABC DAY NURSERY
BELLE RIVER HIGH SCHOOL
BELLE RIVER PUBLIC SCHOOL
BELLE RIVER MINOR HOCKEY ASSOCIATION
ESSEX ENERGIZERS SKIPPING CLUB
FOREST GLADE BASEBALL LEAGUE
HARROW HAWKS ALUMNI ASSOCIATION
HUGH BEATON HOME & SCHOOL
KNIGHTS OF COLUMBUS # 2775
KNIGHTS OF COLUMBUS # 4555
KNIGHTS OF COLUMBUS # 9671
LEAMINGTON SKATING CLUB
OUR LADY OF ANNUNCIATION SCHOOL
ROSE CITY COMMUNITY ASSISTANCE FUND
SELECT TRAVEL SOCCER
SOUTHPOINT MINOR HOCKEY
ST. CLAIR BEACH OPTIMIST CLUB
SUN COUNTY AAA HOCKEY ASSOCIATION
TECUMSEH BASEBALL CLUB
TILBURY FIGURE SKATING CLUB
TILBURY/KENT MINOR HOCKEY ASSOCIATION
TILBURY ROTARY CLUB
TECUMSEH SHORELINE MINOR HOCKEY ASSOCIATION
WINDSOR MARTIAL ARTS
WINDSOR OPTIMIST YOUTH BAND

HCA is Sandy Bondy gsbondy@sysmpatico.ca (519) 919-8207

Benefits to the Community

We employ 35+ Full time and Part-time staff from the area.

We create a long term source of funding for charities and non-profits in the area with annual funds of approximately $700,000 and growing.

We provide a premiere operation for the customer to enjoy.

This location will draw patrons from the surrounding area.

The Town of Lakeshore will receive revenues for permit fees

Community Gaming and Entertainment Group
3240 Electricity Drive, Windsor, Ont., N8W 5J1
Phone (519) 948 – 7500
Fax (519) 945 - 7822

VEGAS ROOM OPEN

Monday to Thursday: 11:00 am-12:00 am
Friday & Saturday: 9:00 am-1:00 am
Sunday: 9:00 am-12:00 am

GAMING CENTRE

POWER PLAY

SESSIONS

SUNDAY: 11:00 am & 1:00 pm
FRIDAY & SATURDAY: 8:00 pm & 10:15 pm

DOUBLE ACTION	$3.00 OR $4.00 A BOOK	
GAME 1	FULL CARD	$75.00
GAME 2	FULL CARD	$75.00
GAME 3	FULL CARD	$75.00
GAME 4	FULL CARD	$75.00

2 STRIP MIMIMUM PURCHASE
$12.00 DOUBLE $18.00 TRIPLE
1 STRIP DOUBLE PAYS $8.00

** BIG 5 PLAYED DURING REGULAR GAMES ONLY

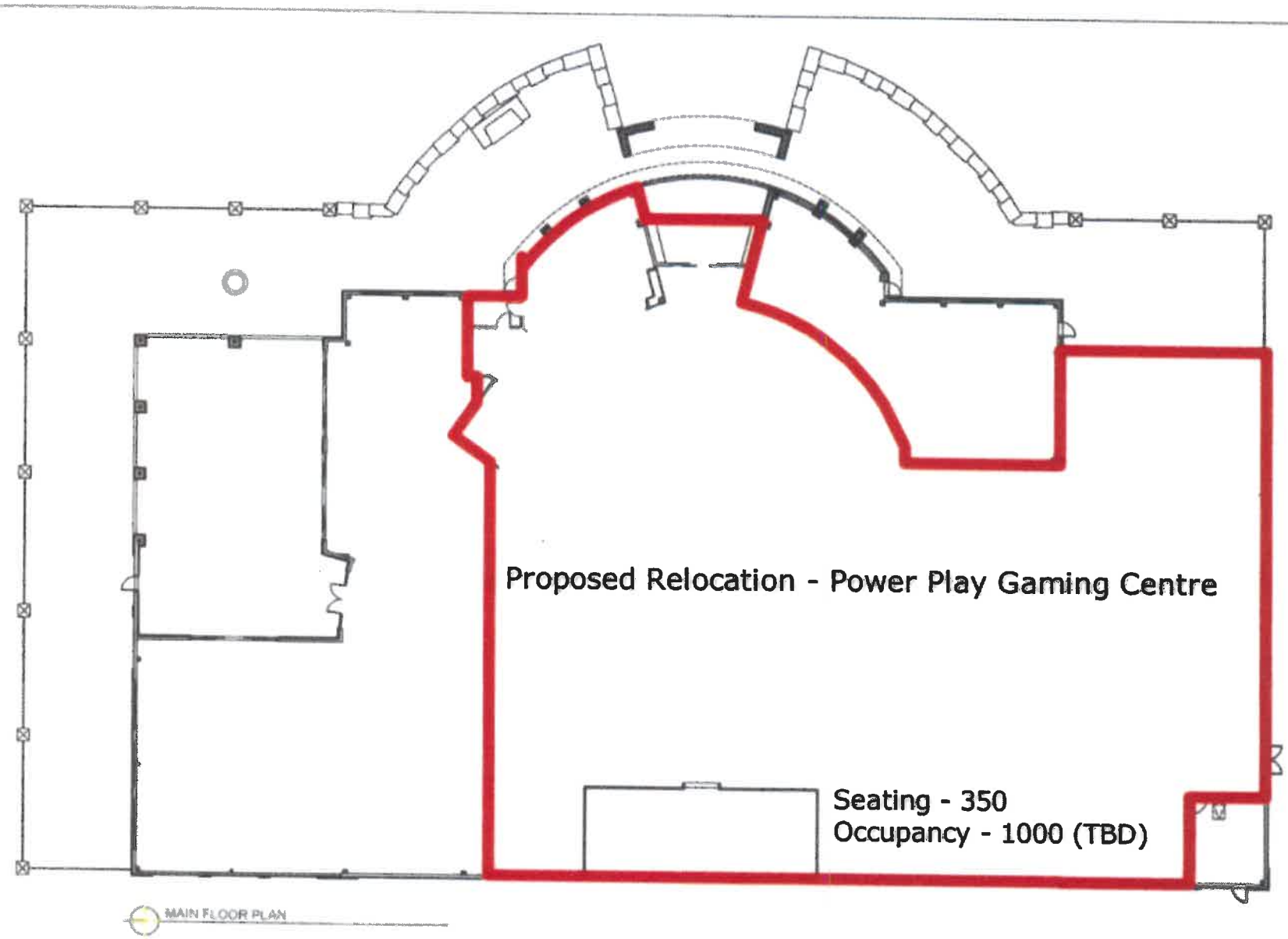
** GAME 1	ONE LINE	$100.00	
(BLUE) BB –	TWO LINES	$200.00	*DP $200.00
** GAME 2	ONE LINE	$100.00	
(ORANGE) BB–	TWO LINES	$200.00	*DP $200.00
SUPER JACKPOT		$2.00 A CARD	
(ORANGE)	TWO LINES		$100.00
	FULL CARD WITHIN DESIGNATED#		$2,500.00
	CONSOLATION		$300.00
** GAME 3	ONE LINE	$100.00	
(GREEN) BB –	TWO LINES	$200.00	*DP $200.00
SUPER "G" BALL	(BLACK)	$2.00 A CARD	
TWO LINES			$50.00
BEFORE DESIGNATED#			$250.00
FULL CARD ON DESIGNATED#			PROGRESSIVE POT
AFTER DESIGNATED#			$200.00
** GAME 4	ONE LINE	$100.00	
(YELLOW) BB –	TWO LINES	$200.00	*DP $200.00
ACCUMMULATOR		$2.00 A CARD	
(AQUA)	ROVING "T"		$100.00
FULL CARD WITHIN 53 #'S or LESS			$3,000.00
	CONSOLATION		$275.00
** GAME 5	ONE LINE	$100.00	
(PINK) BB –	TWO LINES	$200.00	*DP $200.00
JACKPOT ROUND	(BROWN)	$2.00 EXTRA CARDS	
	INSIDE SQUARE		$100.00
	LETTER "H"		$150.00
	FULL CARD		$1,500.00
	2nd FULL CARD		

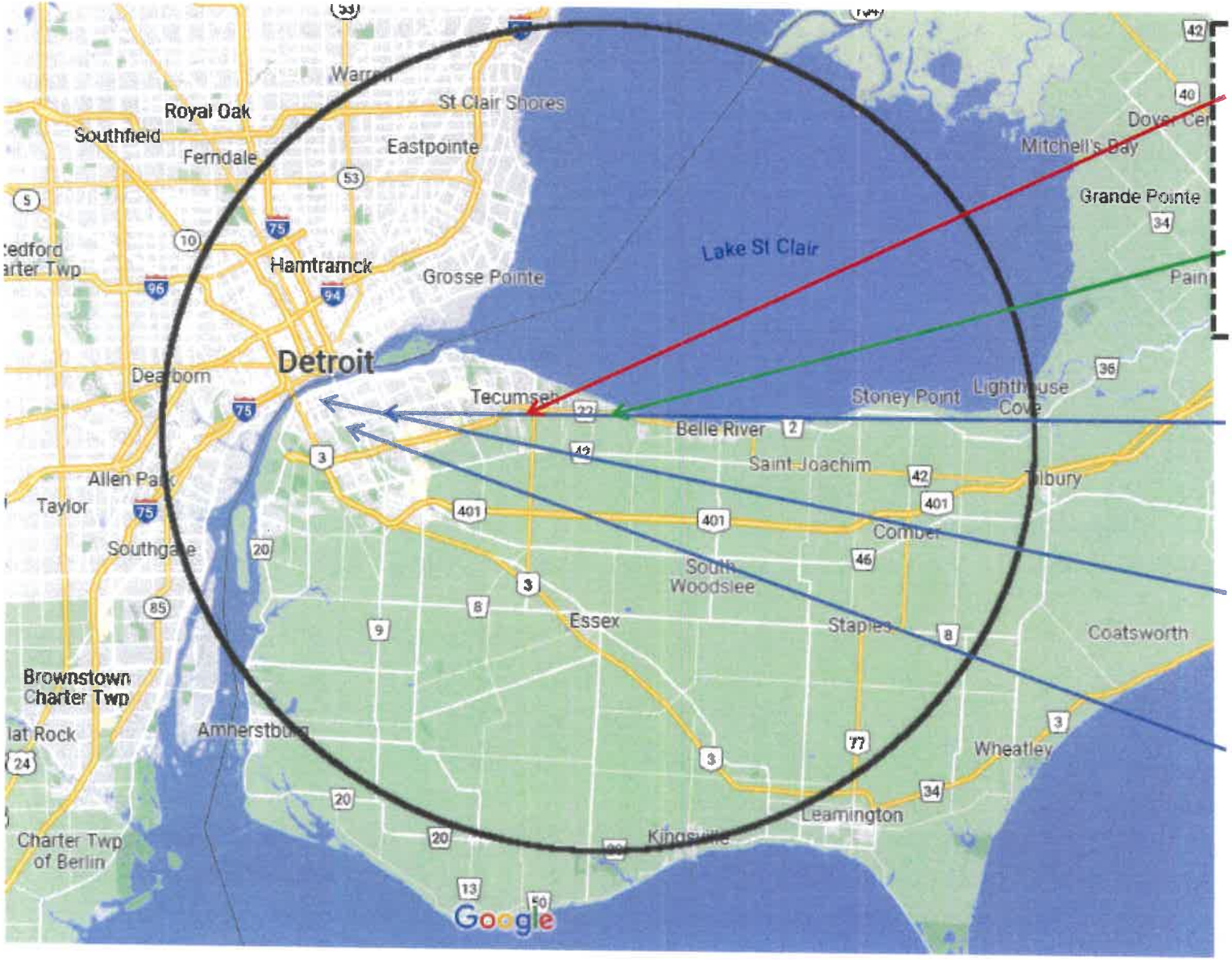
* DP - DOUBLE PAY PLAYED DURING 2 LINES ONLY IN REGULAR BOOK
BB - BINGO BONUS PLAYED DURING 2 LINES ONLY IN REGULAR BOOK

		Regular Bingo Session					POD Games				
2022	Attend	Ave Spend	Sales	Prizes	Payout %	Win	Ave Spend	Sales	Prizes	Payout %	Win
Feb	1,804	$ 88.86	$160,301.00	($112,474.80)	-70.16%	$47,826.20	$ 39.65	$71,529.11	($62,136.31)	-86.87%	$9,392.80
Mar	2,453	$ 81.18	$199,126.00	($111,258.00)	-55.87%	$87,868.00	$ 34.52	$84,684.09	($74,320.74)	-87.76%	$10,363.35
Apr	2,841	$ 64.79	$184,059.00	($108,271.00)	-58.82%	$75,788.00	$ 33.48	$95,130.34	($85,443.48)	-89.82%	$9,686.86
May	2,532	$ 84.80	$214,726.00	($153,676.60)	-71.57%	$61,049.40	$ 27.24	$68,969.33	($61,271.95)	-88.84%	$7,697.38
Total	9,630	$ 78.73	$758,212.00	($485,680.40)	-64.06%	$272,531.60	$ 33.26	$320,312.87	($283,172.48)	-88.40%	$37,140.39

		Taptix Machines					Break Open Tickets				
2022	Attend	Ave Spend	Sales	Prizes	Payout %	Win	Ave Spend	Sales	Prizes	Payout %	Win
Feb	1,804	$ 551.04	$ 1,348,944.67	$1,225,958.11	90.88%	$ 122,986.56	$ 14.37	$25,920.00	($17,639.00)	-68.05%	$8,281.00
Mar	2,453	$ 462.99	$ 1,527,860.05	$ 1,398,632.94	91.54%	$ 129,227.11	$ 15.26	$37,440.00	($25,440.00)	-67.95%	$12,000.00
Apr	2,841	$ 427.32	$ 1,600,325.97	$ 1,469,638.99	91.83%	$ 130,686.98	$ 10.39	$29,520.00	($20,072.00)	-67.99%	$9,448.00
May	2,532	$ 578.69	$ 2,031,185.46	$ 1,869,302.34	92.03%	$ 161,883.12	$ 11.94	$30,240.00	($20,550.00)	-67.96%	$9,690.00
Total	9,630	$ 500.52	$6,508,316.15	$5,963,532.38	91.63%	$544,783.77	$ 12.79	$123,120.00	($83,701.00)	-67.98%	$39,419.00

		Total					
2022	Attend	Sales	Prizes	Payout %	Win	Charity Revenue	Monthly Ave Share
Feb	1,804	$1,606,804.78	$1,033,708.00	64.34%	$188,486.56	$49,006.51	$1,960.26
Mar	2,453	$1,849,110.14	$1,187,614.20	64.23%	$239,458.46	$62,259.20	$2,490.37
Apr	2,841	$1,909,835.31	$1,255,852.51	65.78%	$225,809.84	$58,658.56	$2,346.34
May	2,532	$2,345,120.79	$1,631,803.79	69.57%	$340,319.90	$62,483.17	$2,499.33
Total	9,630	$7,708,961.82	$5,128,978.50	66.29%	$893,874.76	$232,407.44	$9,296.30
				Annually		$697,222.31	$27,888.89 Each Charity


Proposed Relocation - Power Play Gaming Centre
Seating - 350
Occupancy - 1000 (TBD)
MAIN FLOOR PLAN



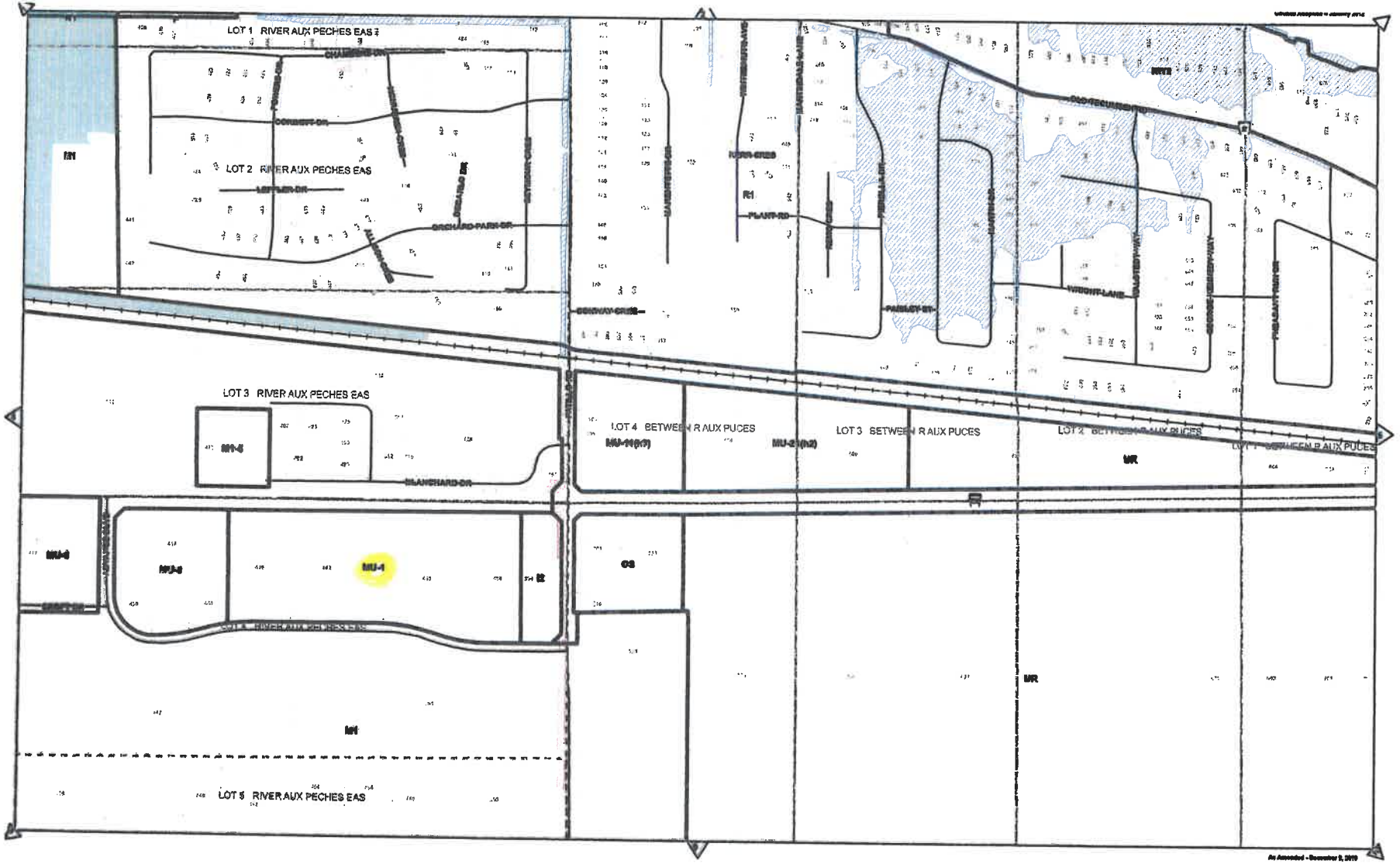
Power Play Gaming
(Current Location)
13320 Desro Dr.
Tecumseh, Ont., N9K 0B6

Power Play Gaming
(Proposed Location)
446 Advance Blvd.
Lake Shore, Ont., N8N 5G8

All Star Gaming
1385 Walker Rd.
Windsor, Ont., N8Y 2N9

Breakaway Gaming
655 Crawford Ave.
Windsor, Ont., N9A 5C7

Paradise Gaming
2340 Dougall Ave
Windsor, Ont., N8X 1T1


LOT 1 RIVER AUX PECHES EAS
LOT 2 RIVER AUX PECHES EAS
LOT 3 RIVER AUX PECHES EAS
LOT 4 BETWEEN R AUX PUCES
LOT 3 BETWEEN R AUX PUCES
LOT 2 BETWEEN R AUX PUCES
LOT 1 BETWEEN R AUX PUCES
LOT 5 RIVER AUX PECHES EAS
CHAMBERS-DR
CORBETT-DR
LEFEVER-DR
ORCHARD-PARK-DR
BLANCHARD-DR
OLD-RECTORY-RD
PLAUNT-RD
PARSLEY-ST
WRIGHT-LANE
MU-1
MU-2
MU-3
MU-4
MU-1(h3)
MU-2(h2)
C2
M1
MR
R1
IN1
IN2

7.0 Permitted Uses

Subject to compliance with this By-law, the following *uses* shall be permitted within the *zones* corresponding to the columns identified with a "•" in Table 7.1. Where a superscript "E" (E) is identified next to a "•" symbol, only *existing uses* shall be permitted. All permitted uses shall be subject to the applicable *Zone* Regulations provided in Section 8.0 and the General Provisions including the site specific qualifications provided in Section 6.0, where applicable.

The *zone* symbols are defined and described in Section 5.2, .and consist of letters and numbers, as the case may be, as listed below:

Zone Symbol	*Zone* Title
Residential Zones	
R1	Residential – Low Density
R2	Residential – Medium Density
R3	Residential – High Density
RM	Residential Mobile Home Park
RW1	Residential Waterfront – Watercourse
RW2	Residential Waterfront – Lake St. Clair
Hamlet Zones	
HR	Hamlet Residential
HC	Hamlet Commercial
HE	Hamlet Employment
Commercial Zones	
CS	Service Commercial
CR	Rural Commercial/Employment
CN	Neighbourhood Commercial
CT	Recreational/Tourist Commercial
Mixed Use Zones	
CA	Central Area
MU	Mixed Use
Employment Zones	
M1	General Employment

Table 7.1 – Permitted Uses

	R1	R2	R3	RM	RW1	RW2	HR	HC	HE	CS	CR	CA	CN	CT	MU	M1	M2	I1	I2	EP	W	P	A	UR
Parking lot or structure, public												•			•									
Personal service shop								•		•		•	•		•									
Pharmacy								•		•		•			•									
Place of entertainment								•		•		•		•	•									
Printing establishment								•		•						•								
Private club								•				•		•	•				•			•		
Public club								•				•		•	•				•			•		
Public storage									•						•[E]	•								
Recreational vehicle sales, service, and storage establishment										•	•			•										
Retail establishment								•		•		•			•									
Retail establishment, convenience								•		•		•	•		•									
Retail and service uses related to recreation														•										
Retail use, accessory									•							•	•							
Service and repair establishment								•		•		•			•									
Shopping Centre								•		•		•	•		•									
Supermarket								•		•		•			•									
Taxi establishment										•														
(d) Employment Uses																								
Batching or recycling plant, concrete or asphalt																•								
Bus terminal										•														
Call centre																•	•							
Contractor's yard									•							•								
Laboratory or scientific research facility																•	•							
Landing strip																							•	
Manufacturing, heavy																•								
Manufacturing, light									•							•	•							
Office								•		•	•	•	•		•		•							
Propane transfer facility																•								

or other legal representatives of a person to whom the context can apply according to law.

158. PERSONAL SERVICE SHOP – shall mean a *building* or part thereof in which services are provided and administered to the individual and personal needs of persons or their pets, and without limiting the generality of the foregoing, includes barber shops, hairdressing establishments, dog grooming establishments, spas, shoe repair and shoe shining shops, tailor shops, *bake shops*, *dry cleaning depots* and *laundromats*, wherein machines and facilities for wet laundering, drying or finishing are available for public *use* at a cost, but shall not include a *dry cleaning establishment*.

159. PHARMACY – shall mean a *retail establishment* which dispenses prescription drugs and which sells, among other things, non-prescription medicines, health and beauty products and associated sundry items.

160. PIT – shall mean a place where unconsolidated gravel, stone, sand, earth, clay, fill mineral or other material is being or has been removed by means of an open excavation, and may include the processing thereof for commercial purposes including screening, sorting, washing, crushing and other similar operations, *buildings* and *structures*.

161. PLACE OF ENTERTAINMENT – shall mean a motion picture or other theatre, amusement arcade including amusement game machines, arena, auditorium, *assembly hall*, billiard or pool room, bingo hall, drive-in theatre, bowling alley, indoor racquet courts, indoor swimming pool, ice or roller rink, *studio*, dance hall or music hall, but does not does not include an *adult entertainment establishment* or any place of entertainment or amusement otherwise defined or classified herein.

162. PLACE OF WORSHIP – shall mean a *building* dedicated to religious worship and includes a church, synagogue, temple, mosque, hermitage or *assembly hall* and may include such *accessory uses* as a nursery school, a school of religious education, convent, monastery, parish hall or an *assembly hall*.

163. POINT OF INTERSECTION – shall mean the point at which *street lines* abutting a *corner lot* intersect, or, if the *street lines* do not intersect at a point, then the point of intersection shall be deemed to be the intersection of the projection of the *street lines* or the intersection of the tangents of the *street lines*. Refer to the definition and illustration for *sight triangle*.

164. PORCH – shall mean a roofed open area attached to the outside of a *building* and with direct access to or from a *building*.

165. PORTABLE BATCHING OR RECYCLING PLANT, CONCRETE OR ASPHALT – shall mean equipment for the crushing, screening or washing of sand and gravel aggregate

Public Notice

Proposal TO RELOCATE A BINGO HALL

A proposal has been submitted to the Town of Lakeshore, to relocate a bingo hall to:

446 Advance Blvd., Lakeshore, ON N8N 5G8

This proposal has been submitted by CGEG.

Copies of the proposal are available at Lakeshore Town Hall.

Written comments on the proposal may be submitted not later than August 29th, 2022

And forward to the municipal office and the Commission

Municipality of Lakeshore

419 Notre Dame Street

Belle River, Ontario

N0R 1A0

Alcohol and Gaming Commission of Ontario

90 Sheppard Avenue East, Suite 200

Toronto, Ontario

M2N 0A4

Written comments submitted on the proposal may be provided to the applicant.

Ontario

Alcohol and Gaming Commission of Ontario
90 Sheppard Avenue East, Suite 200
Toronto ON M2N 0A4
Tel.: 416-326-8700
Toll free in Ontario: 1-800-522-2876
Inquiries: www.agco.ca/iagco • Website: www.agco.ca

Registration No.: OPCHF00131687
Expiry Date: Mar. 20, 2023

Certificate of Registration - Supplier

Class: Operator

Issued under the *Gaming Control Act, 1992*

Issued to	COMMUNITY GAMING & ENTERTAINMENT GROUP LIMITED PARTNERSHIP	Doing Business As	Power Play Gaming Centre
Gaming Site	13320 DESRO DR TECUMSEH, ON N8N2L9		

To be prominently displayed

Ontario

Commission des alcools et des jeux de l'Ontario
90, avenue Sheppard Est, bureau 200
Toronto (Ontario) M2N 0A4
Tél. : 416-326-8700
Interurbains sans frais en Ontario : 1-800-522-2876
Demande de renseignements : www.agco.ca/fr/icajo
Site Web : www.agco.ca/fr

N° d'inscription : OPCHF00131687
Date d'expiration : 20 mars 2023

Certificat d'inscription - Fournisseur

Catégorie : Exploitant

Délivré en vertu de la
Loi de 1992 sur la réglementation des jeux

Délivré à	COMMUNITY GAMING & ENTERTAINMENT GROUP LIMITED PARTNERSHIP	Faisant affaire sous le nom de	Power Play Gaming Centre
Site de jeu	13320 DESRO DR TECUMSEH, ON N8N2L9		

À afficher en évidence.

Municipality of Lakeshore – Report to Council

Growth & Sustainability

Community Planning

To: Mayor & Members of Council

From: Tammie Ryall, Corporate Leader, Growth & Sustainability

Date: September 19, 2022

Subject: Dedication of Parkland By-law Update

Recommendation

Direct the Clerk to read By-law 89-2022, adopting the parkland dedication rates that were in force prior to September 18, 2022; and

Direct Administration to prepare a draft Parkland Dedication By-law incorporating Option 1, the 2 year phased in approach for alternative rates, all as further described in the report presented at the September 27, 2022 Council Meeting.

Background

A Parkland Dedication By-law and Report, along with a presentation by Watson & Associates was considered by Council at the September 13, 2022 Council meeting. Administration was directed to bring back the Parkland Dedication By-law with options to implement the new cash-in-lieu of parkland rate over time.

The following resolution was passed:

> Defer the draft Parkland Dedication By-law Report to the next meeting of Council with a recommendation for a phased approach to achieve the payment in lieu options.

Two, 3-, 4-, and 5-year phase-in options are being presented to Council for consideration, and are summarized in Attachment 1. The draft by-law also includes an indexing clause, that will ensure that the rates can be updated to deal with fluctuations in land values.

In Lakeshore, the current by-law provides for a payment-in-lieu rate of $600.00 (per rural residential lot) and $1200.00 (per urban residential lot). The previous report to Council, dated August 24, 2022 is Attachment 2.

Watson & Associates Economists Ltd. was engaged in 2022 to assist with the review and preparation of a new Parkland Dedication By-law, and are recommending an increase in our per residential lot rate from $600.00 (per rural lot) and $1200.00 (per urban lot) to $6,000.00 per lot. In Watson's memo titled, Parkland Dedication and Payment-in-lieu of

Parkland Analysis, dated August 23, 2022 (Attachment 3), also recommends that Lakeshore utilize all the parkland dedication options that are available under the Planning Act, depending on the circumstance.

Comments

Legislative changes cause the existing Parkland Dedication By-law to no longer be in effect as of September 18, 2022. In order to continue to require parkland dedication, Administration recommends adopting the parkland dedication rates that were in force prior to September 18, 2022 for a short period of time, as per the Recommendation Section of this report.

Further, Administration recommends that Council direct Administration to prepare a Parkland Dedication By-law with Council's preferred phase-in approach.

Administration recommends that there be no phase in of the per-lot cash-in-lieu of parkland dedication fee of $6,000 per lot. However, alternative rates are presented below, as per Council direction. Should Council direct that a phase-in occur, Administration recommends Option 1, that the phase-in be implemented within two years in order to provide notice to those considering consent applications, and to maximize the collection of the new rate.

Alternative Options (Attachment 1)

Option 1 – The $6,000 rate to be phased in over 2 years.

$2,000 for the remainder of 2022;

$4,000 for 2023 and

$6,000 for 2023, and every year thereafter.

Option 2 - The $6,000 rate to be phased in over 3 years.

$2,000 for the remainder of 2022;

$3,300 for 2023,

$4,600 for 2024 and

$6,000 for 2025, and every year thereafter.

Option 3 – The $6,000 rate to be phased in over 4 years.

$2,000 for the remainder of 2022;

$3,000 for 2023;

$4,000 for 2024;

$5,000 for 2025; and

$6,000 for 2026, and every year thereafter.

Option 4 – The $6,000 rate to be phased in over 5 years.

$2,000 for the remainder of 2022;

$2,800 for 2023;

$3,600 for 2024;

$4,400 for 2025;

$5,200 for 2026; and

$6,000 for 2027, and every year thereafter.

It should be noted that even if the full rate was implemented immediately, there will still be a parkland funding deficit, and the longer the implementation phase in, the larger the financial gap.

For comparison purposes, assuming that 10 lots would be created for the remainder of 2022 and 20 lots per year ongoing to the year 2027, the following amounts would be collected with phase-in rates noted above.

	2022	2023	2024	2025	2026	2027	Total	Loss in Parks Funding
No phase-in	$60,000	$120,000	$120,000	$120,000	$120,000	$120,000	$660,000	
Option 1 – 2 year	$20,000	$80,000	$120,000	$120,000	$120,000	$120,000	$580,000	$(80,000)
Option 2 – 3 year	$20,000	$66,000	$92,000	$120,000	$120,000	$120,000	$538,000	$(122,000)
Option 3 – 4 year	$20,000	$60,000	$80,000	$100,000	$120,000	$120,000	$500,000	$(160,000)

Option 4 – 5 year.	$20,000	$56,000	$72,000	$88,000	$104,000	$120,000	$460,000	$(200,000)

Based on the above chart, it is recommended that the full $6,000 be phased in over a two-year period (Option 1).

Others Consulted

The municipality shall give written notice of the passing of the by-law within 20 days of passage and identify the last day for appealing the By-law (40 days after passage). Details of the notice requirements are set out in O.Reg. 509/20 and are provided in Appendix A of Watson's memo.

Sections 42 and 51.1 of the *Planning Act* require a municipality to consult with persons and public bodies as the municipality considers appropriate. A public meeting is not required under the Planning Act. However, local developers and builders were invited to a stakeholder meeting to take place on September 23. The feedback from this meeting is not available, as of the writing of this Report.

Financial Impacts

As part of Watson's analysis, they completed a review of recent property sales, and based on this it is assumed that the average sales price of urban vacant land is approximately $1,900,000 per hectare, as of May 10, 2022. Based on the total anticipated Municipal population in 2040, the Municipality would require 27.48 hectares of parkland. At a land value of $1,900,000 per hectare, the total revenue required would be approximately $52.2 million.

Parks funding has been identified as a significant financial pressure in Lakeshore strategic financial planning 10-year outlook documents. Increases to the parkland fees will help reduce this financial burden on the general rate payers of the municipality in the future. It is also recommended that financial reviews of parkland development are done on a more regular basis to avoid shortfalls in long term funding and financial planning.

The Options to phase in the parkland dedication fee will add additional pressure on the general taxation rate to fund Lakeshores park plans between $80,000 to $200,000 depending on the option chosen by council.

As part of the 2022 Budget process, Project CP-22-6595 Parkland Dedication By-Law Update, was authorized by Council. To date $11,123.28 of the $30,000.00 budget has been spent, and the project is anticipated to be completed under budget.

Attachments

Attachment 1 - Phase in Options

Attachment 2 – Previous Report to Council dated August 24, 2002

Attachment 3 - Parkland Dedication and Payment-in-lieu of Parkland Analysis – Watson & Associates

Report Approval Details

Document Title:	Dedication Of Parkland By-law Update.docx
Attachments:	- Attachment 1 – Phase in Options.pdf - Attachment 2 Dedication Of Parkland By-law Report (Dated Aug 24, 2022).pdf - Attachment 3 - Parkland Dedication and Payment-in-lieu of Parkland Analysis, Watson and Associates.pdf
Final Approval Date:	Sep 22, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Tammie Ryall

Approved by Justin Rousseau and Truper McBride

2 year phase-in

September 27, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 and Onwards
$2,000	$4,000	$6,000

3 year phase-in

September 27, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 and Onwards
$2,000	$3,300	$4,600	$6,000

4 year phase-in

September 27, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 and Onwards
$2,000	$3,000	$4,000	$5,000	$6,000

5 year phase-in

September 27, 2022 - December 31, 2022	January 1, 2023 - December 31, 2023	January 1, 2024 - December 31, 2024	January 1, 2025 - December 31, 2025	January 1, 2026 - December 31, 2026	January 1, 2027 and Onwards
$2,000	$2,800	$3,600	$4,400	$5,200	$6,000

Municipality of Lakeshore – Report to Council

Growth & Sustainability

Community Planning

To: Mayor & Members of Council

From: Aaron Hair, MCIP, RPP – Division Leader – Community Planning

Date: August 24, 2022

Subject: Dedication of Parkland By-law Report

Recommendation

Direct the Clerk to read By-law 81-2022, the new Parkland Dedication By-law, to regulate the dedication of parkland or the payment in lieu thereof as a condition of development or redevelopment, as further described in the September 13, 2022 Council Meeting report.

Background

There are a number of development-related revenue tools the Municipality of Lakeshore can use to help fund the capital requirements of growth. These include Development Charges, (DC), parkland dedication, and the newly created Community Benefit Charge (CBC). Lakeshore has recently completed updates to the DC Background Study and By-law, and has now completed the work in order to present a new Parkland Dedication By-law to align to changes to provincial legislation over the past three years.

These capital-related growth revenues are imposed on development applications for:

- Construction of a new building or structure for both residential and non-residential use.
- Addition or alteration to an existing building that increases the number of residential units or increases the non-residential total floor area (with some exceptions).
- Redevelopment that results in a change of use of all or part of a building or structure, including tenant fit-outs (commercial buildings).

DC revenues are used to support growth-related capital investment in services prescribed by the Development Charges Act such as roads, water, and wastewater infrastructure as well as new municipal facilities, amenities and vehicles related to emergency services and transit.

Parkland Dedication By-law revenues can be used for the acquisition of parkland throughout the Municipality that may or may not be associated with growth-related

development. In addition, the parkland dedication revenue can be used for other public recreational purposes.

CBC revenues can be used more broadly in combination with both the DC and the parkland dedication revenues to fund capital projects related to intensification.

Legislative Changes

The Province of Ontario undertook legislative changes to the relevant underlying legislation for the above through the following Bills:

- Bill 109 –*More Homes, More Choice Act.*
- Bill 138 –*Plan to Build Ontario Together Act.*
- Bill 197 –*COVID-19 Economic Recovery Act.*
- Bill 213 –*Better for People, Smarter for Business Act.*

During the provincial review of the Bills, including feedback from municipalities and other stakeholders, significant changes were made to the proposed legislation with the final result seeing changes to DCs and the introduction of the CBC to replace the density bonussing sections of the *Planning Act* (section 37)s.

The *Planning Act* still authorizes municipalities to require the conveyance of land or the payment of cash in lieu of land conveyance when development is undertaken. Lakeshore's current by-law was adopted in 2014.

In Lakeshore, the current by-law provides for a payment-in-lieu rate of $600.00 (per rural residential lot) and $1200.00 (per urban residential lot).

Watson & Associates Economists Ltd. was engaged in 2022 to assist with the review and preparation of a new Parkland Dedication By-law, and are recommending an increase in our per residential lot rate from $600.00 (per rural lot) and $1200.00 (per urban lot) to $6000.00 per lot. In Watson's memo titled, Parkland Dedication and Payment-in-lieu of Parkland Analysis, dated August 23, 2022 (Attachment 1), also recommends that Lakeshore utilize all the parkland dedication options that are available under the Planning Act, depending on the circumstance.

A representative of Watson & Associates Economists Ltd, will be present at the Sept 13, 2022 Council meeting to present their analysis and to answer questions of Council.

Comments

Changes to the provincial legislation require Council to re-approve the current Parkland Dedication By-law within the context of an approved Park Plan. Lakeshore's Parks and Recreation Master Plan was prepared by Bezaire & Associates in 2017.

Administration is proposing that the current Parkland Dedication By-law be replaced to improve the clarity regarding exemptions, application to multi-unit development or redevelopment, and to allow for indexing of the rate.

Section 5 of Watson's memo provides 5 additional recommendations to Lakeshore to provide further consistency and clarity between the Parks and Recreation Master Plan and the DC Study, and to assist with maximizing of our parkland recovery costs. At the time of writing this report, Community Planning has initiated the discussion with the County of Essex regarding the minor Official Plan Amendment, that would be required to facilitate these recommendations.

Introduction of one new exemption is included in the proposed By-law. Institutional uses will be subject to 2% land dedication or cash-in-lieu but exempted for school sites if the school board enters into a joint use agreement with the municipality.

Others Consulted

The municipality shall give written notice of the passing of the by-law within 20 days of passage and identify the last day for appealing the By-law (40 days after passage). Details of the notice requirements are set out in O.Reg. 509/20 and are provided in Appendix A of Watson's memo.

Sections 42 and 51.1 of the *Planning Act* require a municipality to consult with persons and public bodies as the municipality considers appropriate. A public meeting is not required under the *Planning Act.*

Financial Impacts

As part of Watson's analysis, they completed a review of recent property sales, and based on this it is assumed that the average sales price of urban vacant land is approximately $1,900,000 per hectare, as of May 10, 2022. Based on the total anticipated Municipal population in 2040, the Municipality would require 27.48 hectares of parkland. At a land value of $1,900,000 per hectare, the total revenue required would be approximately $52.2 million.

Based on our current approach it is anticipated that Lakeshore would have a parkland deficit of $46,835,654.00. The approach that is proposed in the new parkland dedication by-law, would reduce this deficit to $9,975,316.00.

Parks funding has been identified as a significant financial pressure in Lakeshore strategic financial planning 10-year outlook documents. Increases to the parkland fees will help reduce this financial burden on the general rate payers of the municipality in the future. It is also recommended that financial reviews of parkland development are done on a more regular basis to avoid shortfalls in long term funding and financial planning.

As part of the 2022 Budget process, Project CP-22-6595 Parkland Dedication By Law Update, was authorized by Council. To date $11,123.28 of the $30,000.00 budget has been spent, and the project is anticipated to be completed under budget.

Attachments

Attachment 1 - Parkland Dedication and Payment-in-lieu of Parkland Analysis

Report Approval Details

Document Title:	Dedication Of Parkland By-law Report.docx
Attachments:	- Attachment 1 - Parkland Dedication and Cash-in-lieu Analysis - Final Report.pdf
Final Approval Date:	Sep 9, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Aaron Hair

Submitted by Tammie Ryall

Approved by Justin Rousseau

Memorandum

To	Aaron Hair, Division Leader – Community Planning Tammie Ryall, Corporate Leader – Growth and Sustainability
From	Gary Scandlan, Managing Partner, Watson & Associates Economists Ltd.
Date	August 23, 2022
Re:	Parkland Dedication and Payment-in-lieu of Parkland Analysis

Fax ☐ Courier ☐ Mail ☐ Email ☒

This memorandum is being provided to summarize Watson & Associates Economists Ltd. (Watson)'s review and analysis of the Municipality of Lakeshore's (Municipality) parkland dedication and payment-in-lieu of parkland policies.

1. Introduction

Watson was retained by the Municipality to undertake a review and analysis of the Municipality's current policies with respect to parkland dedication and payment-in-lieu of parkland. This memo outlines the relevant legislation, the Municipality's current policies, analysis of alternative policies, and next steps/considerations for Municipal staff. Summary information along with the Municipality's draft by-law are provided in the appendices.

2. Legislative Overview

The Planning Act provides municipalities with the authority to impose conditions on development and redevelopment to receive parkland or payment-in-lieu of parkland. Section 42 of the Planning Act provides for the rules with respect to conveyance of land for park purposes (to be imposed by by-law) and Section 51.1 provides the rules for the conveyance of parkland imposed as a condition of approval of a plan of subdivision. The following outlines the relevant paragraphs of Section 42. Note: the rules under Section 51.1 are similar except for the date of determination of value for payment-in-lieu of parkland, which is noted below. Additionally, no by-law is required to impose the base dedication provisions under Section 51.1.

Parkland Dedication

Section 42 (1) provides that the municipality may require land be conveyed in the amount of 2 per cent for industrial and commercial development and 5 per cent for all other development (i.e. residential and institutional):

> *"42 (1) As a condition of development or redevelopment of land, the council of a local municipality may, by by-law applicable to the whole municipality or to any defined area or areas thereof, require that land in an amount not exceeding, in the case of land proposed for development or redevelopment for commercial or industrial purposes, 2 per cent and in all other cases 5 per cent of the land be conveyed to the municipality for park or other public recreational purposes. R.S.O. 1990, c. P.13, s. 42 (1).*
>
> *(2) A by-law passed under this section comes into force on the day it is passed or the day specified in the by-law, whichever is later. 2020, c. 18, Sched. 17, s. 2 (2)."*

Alternative Parkland Dedication Rate

For residential development or redevelopment, a municipality may also impose an alternative requirement to the 5 per cent dedication based on a rate of one hectare for each 300 dwelling units, as follows:

> *"(3) Subject to subsection (4), as an alternative to requiring the conveyance provided for in subsection (1), in the case of land proposed for development or redevelopment for residential purposes, the by-law may require that land be conveyed to the municipality for park or other public recreational purposes at a rate of one hectare for each 300 dwelling units proposed or at such lesser rate as may be specified in the by-law. R.S.O. 1990, c. P.13, s. 42 (3)."*

Requirement for a Parkland Dedication By-law – Alternative Residential Rate

To use the residential alternative requirement of one hectare for each 300 dwelling units, a municipality must have the policy in their Official Plan document and pass a by-law which outlines parkland dedication (and payment-in-lieu of parkland) requirements. As of the passage of Bill 73 (Smart Growth for our Communities Act) in 2015, Section 42 of the Planning Act was amended to include a requirement to complete a Parks Plan prior to including the use of the alternative rate provisions in an Official Plan. As the Municipality already has the alternative provisions included in their Official Plan, it would not appear that a Parks Plan is required. If a Parks Plan was required, Section 42 (4.1) and (4.2) denote the requirement for a Parks Plan and the need for consultation with school boards and other persons as the municipality considers appropriate. There is no prescription as to the contents of the Parks Plan.

To impose the alternative rate under Section 42 or 51.1 of the Planning Act, the municipality must pass a by-law. Section 42 (3.1) and (4.4) to (4.24) provide for the rules/requirements to pass a by-law with the inclusion of the alternative rate. A brief summary of the subsections is as follows:

- **Consultation**: the municipality shall consult with persons and public bodies as the municipality considers appropriate;

- **Notice of Passage**: the municipality shall give written notice of the passing of the by-law within 20 days of passage and identify the last day for appealing the by-law (40 days after passage). Details of the notice requirements are set out in O.Reg. 509/20 and are provided in Appendix A;

- **Appeal of By-law to the Ontario Land Tribunal:** A by-law may be appealed. The Clerk has certain duties on appeal which are listed in subsection 4.10. The Tribunal has various powers to dismiss the appeal or direct the municipality to amend the by-law.

Although a by-law is required to impose any parkland dedication under Section 42 of the Planning Act, the notice and consultation requirements do not appear to apply if the by-law does not include provision for the alternative rate.

Payment-in-lieu of Parkland

The municipality may receive payment-in-lieu of parkland based on the value of the land otherwise to be conveyed. Further, if the municipality has authorized the use of the alternative rate for parkland dedication, payment-in-lieu may be received instead, at a rate of one hectare for each 500 dwelling units.

> *"(6) If a rate authorized by subsection (1) applies, the council may require a payment in lieu, to the value of the land otherwise required to be conveyed. 2015, c. 26, s. 28 (4)."*
>
> *"(6.0.1) If a rate authorized by subsection (3) applies, the council may require a payment in lieu, calculated by using a rate of one hectare for each 500 dwelling units proposed or such lesser rate as may be specified in the by-law. 2015, c. 26, s. 28 (4)."*

Determination of Value of Parkland

The value of the land for payment-in-lieu of parkland purposes shall be determined as of the day before the building permit is issued.

> *"(6.4) For the purposes of subsections (4.19), (6), (6.0.1) and (6.2), the value of the land shall be determined as of the day before the day the building permit is issued in respect of the development or redevelopment or, if more than one building permit is required for the development or redevelopment, as of the day*

before the day the first permit is issued. 2006, c. 23, s. 17 (1); 2015, c. 26, s. 28 (8); 2020, c. 18, Sched. 17, s. 2 (5)."

Note, for parkland conveyed as a condition of a plan of subdivision, the value shall be determined as of the day of approval of the subdivision agreement. Section 51.1 (4) provides for the following:

"(4) For the purpose of determining the amount of any payment required under subsection (3) or (3.1), the value of the land shall be determined as of the day before the day of the approval of the draft plan of subdivision. 1994, c. 23, s. 31; 2015, c. 26, s. 32 (3)."

Special Account and Reporting Requirements

All money received by the municipality for the purposes of payment-in-lieu shall be paid into a special account and spent only for the following purposes:

- acquisition of land to be used for park or other public recreational purposes;
- erection, improvement or repair of buildings; and
- acquisition of machinery for park or other public recreational purposes.

Subsection 42(17) of the Planning Act provides that a council that passes a by-law under Section 42 shall provide the reports and information as prescribed in the regulation. Ontario Regulation 509/20, Section 7 identifies the information that shall be provided to the public each year (for the previous year):

1. Statements of the opening and closing balances of the special account and of the transactions relating to the account.
2. In respect of the special account referred to above, statements identifying,
    a. land and machinery acquired during the year with funds from the special account,
    b. buildings erected, improved or repaired during the year with funds from the special account,
    c. details of the amounts spent, and
    d. for each asset mentioned in subparagraphs I and ii, the manner in which any capital cost not funded from the special account was or will be funded.
3. The amount of money borrowed from the special account and the purpose for which it was borrowed.
4. The amount of interest accrued on any money borrowed from the special account.

3. Current Policy Framework

3.1 Overview of Guiding Documents

"Section 4.3.4: Recreation" of the Municipality of Lakeshore's 2021 Official Plan (O.P.) sets out policies with respect to recreation and public open space along with policies regarding parkland dedication. This section discusses a variety of topics including the types of parks, where they may be located, requirements for parks and recreational facilities, and parkland dedication guidelines. Section 4.3.4.3 notes that parkland dedication may be required at the rates of 5% for residential development and 2% for all other purposes. It also states that the Municipality may accept payment-in-lieu of parkland dedication. Further, the Municipality may require residential development to dedicate land based on the alternative rate of one (1) hectare of land for each 300 dwelling units proposed or payment-in-lieu at a rate of one (1) hectare per 500 units. Finally, this section notes that "The Municipality will support the implementation of the Parks Master Plan that examines the need for parkland in the Municipality, and a review of the Municipality's payment-in-lieu of parkland dedication or alternative parkland dedication requirements".

In 2017, the Municipality undertook a detailed Parks & Recreation Master Plan. This plan undertook a review of Municipal policies with respect to parks and recreation, identified the current inventory of parks, and identified the potential need for future parks. Recommendations were provided to review and update the Municipality's policies with respect to parkland dedication.

The Municipality's current parkland dedication by-law (by-law 42-2014) outlines the applicable policies in further detail.

Additionally, the Municipality's Zoning by-law was reviewed. This document provides definitions for public parks, community centres, and commercial outdoor recreation facilities.

Finally, a review of the Municipality's 2020 Development Charge (D.C.) Background Study was undertaken. The D.C. study sets out the inventory of parkland, amenities, vehicles, and recreation facilities over the previous 10-year period. The study also sets out the growth-related capital needs for parks and recreation services (except purchase of parkland) that are to be recovered through D.C.s.

3.2 Current Parkland Dedication and Payment-in-Lieu Policies

The O.P. provides the overarching policies with respect to parkland dedication and payment-in-lieu of parkland which are further detailed by the Parks Master Plan. These policies are then identified in the parkland dedication by-law, which, along with the Planning Act, provide the Municipality with the authority to impose parkland dedication and payment-in-lieu of parkland dedication requirements.

3.2.1 Parkland Dedication

Overview

The policies with respect to parkland dedication in the O.P. and the parkland dedication by-law allow for the requirement for 5% of the land for residential developments and 2% for all other developments. Additionally, the Municipality is able to utilize the alternative rate of one (1) hectare of land for each 300 dwelling units, if it provides a greater amount of dedication than the 5% rate.

Through discussions with staff, the alternative rate has not been utilized and it is unclear if parkland dedication requirements have been imposed on non-residential development.

Alternative Rate Requirement for Parkland Dedication

As provided in the O.P. and parkland dedication by-law, for residential development, the Municipality may require parkland be dedicated at a rate of one (1) hectare for every 300 dwelling units. To maximize parkland dedication, the Municipality should utilize the alternative rate when it provides more land than the 5% rate. To provide clarity in the by-law, the minimum density for which to apply the alternative rate may be identified. This can be calculated by analyzing the density of development at the breakeven point (i.e. where both rates provide the same land dedication).

To calculate the breakeven point of density, if we assume there is a 20-hectare development, the parkland dedicated at the 5% rate would yield a dedication of one (1) hectare. If we utilize the alternative rate of one (1) hectare for 300 dwelling units, this would imply that to get the same amount of land dedication, there would need to be a density of 300 units on the 20 hectares of development. This equates to a density of 15 units per hectare or 6 units per acre. If density exceeds this breakeven point, the Municipality would receive more land by using the alternative rate.

Analysis

There are a few potential revisions to the current practice that may assist the Municipality in maximizing receipt of dedicated parkland.

- Impose parkland dedication requirements on non-residential development.
- Revise the O.P. to include parkland dedication requirements of 5% for institutional development.
    - Note that section 4.3.4.3. items (c) and (e) are in conflict. Item (c) states that industrial, commercial, and institutional uses should have the 2% rate apply but item (e) states that all development other than residential, commercial, and industrial shall be subject to the 5% rate.

- Revise the O.P. (and the parkland dedication by-law) to provide guidance on the use of the alternative rate requirement (i.e. when development equals or exceeds a density of 15 units per hectare or 6 units per acre).
    - As a result, the Municipality may consider utilizing the alternative rate for all medium and high-density developments and reviewing the density of each low-density development on a case-by-case basis.

3.2.2 Payment-in-Lieu of Parkland

Overview

With respect to policies regarding payment-in-lieu of parkland, the O.P. states that the Municipality may accept payment-in-lieu of parkland dedication in the following circumstances:

- where the required land dedication fails to provide an area of suitable shape, size or location for development as public parkland to meet the intended park and opens space requirements in accordance with Section 4.3.3 of the O.P.;
- where the required dedication of land would render the remainder of the site unsuitable or impractical for development;
- the area is well served with park and open space lands and no additional parks and open spaces are required, as identified in Section 4.3.3 of the O.P.; and/or
- where the Municipality is undertaking broader land acquisition strategies for Community, Municipal, or Regional Parks and it is preferable to have consolidated parkland of a substantial size servicing a wide area.

The acceptance of payment-in-lieu shall be in accordance with the Municipality's Parkland Dedication By-law which includes a fee per lot of $1,200 for urban lots and $600 for rural and agricultural lots. Through discussions with staff, it is unclear as to the origin of the fees. There is no provision in the by-law for the value of 5% of the lands for residential development or 2% for industrial or commercial development or for the use of the alternative rate.

Alternative Rate Requirement for Parkland Dedication

As provided in the O.P. and based on the Planning Act, for residential development, the Municipality may require payment-in-lieu of parkland dedication at a rate of the value of one (1) hectare for each 500 dwelling units. However, there is no provision for use of the alternative rate in the parkland dedication by-law.

Similar to parkland dedication, the Municipality should consider allowing use of the alternative rate and define when it is appropriate to use the alternative rate relative to the 5% rate. This can be calculated by analyzing the density of development at the breakeven point (i.e. where both rates provide the same payment-in-lieu of dedication).

To calculate the breakeven point of density, if we assume there is a 20-hectare development, the payment-in-lieu would be based on dedication at the 5% rate and would yield an equivalent dedication of one (1) hectare. If we utilize the alternative rate of one (1) hectare for 500 dwelling units, this would imply that to get the same amount of payment-in-lieu, there would need to be a density of 500 units on the 20 hectares of development. This equates to a density of 25 units per hectare or 10 units per acre. If density exceeds this breakeven point, the Municipality would receive more payment-in-lieu by using the alternative rate.

Per Lot Rate

As noted above, the Municipality utilizes a per lot rate for all payment-in-lieu of parkland dedication. The rates imposed are $1,200 per lot in urban areas and $600 per lot in rural areas and for agricultural uses. Watson has reviewed these rates and estimated the equivalent value that would be received on a typical lot in the Municipality. That is, what is the assumed value of the land at the 5% dedication rate using the per lot fees of $1,200 and $600. This summary is provided in Table 3-1 for urban and rural lots, respectively.

Table 3-1
Municipality of Lakeshore
Per Lot Equivalent Value Calculations

Urban Lots	Current Charge	Calculated Charge based on Average Land Values
Average Price per Hectare		$1,900,000
Assumed Density per Hectare		15
Assumed Value per Lot	$24,000	$127,000
P.I.L. Parkland Charge per lot:	**$1,200**	**$6,400**

Rural/Agricultural Lots	Current Charge	Calculated Charge based on Average Land Values
Average Price per Hectare		$440,000
Assumed Density per Hectare		3
Assumed Value per Lot	$12,000	$147,000
P.I.L. Parkland Charge per lot:	**$600**	**$7,400**

As per the calculations above, at $1,200 per lot for urban lots, the assumed value of the land would be $24,000 per lot. To compare this calculated value per lot to the current

market, Watson undertook a review of land values through a survey of vacant properties for sale in the Municipality. This survey was undertaken on Realtor.ca and is summarized in Appendix C. Based on the properties surveyed, the average price per hectare is $1,900,000 for urban residential and $440,000 per hectare for rural residential land. Utilizing an assumed density per hectare of 15 units per hectare for urban areas and 3 units per hectare in rural areas, the estimated value per lot would be $127,000 and $147,000, respectively. As a result, the current rates per lot are significantly lower than the amount that can be collected using the 5%/2% rate or the alternative rate (i.e., based on the average price per urban lot of $127,000, the Municipality could receive $6,400 using the 5% rate versus $1,200 per lot). Similarly the current rate for rural lots is significantly lower than the potential revenue that may be received by using the 5%/2% rates.

Analysis

The following provides recommended revisions to the current practice and parkland dedication by-law that may assist the Municipality in maximizing receipt of payment-in-lieu of parkland dedication.

- Impose payment-in-lieu requirements on non-residential development.
- Revise the O.P. and parkland dedication by-law to include payment-in-lieu of parkland dedication requirements of 5% for institutional development.
- Consider utilizing per lot rates only for residential consents and severances.
- Consider increasing the per lot fee to $6,000 for all urban and rural residential lots with provision for annual indexing.
- Update the parkland dedication by-law to allow for the use of the alternative rate and provide guidance on the use of the alternative rate requirement (i.e. when development equals or exceeds a density of 25 units per hectare or 10 units per acre).
    - As a result, the Municipality may consider utilizing the alternative rate for all medium and high-density developments and reviewing the density of each low-density development on a case-by-case basis.

3.3 Current Recoveries from Development Charges

3.3.1 Overview of Parks vs. Recreation

The Development Charges Act (D.C.A.) allows for the recovery of growth-related capital costs. Section 2(4) of the D.C.A. lists the services for which recovery of capital costs are eligible; this includes parks and recreation services. There is an exception however, with respect to land for parks which is outlined in Section 2.1 of Ontario Regulation 82/98. Ineligible parkland includes land for woodlots and land that is acquired because it is environmentally sensitive. Land for an enclosed structure used throughout the year for public recreation and land that is necessary for the structure to be used for that

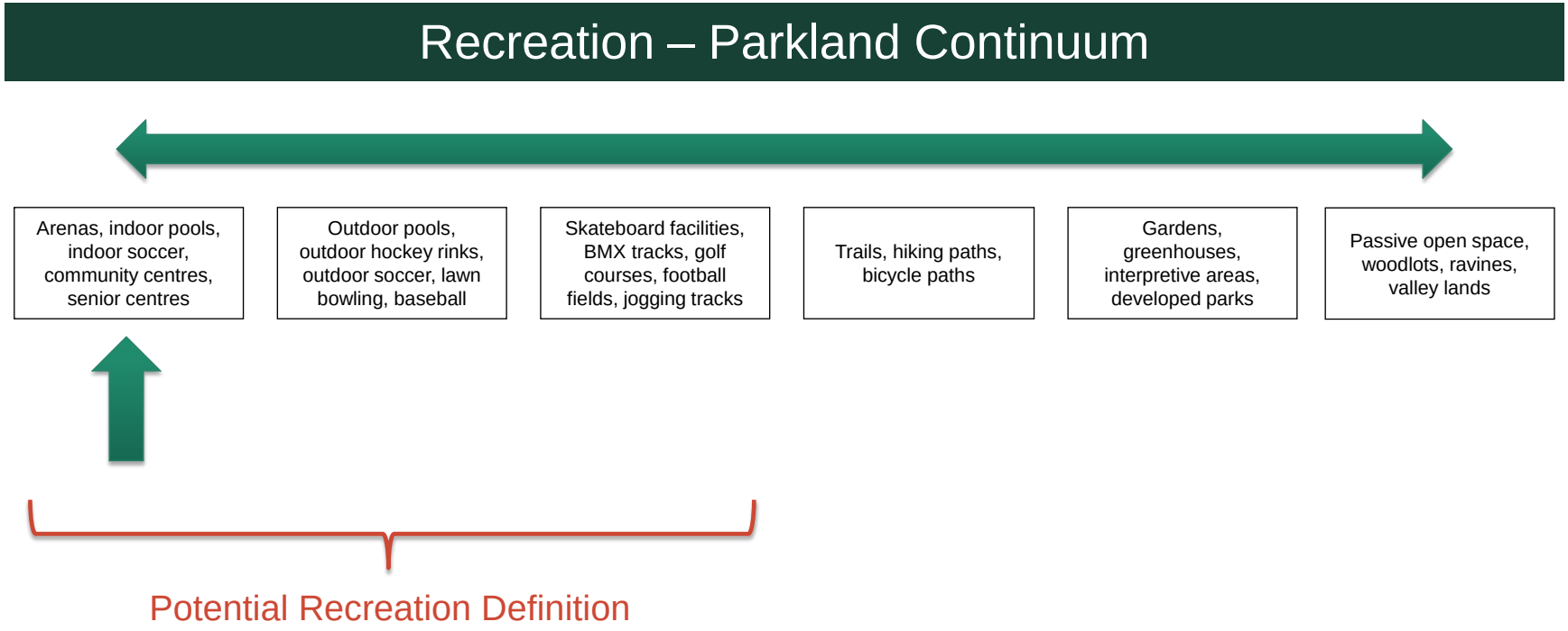
purpose, including parking and access to the structure is eligible for inclusion in a D.C. background study and by-law.

In summary, land for park purposes is not eligible for inclusion in a D.C., however, land for recreation is eligible. The distinction between parkland and land for recreation purposes is important in determining which lands may be recovered from new development through D.C.s as this will help maximize the recovery of costs.

Historically, the Municipality has paid for land for indoor recreation facilities (e.g. arenas, community centres, etc.) through D.C.s and all other parkland has been acquired through dedication or paid with funds collected from payment-in-lieu of parkland. However, a consideration of "recreation" may be undertaken. For example, an indoor soccer field built inside of an air supported structure would be considered an indoor facility and the land for the facility may be funded with D.C.s. If the soccer field was constructed outside, the land would be funded from the parkland reserve. In both cases, the use of the "facility" is the same, however, the funding is different. If soccer facilities (both indoor and outdoor) were defined as "recreation" in all of the Municipality's policies (e.g. O.P., parks and recreation master plans, zoning by-law, etc.) there is the potential for the Municipality to recover the cost of the land from D.C.s.

Figure 3-1 provides for a spectrum of parks and recreation uses. These range from indoor facilities such as arenas to open space parkland. The green arrow on the left denotes the current definition of recreation utilized by the Municipality (i.e. for which land is included in the D.C. study). There is a potential for the recreation definition to be expanded to include outdoor recreation uses such as pools, outdoor hockey rinks, outdoor soccer, lawn bowling, baseball diamonds, skateboard facilities, BMX tracks, golf courses, football fields, and jogging tracks.

Figure 3-1
Municipality of Lakeshore
Recreation to Parkland Continuum



3.3.2 Current Definitions in Lakeshore Documents

To assess and confirm the Municipality's current definitions of parks and recreation, Watson undertook a review of the following documents:

- Municipality of Lakeshore Official Plan (2021);
- Municipality of Lakeshore Zoning By-law (2019); and
- Parks & Recreation Master Plan (2017).

Through a review of these documents, each reference to parks and/or recreation was noted to ascertain the Municipality's assumed definition of each term. Although there are instances where the O.P. utilizes the terms in various contexts and appears to have different meanings, it appears that there are relatively clear distinctions between parks and recreation. For example, in Section 4 of the O.P., there is a clear distinction between parks and open space versus recreation.

In the Zoning By-law, the definition of commercial outdoor recreation facility provides a distinction between parkland versus outdoor recreation spaces (e.g., mini golf courses, outdoor swimming pools, batting cages, etc.).

In the Parks and Recreation Master Plan, parks and outdoor recreation facilities appear to be distinct. For example, Appendix F specifies that soccer fields, tennis courts, splash pads, outdoor pools, etc. are all recreational facilities as opposed to parkland. This appears to make a clear distinction between parks and recreation.

Table B-1 in Appendix B provides for a list of all of the instances of the terms parks and recreation in the above listed documents, along with notes on the implication of the definitions/references.

3.3.3 Opportunities for Maximizing Recoveries

The Municipality may seek to maximize recovery of costs for recreation land by utilizing recovery through D.C.s as much as possible. To achieve this, the Municipality must first review their existing policy documents to clearly define parks versus recreation. These refined definitions should be consistent between all policy documents. Although there are certain instances where distinctions between parks and recreation are unclear, it appears that the Municipality has provided many clear delineations through policy documents.

4. Impacts of Current Practice vs. Alternative Approaches

4.1 Approach to Analysis

To quantify the impacts of the various approaches on the Municipality's ability to receive and purchase parkland, the following section provides for the anticipated parkland

dedication and payment-in-lieu of dedication, calculated by using the Municipality's 2020 D.C. background study growth forecast, and the various rates described above.

Figure 4-1 provides an overview of the analysis. To estimate the future parkland needs, the current parkland inventory is added to the parkland needs arising from new development. This analysis is presented in section 4.2. To estimate the potential future parkland received and/or payment-in-lieu of parkland received, various dedication and payment-in-lieu policies are applied to the anticipated growth and added to the current inventory of parkland. Once the anticipated parkland/ payments received analysis is complete, the potential gap in parkland/funding may be identified.

Figure 4-1
Municipality of Lakeshore
Parkland Needs Analysis

4.2 Current Inventory of Parkland and Future Need

4.2.1 Summary of Current Inventory

The 2017 Parks & Recreation Master Plan identified the current inventory of parks in the Municipality. As of 2016, the Municipality provided 73.97 hectares of regional & community parks and 31.28 hectares of neighbourhood parks & parkettes for a total of 105.25 hectares of parkland.

As part of the Parks & Recreation Master Plan, a recommended service level of 2.83 hectares of parkland per 1,000 residents was identified.

The anticipated parkland needs to 2040 were identified based on this service level and the anticipated population (based on the 2020 D.C. background study). The calculations provide that the Municipality would require 132.73 hectares of parkland, implying that by 2040, the Municipality would need to receive (or purchase) parkland in the amount of 27.48 hectares. This information is summarized in Table 4-1:

Table 4-1
Municipality of Lakeshore
Required Parkland by 2040 as per Recommended Service Level and Anticipated Growth

Parkland Requirement Calculations	2016	2020	2030	2040
Projected Population	36,600	38,600	43,142	46,902
Existing Standard (Community and Neighbourhood ha per 1,000)	2.83	2.83	2.83	2.83
Parkland Requirement (ha)	**103.58**	**109.24**	**122.09**	**132.73**
Current Inventory (2016) (ha)	105.25	105.25	105.25	105.25
Additional Parkland Required (ha)	**0.00**	**3.99**	**16.84**	**27.48**

4.2.2 Analysis

Parkland Inventory

Watson compared the inventory of parkland identified in the Parks & Recreation Master Plan to the Municipality's 2020 D.C. Background Study which also includes an inventory of parkland in the Municipality. The inventory included in the D.C. background study was significantly higher than the amount of parkland identified in the Master Plan (i.e. the D.C. study included 140 hectares of parkland). This discrepancy may be partially due to the inclusion of undeveloped parkland in the D.C. inventory. A review and reconciliation of parkland (excluding recreation, discussed further in section 4 of this report) should be undertaken to ascertain the accurate inventory of parkland.

Additionally, the current inventory should be categorized based on the Municipality's parkland hierarchy. The Parks & Recreation Master Plan and the Municipality's O.P. identify five categories of parks: Regional Parks, Community Parks, Neighbourhood Parks, Parkettes and Trails/Greenway. The anticipated parkland needs identified above may be greater when each category is analysed separately.

4.3 Parkland Dedication

4.3.1 Current Approach

Under the current approach, the Municipality imposes payment-in-lieu rather than parkland dedication requirements. As a result, the analysis in this section assumes payment-in-lieu of dedication is received which is then converted to the equivalent hectares of parkland. The current fees are $1,200 per urban lot and $600 per rural lot.

Utilizing the growth forecast from the D.C. background study, there are a total of 4,543 low and medium density units anticipated to be constructed over the 2016 to 2040 forecast period. Each of these units are assumed to be developed as one lot. With respect to high-density development, it has been assumed that there may be an average of 50 apartment units per lot. As a result, its anticipated that there would be an additional 12 apartment lots in total. The number of lots is then multiplied by the fee per lot to estimate the payment-in-lieu of parkland revenue. Table 4-2 summarizes these calculations. At the noted rates, the total annual revenue anticipated would be $5,381,400.

Table 4-2
Municipality of Lakeshore
Revenues Received through Current Policy

Share of growth	Location	$/lot	Anticipated Lots between 2016 and 2040 (single and townhouse)	Anticipated Lots between 2016 and 2040 (apartments)*	Revenue Anticipated
97%	Urban	$1,200	4,402	12	5,296,800
3%	Rural	$600	141	-	84,600
	Total		**4,543**	**12**	**5,381,400**

**Assumed 50 apartments per lot*
Forecast of units based on DC study forecast

The Municipality's current policy allows for dedication from non-residential development at 2% of the land area. However, through discussions with staff, in practice the Municipality does not appear to impose parkland dedication on non-residential development.

Section 4.2 of this memo provided for the inventory of parkland in the Municipality. This inventory was measured as of 2016. As a result, the growth forecast period utilized for this analysis is based on growth from 2016 to 2040. When defining the need for parkland based on the total population of the Municipality, the total hectares of parkland required equals 27.48 hectares (at the standard of 2.83 hectares of parkland per 1,000 population). Based on a review of vacant residential land for sale in the Municipality (discussed in Section 3.2 and presented in Appendix C), the average price per hectare of land in the urban area is approximately $1,900,000. Under the current policy and based on this average price per hectare, it is estimated that the Municipality could acquire 2.83 hectares of land. This is significantly lower than the 27.48 hectares that would be required to meet the service level targets as per the Municipality's Parks & Recreation Master Plan.

4.3.2 5%/2% Parkland Dedication

The Planning Act allows municipalities to require parkland dedication at a rate of 2% of land for commercial and industrial development and 5% for all other development (i.e. residential and institutional).

Table 4-3 provides for a summary of the anticipated residential units to be constructed over this time period. With assumed densities of 15, 40, and 100 units per hectare for low, medium, and high-density development, respectively, the total hectares of residential development lands equal 285.20 hectares. At a parkland dedication rate of 5%, the total parkland to be dedicated would be 14.26 hectares.

Table 4-3
Municipality of Lakeshore
Residential Parkland Dedication at 5%

Unit Type	Anticipated Units (2016 to 2040)	Density Assumption (units/hectare)	Total Hectares	Total Hectares Dedicated at 5%
Singles	3,979	15	265.27	13.26
Towns	565	40	14.13	0.71
Apartments	581	100	5.81	0.29
Total	**5,125**	**-**	**285.20**	**14.26**

Table 4-4 provides for a summary of the anticipated non-residential development to be constructed over the 2016 to 2040 time period. Based on the D.C. growth forecast, there is approximately 5,300 employees that will be added. Utilizing the sq.ft. per employee assumptions from the D.C. study, the anticipated floor space totals approximately 5.35 million sq.ft. Assuming the industrial buildings have a lot coverage of 25% and the institutional/commercial buildings have a lot coverage of 30%, the total land area for non-residential development is approximately 20.50 million sq.ft. or 190.48 hectares. At the 2% dedication rate for industrial and commercial developments, and 5% for institutional developments, this would provide the Municipality with a total of 5.03 hectares over the forecast period.

Table 4-4
Municipality of Lakeshore
Non-residential Parkland Dedication
2% for Industrial and Commercial, 5% for Institutional

Type	Anticipated Employment (2016 to 2040)	Sq.ft. per Employee	Anticipated Sq.ft. (2016 to 2040)	Assumed Lot Coverage	Total Sq.ft. of Land Area	Total Hectares of Land Area	Total Hectares Dedicated
Industrial	3,098	1,300	4,027,400	25%	16,109,600	149.66	2.99
Commercial	1,382	550	760,100	30%	2,533,667	23.54	1.18
Institutional	797	700	557,900	30%	1,859,667	17.28	0.86
Total	**5,277**	**-**	**5,345,400**	**-**	**20,502,933**	**190.48**	**5.03**

In total, this approach would yield the Municipality with approximately 19.29 hectares of parkland if every property provided parkland dedication.

4.3.3 Alternative Residential Rate

With respect to use of the alternative rate for parkland dedication of one (1) hectare for every 300 dwelling units, the non-residential dedication would remain the same at 5.03 hectares. However, if the Municipality were to utilize the alternative rate for residential developments, the Municipality would receive 17.08 hectares for a total of 22.12

hectares of parkland. Table 4-5 provides for the anticipated hectares of parkland dedication based on the residential growth forecast from the D.C. study and the alternative rate.

Table 4-5
Municipality of Lakeshore
Residential Parkland Dedication at One Hectare for Each 300 Dwelling Units

Unit Type	Anticipated Units (2016 to 2040)	One Hectare per 300 dwelling units
Singles	3,979	13.26
Towns	565	1.88
Apartments	581	1.94
Total	**5,125**	**17.08**

4.3.4 Summary of Analysis

Table 4-6 provides for a comparison of the approaches to parkland dedication for residential development (current policy vs. 5% vs. one hectare for 300 dwelling units) and non-residential development (currently policy vs. 2% for industrial/commercial and 5% for institutional). Using the alternative rate would provide the Municipality with the most hectares of parkland by 2041, however, there would still be a deficit of 5.37 hectares with respect to the target needs of 27.48 hectares.

Table 4-6
Municipality of Lakeshore
Summary Comparison of Current vs. Alternative Rate Approaches

Summary	Current Policy (Based on $1,900,000/hectare)	5% for Residential/ Institutional and 2% for Industrial/ Commercial	1 Hectare for 300 Dwelling Units and 2% for Industrial/Commercial, 5% for Institutional
Residential Hectares	2.83	14.26	17.08
Non-residential Hectares	-	5.03	5.03
Total Hectares Dedicated	**2.83**	**19.29**	**22.12**
Required Parkland	**27.48**	**27.48**	**27.48**
Deficit/(Surplus) (hectares)	**24.65**	**8.19**	**5.37**

4.4 Payment-in-Lieu of Parkland

With respect to Payment-in-Lieu of Parkland, there are three approaches to imposing these fees on development and redevelopment in the Municipality:

1. **Current Policy**: impose a rate per lot ($1,200 for urban lots and $600 for rural/agricultural lots);

2. **5%/2% Rates**: impose the equivalent value of 5% of the land area for residential and institutional development and the equivalent value of 2% of the land area for commercial and industrial development; and

3. **Alternative Rate**: impose the equivalent value of one (1) hectare of land for each 500 dwelling units.

Similar to the analysis with respect to parkland dedication, the D.C. growth forecast was used to estimate the amount of development in the Municipality from 2016 to 2040. The estimated land values in the Municipality were analyzed based on a review of vacant properties for sale available on Realtor.ca as of May 10, 2022. A summary table of the vacant properties reviewed is provided in Appendix C. Based on the properties surveyed, the average sales price of urban vacant land is approximately $1,900,000 per hectare.

As noted with parkland dedication, based on the total anticipated Municipal population in 2040, the Municipality would require 27.48 hectares of parkland. At a land value of $1,900,000 per hectare, the total revenue required would be approximately $52.2 million.

4.4.1 Current Policy

Based on the discussion in section 4.3.1, under the current policy, the Municipality could expect to receive $5.38 million in revenues. This is significantly lower than the $52.2 million of required revenue.

4.4.2 5%/ 2% Rates

Similar to parkland dedication, the Planning Act allows municipalities to require payment-in-lieu of parkland dedication at a rate of 2% for commercial and industrial development and 5% for all other development (i.e. residential and institutional). Similar to the calculations presented in Table 4-3, Table 4-7 provides a summary of the anticipated residential units to be constructed to 2040. With assumed densities of 15, 40, and 100 units per hectare for low, medium, and high-density development, respectively, the total area of residential development lands equal 285.20 hectares. At a value of $1.9 million per hectare, the total value of the developable lands would be approximately $54.88 million. At a rate of 5% of the land value, the Municipality would receive approximately $27.09 million.

Table 4-7
Municipality of Lakeshore
Anticipated Payment-in-Lieu of Parkland Dedication Revenues – 5%

Unit Type	Anticipated Units (2016 to 2040)	Density Assumption (units/hectare)	Total Hectares	Value of Land per Hectare	Total Value of Developable Lands	5% of the Total Value
Singles	3,979	15	265.27	$1,900,000	$504,006,667	$25,200,333
Towns	565	40	14.13	$1,900,000	$26,837,500	$1,341,875
Apartments	581	100	5.81	$1,900,000	$11,039,000	$551,950
Total	**5,125**		**285.20**		**$541,883,167**	**$27,094,158**

With respect to non-residential development, Table 4-8 provides a summary of the anticipated non-residential development to be constructed over the 2016 to 2040 time period. Based on the D.C. growth forecast, there is approximately 5,300 employees that will be added. Utilizing the sq.ft. per employee assumptions from the D.C. study, the anticipated floor space totals approximately 5.35 million sq.ft. Assuming the industrial buildings have a lot coverage of 25% and the institutional/commercial buildings have a lot coverage of 30%, the total land area for non-residential development is approximately 20.50 million sq.ft. This equates to a total land area of 190.48 hectares. At a value of $3.5 million per hectare, the total value of the developable lands would be approximately $666.68 million. At a rate of 2% of the land value for industrial and commercial and 5% of institutional, the Municipality would receive approximately $15.15 million.

Table 4-8
Municipality of Lakeshore
Anticipated Payment-in-Lieu of Parkland Dedication Revenues
2% for Industrial/Commercial and 5% for Institutional

Type	Anticipated Employment (2016 to 2040)	Sq.ft. per Employee	Anticipated Sq.ft. (2016 to 2040)	Assumed Lot Coverage	Total Sq.ft. of Land Area	Total ha of Land Area	Value of Land per ha	Total Value of Developable Lands	2% of the Total Value (5% for institutional)
Industrial	3,098	1,300	4,027,400	25%	16,109,600	149.66	$3,500,000	$523,821,292	$10,476,426
Commercial	1,382	550	760,100	30%	2,533,667	23.54	$3,500,000	$82,384,947	$1,647,699
Institutional	797	700	557,900	30%	1,859,667	17.28	$3,500,000	$60,469,099	$3,023,455
Total	**5,277**		**5,345,400**		**20,502,933**	**190.48**		**$666,675,338**	**$15,147,580**

4.4.3 Alternative Residential Rate

As per section 4.3.3, the Municipality may impose an alternative parkland dedication rate on residential development in the amount of one (1) hectare of parkland per 300 dwelling units. In regard to receipt of payment-in-lieu of dedication the Planning Act also allows the use of an alternative rate however, the rate is reduced to the value of the land equal to one (1) hectare for each 500 dwelling units.

With respect to use of the alternative rate the non-residential payment-in-lieu would remain the same at approximately $15.15 million. However, if the Municipality were to utilize the alternative rate for residential developments, the Municipality would receive approximately $19.48 million for a total of $34.62 million. Table 4-10 provides for the

anticipated payment-in-lieu of parkland based on the residential growth forecast from the D.C. study and the use of the alternative rate.

Table 4-10
Municipality of Lakeshore
Residential Payment-in-Lieu of Dedication at One Hectare for Each 500 Dwelling Units

Unit Type	Anticipated Units (2016 to 2040)	1 ha per 500 dwelling units	Value of Land per ha	Total Revenue Received
Singles	3,979	7.96	$1,900,000	$15,120,200
Towns	565	1.13	$1,900,000	$2,147,000
Apartments	581	1.16	$1,900,000	$2,207,800
Total	**5,125**			**$19,475,000**

4.4.4 Summary of Analysis

Table 4-11 provides for a comparison of the approaches to payment-in-lieu of parkland for residential development (per lot fee vs. 5% vs. one hectare for 500 dwelling units) and non-residential development (2% for industrial/commercial and 5% for institutional). Use of the per lot fee provides the Municipality with approximately $5.38 million, use of the 5%/2% provides for approximately $42.24 million, and use of the alternative rate provides for approximately $34.62 million.

Table 4-11
Municipality of Lakeshore
Summary Comparison of Current vs. Alternative Rate Approaches

Summary	Per Lot Fee	5% for Residential/Institutional and 2% for Industrial/Commercial	1 Hectare for 500 Dwelling Units and 2% for Industrial/Commercial, 5% for Institutional
Residential Recovery	$5,381,400	$27,094,158	$19,475,000
Non-residential Recovery	$0	$15,147,580	$15,147,580
Total Payment-in-Lieu	**$5,381,400**	**$42,241,738**	**$34,622,580**
Amount Required	**$52,217,054**	**$52,217,054**	**$52,217,054**
Deficit/(Surplus) ($)	**$46,835,654**	**$9,975,316**	**$17,594,474**

5. Observations and Comments

Based on the above, the following provides a summary of our observations and potential recommendations for the Municipality's consideration.

1. **Parkland Inventory**: Through a review of the Parks & Recreation Master Plan and the D.C. background study it was observed that the inventory of current parkland is inconsistent. The Municipality should review the inventory from both documents and provide a reconciliation to ensure the inventory is correct. This will ensure that the calculation of future anticipated parkland needs is accurate. Additionally, the inventory should be allocated to each category of parkland.

2. **Service Standards**: The current service standard is provided on a Municipal-wide basis. However, the Municipality should consider a standard for each category of parkland.

3. **Parkland Dedication**: The Municipality's current policy for imposing parkland dedication is to impose the 5% dedication requirement on residential development, however, the current practice is to impose a per lot fee on residential development and no dedication requirements on non-residential development. The Municipality should consider use of the alternative rate for residential development (where the alternative rate provides for more dedication). The Planning Act allows for the imposition of 5% parkland dedication on institutional developments, however, the Municipality's current policy and O.P. states 2% will be imposed. The Municipality should consider revising this policy in the O.P. then updating their policy/by-law to impose dedication at the 5% rate for institutional developments.

4. **Payment-in-Lieu:** The current fee per lot of $1,200 the urban area and $600 in former rural/agricultural areas is less than the value the Municipality would receive by using the 5% and 2% rates. The Municipality should consider increasing the fees to $6,000 for urban and rural residential lots. It is recognized that the value per lot observed for rural lots is slightly higher (given the lower assumed density per hectare), however, for consistency it is recommended that the same charge per lot be used for all residential lots. The fee should also only be applied to residential severances and consents. Additionally, the Municipality may consider use of the alternative rate (the value is one (1) hectare of land for each 500 dwelling units) where the alternative rate provides for more payment-in-lieu. Similar to the parkland dedication observations, payment-in-lieu for institutional developments may be recovered at the 5% rate (subsequent to an update of the O.P.).

5. **Parkland vs. Recreation Land**: To maximize recovery of costs for parkland and recreation land, the Municipality may consider reviewing definitions in the Official Plan, Master Plan, Zoning By-law, and other policy documents to ensure there is a clear delineation between parkland vs. recreation land. This will allow for more

land to be recovered through D.C.s, freeing up the dedication and payment-in-lieu funds to be used for parkland.

6. Next Steps

With respect to next steps, Municipal staff may consider the observations provided in the above section. The Municipality may incorporate these observations into a parkland dedication and payment-in-lieu of parkland by-law. An updated draft by-law has been provided in Appendix D.

We trust that the information provided in this memo is useful and we would be happy to discuss further.

Appendix A
Parkland Dedication By-law Passage Notice Requirements

APPENDIX A: PARKLAND DEDICATION BY-LAW PASSAGE NOTICE REQUIREMENTS

Section 4(2) of O.Reg. 509/20 provides the following notice requirements:

2) Notice shall be given,
   a) by personal service, fax, mail or email to,
      i) as determined in accordance with subsection (3), every owner of land in the area to which the by-law applies,
      ii) every person and organization that has given the clerk of the municipality a written request for notice of the passing of the by-law and has provided a return address,
      iii) in the case of a by-law passed by the council of a lower-tier municipality, the clerk of the upper-tier municipality that the lower-tier municipality is in, and
      iv) the secretary of every school board having jurisdiction within the area to which the by-law applies; or
   b) by publication in a newspaper that is, in the clerk's opinion, of sufficiently general circulation in the area to which the by-law applies to give the public reasonable notice of the passing of the by-law.
3) For the purposes of subclause (2) (a) (i), an owner is any person who is identified as an as owner on the last revised assessment roll, subject to any written notice of a change of ownership of land the clerk of the municipality may have received.
4) A notice given by mail to an owner shall be mailed to the address shown on the last revised assessment roll or, if applicable, to the address shown on the notice of a change of ownership of land received by the clerk.
5) Notice shall contain the following information:
   (1) A statement that the council of the municipality has passed a community benefits charge by-law or a by-law under section 42 of the Act, as the case may be, and the statement shall set out the number of the by-law and the date on which the by-law passed.
   (2) A statement that any person or organization may appeal the by-law to the Local Planning Appeal Tribunal under subsection 37 (17) or 42 (4.9) of the Act, as applicable, by filing with the clerk of the municipality a notice of appeal setting out the objection to the by-law and the reasons supporting the objection.
   (3) The last day on which the by-law may be appealed.

(4) In the case of a notice of the passing of a community benefits charge by-law, an explanation of the community benefits charges imposed by the by-law.

(5) In the case of a notice of the passing of a by-law under section 42 of the Act, an explanation of the parkland and payment in lieu requirements imposed by the by-law.

(6) A description of the lands to which the by-law applies, a key map showing the lands to which the by-law applies, or an explanation why no description or key map is provided.

(7) The location and times during which persons may examine a copy of the by-law.

6) For the purposes of subsection 37 (16) and 42 (4.8) of the Act, the prescribed day is,
   a) if the notice is by publication in a newspaper, the first day on which the publication is circulated;
   b) if the notice is given by fax, the day that the notice is faxed;
   c) if the notice is given by mail, the day that the notice is mailed; or
   d) if the notice is given by email, the day that the notice is emailed.

Appendix B
Parkland vs. Recreation Definitions Review

Table B-1
Municipality of Lakeshore
Parkland vs. Recreation – Review of Definitions in Current Policy Documents

Document	Document Reference	Definition of Recreation vs. Parkland	Notes
Official Plan	Introduction Section 1.0 Page 6	The Municipality of Lakeshore Official Plan (the Plan) is an essential tool to manage future growth, development and change in the Municipality. This Plan provides a blueprint for growth over the planning period to the year 2031, by incorporating a growth management framework which ensures orderly and efficient development patterns by building sustainable and complete communities while protecting and enhancing the Municipality's rich natural and agricultural resources. It ensures that the planning framework and tools are in place to make the Municipality of Lakeshore a healthy and desirable place to live, work and enjoy **recreational opportunities.**	Refers to recreational opportunities to make Lakeshore a desirable place to live and work. Unclear what recreation means in this case.
	Organization of the OP Section 4 Page 8	Building Healthy Communities - provides detailed policies related to the built environment (including community design, cultural heritage), the human environment (including housing and public services, **parks and open space, and recreation**), and economic development (including tourism, agriculture, natural resources, retail and employment/industrial polices).	Appears to delineate parks as being separate from recreation
	Economy Page 13	Promote the Municipality as a tourist and **recreational destination**. Support the preparation of a tourism strategy to investigate opportunities for accommodation development, in addition to opportunities for special events programming;	Unclear what recreational means in this case
	Community Page 14	The Municipality of Lakeshore will promote improved quality of life for Lakeshore residents by making the Municipality a desirable place to live, work and enjoy **recreational opportunities.** Promote public access to the waterfront and enhanced **recreational opportunities**	Unclear what recreational means in this case
	Servicing and Facilities Page 16	"Lakeshore will ensure that our Municipality is well served and well equipped." An integral component of the Official Plan is a comprehensive growth management strategy to ensure the development of sustainable and complete communities. Complete communities meet residents' immediate and future needs by providing access to a full range and mix of housing, a diverse mix of jobs, a range of community services and facilities, **recreational and open space opportunities**, and convenient transportation choices. g) Promote expanded recreational services, programs and facilities, including improved access to the waterfront; h) Promote healthy communities through opportunities for recreation and convenient access to community services and facilities;	Recreational services appear to be allowed on waterfront. Appears to make a distinction between recreation and open space.

Document	Document Reference	Definition of Recreation vs. Parkland	Notes
	Site Specific Policies Page 36	b) The predominant use of land will be a mix of medium to higher density residential uses; non-industrial community-related employment uses including: commercial retail, offices, and services; entertainment and cultural facilities; institutional; and municipal and public services including: schools, **recreation centres, parks and open space use**s within an innovative pedestrian-oriented main street environment. d) The Municipality will explore opportunities to secure public lands for **passive recreation and open spaces.**	Recreation apears to be delineated from parks in the first case with respect to recreation facilities, however second point appears to blur the line between parks and recreation
	Built Environment Page 45	A high quality of park and open space design will be required. The land for parkland dedication will be carefully selected to facilitate their use as a central focal point for new or existing neighbourhoods. The Municipality's preference will be for conveyance of parkland and will discourage cash in lieu for sufficiently large sized parcels. The Municipality will promote the integration and accessibility of community uses including schools, municipal facilities, institutional uses, parks and open spaces and recreational uses through pedestrian, cycling and trail linkages. The Municipality will require the provision of certain pedestrian, cycling and trail linkages through the development approvals process, in accordance with the policies of this Plan and associated outline plans as approved by Council.	Recreation separate from parks
	Community Improvement Page 48	deficiencies in community and social services including, but not limited to, public open space, municipal parks, neighbourhood parks, indoor/outdoor recreational facilities, and public social facilities;	Clear delineation between recreation and parks
	Energy Conservation Page 56	The Municipality will encourage public/private partnerships to finance, acquire and construct a linked open space system consisting of bikeways, trails, and walkways which promote walking, cycling and non-motorized modes of transportation between communities.	Provides what open space system consists of
	Recreation Policies Page 73	**Recreation** The Plan strives to ensure that sufficient recreational, open space and park facilities are provided within the Municipality to meet the leisure needs and desires of the present and future residents, businesses, as well as visitors to the Municipality. The Municipality will promote appropriate **recreational development in parks, open spaces**, along the lakeshore and other similar areas of the Municipality that provide opportunities for active, passive and programmed community recreation and	Several instances in this section that delineates parks separately from recreation

Document	Document Reference	Definition of Recreation vs. Parkland	Notes
		leisure, and that contribute to the preservation and protection of open space and the natural environment. The Municipality will assess the feasibility of acquiring private land along the lakeshore for public park or open space uses. The Municipality will promote the provision of pedestrian, cycling and trail linkages and the integration of recreational and parks and open space uses.	
	Parks and Open Space Policies Page 73-78	Parks and open spaces appear to be clearly distinct from recreation within this section. There is no mention of recreation or recreational facilities within this section. E.g. - The Municipality's parks and open spaces will provide venues for a diverse range of both structured and unstructured, active and passive leisure pursuits for children, teens, adults and seniors to pursue activities of personal interest, skills development, and volunteering active engagement in community life. - The Municipality's parks and open spaces will provide venues to protect and conserve valued natural resources, such as woodlots, marshes, waterfronts, and other natural features vital to a healthy and sustainable ecology and natural environment, as well as to recognize and sustain valued historical and heritage venues that have contributed to both the community's historical development and identity. - Parks and open spaces will also provide lands that contribute to the greening and beautification of the municipality via both natural and planted materials and venues, and will create unique identifiers and focal points for the community. - The Municipality will consider opportunities for the promotion and implementation of stormwater management best practices within the Municipality's parks and open spaces where appropriate. Consideration should be given to stormwater attenuation and re-use and low impact development measures to control the quantity and quality of stormwater. Elements for each type of park are provided within OP. Recreation facilites are not included within the elements. E.g. Regional Parks consider the following elements: i) Incorporate universally accessible guidelines ii) Tree canopy iii) Seating (choices) iv) Trash/Recycling v) Play equipment (alternative opportunities) vi) Tables (picnic or café) vii) Parking viii) Restrooms ix) Internal Trail x) Splash pad water feature xi) Pavilion xii) Support marina programming or recreational programming Neighbourhood parks with sports classification may also include sports fields,	Implies major sports field may be outdoor recreation CIP section implies recreation is separate from parkland

Document	Document Reference	Definition of Recreation vs. Parkland	Notes
		however, all other elements are indicative of parks vs. recreation	
	Residential Designation Page 151	Neighbourhood parks and trails will be permitted, whereas community parks, major parks and other large-scale recreational uses will only be permitted in the Parks and Open Space Designation.	Appears that recreational uses are part of parks and open spaces
	Recreation and Commercial Designation Page 155	Recreation facilities operating largely for commercial gain including, marinas, parks, golf courses, travel trailer parks, campgrounds, amusement parks, hotels and motels, convention and meeting establishments, museums and galleries and other commercial recreational facilities including restaurants, clubs, taverns, snack bars, and convenience retail establishments.	Parks are part of recreation facilities definition here
	Parks and Open Space Designation Page 176	Recreation and Recreation facilities are noted here a number of times	Parks and recreation definitions appear blurred here.
Zoning By-law	Definitions - Page 45 & 46	**COMMERCIAL OUTDOOR RECREATION FACILITY** – shall mean an outdoor facility or facilities which may include, but not necessarily be restricted to a water slide, a commercial outdoor swimming pool, a wave pool, a baseball batting cage or a paddleboat or bumper-boat pool, and a mini golf course, but shall not include a golf course, go-kart track, a ski club or any other use as otherwise defined or listed herein. **COMMUNITY CENTRE** – shall mean a public building and associated lands used for community recreation or social activities, meetings or other leisure activities and not used for commercial purposes, and the control of which is vested in the Town, a non-profit organization, a local board or agent thereo **PARK, PUBLIC** – shall mean a park controlled or owned by the Town or a public authority normally open to the public.	Separation of parkland from recreation
Parks and Recreation Master Plan	Appendix F	Delineates parks and outdoor recreation facilities - specifies that soccer fields, tennis courts, splash pads, outdoor pools etc. are all recreational facilities	Appears to make the distinction between parks and outdoor recreation

Appendix C
Realtor.ca Survey of Vacant Sales Prices

Table C-1
Municipality of Lakeshore
Survey of Sales Prices for Vacant Lots Available on Realtor.ca
As of May 10, 2022

Area of Municipality	Type of Property	Serviced?	Type of Lot	Sale Price	Property Size (acres)	Sale Price per Acre	Sale Price per Hectare
Belle River	Vacant Residential	Fully Serviced	Urban	$395,000	0.15	$2,607,000	$6,440,000
Belle River	Vacant Commercial	Fully Serviced	Commercial	$450,000	0.32	$1,425,826	$3,520,000
St Joachim	Vacant Residential	No	Rural	$229,000	2.23	$102,848	$250,000
Stoney Point	Vacant - potential for res or commercial	Fully Serviced	Urban	$1,299,000	1.96	$662,387	$1,640,000
Haycroft	Vacant residential	No	Rural	$350,000	3.48	$100,661	$250,000
Comber	Vacant residential	No	Rural	$249,900	0.25	$981,176	$2,420,000
Lighthouse Cove	Vacant residential	Fully Serviced	Urban	$750,000	1.02	$733,897	$1,810,000
Lighthouse Cove	Vacant residential	No	Rural	$289,000	0.34	$839,256	$2,070,000
Lighthouse Cove	Vacant residential	Yes (at road)	Urban	$174,900	0.31	$556,918	$1,380,000
				$4,186,800	**10.07**	**$415,900**	**$1,030,000**

Summary	Total Acres	Total Hectares	Total Sale Price	Average price per hectare
Urban Lots	3.45	1.40	$2,618,900	$1,900,000
Rural Lots	6	2.55	$1,117,900	$440,000
Commercial Lot	0.32	0.13	$450,000	$3,500,000

Appendix D
Draft Parkland Dedication By-law

THE CORPORATION OF THE MUNICIPALITY OF LAKESHORE

By-law Number XX-2022

BEING A BY-LAW TO PROVIDE FOR THE DEDICATION OF PARKLAND OR THE PAYMENT IN LIEU THEREOF AS A CONDITION OF DEVELOPMENT OR REDEVELOPMENT

WHEREAS section 42 of the *Planning Act* provides that, as a condition of the Development or Redevelopment of land, the council of a local municipality may, by by-law, require that land in an amount not exceeding, in the case of land proposed for Development or Redevelopment for Commercial or Industrial purposes 2 per cent, and in all other cases 5 per cent, be conveyed to the municipality for park or other public recreational purposes;

AND WHEREAS section 51.1 of the *Planning Act* provides that an approval authority may impose, as a condition of the approval of a plan of subdivision, that land be conveyed to the local municipality for park or other public recreational purposes, such land not to exceed, in the case of a subdivision proposed for Commercial or Industrial purposes 2 per cent, and in all other cases 5 per cent;

AND WHEREAS section 53 of the *Planning Act* provides that section 51.1 of the *Planning Act* also applies to the granting of consents;

AND WHEREAS in the case of land proposed for Development or Redevelopment for residential purposes, pursuant to the *Planning Act*, a municipality may require that such land be conveyed at the rate of up to one hectare for each 300 Dwelling Units, provided that the municipality has specific policies dealing with the provision of lands for park or other public recreational purposes, and the use of this alternative requirement is included within its Official Plan;

AND WHEREAS the Municipality of Lakeshore has such specific policies dealing with the provision land to be conveyed at the rate of up to one hectare for each 300 Dwelling Units;

AND WHEREAS the Council for the Corporation of the Municipality of Lakeshore wishes to use the provisions of the *Planning Act* for the purposes of acquiring and providing parkland for the use and enjoyment of the residents of the Municipality of Lakeshore.

NOW THEREFORE, the Council of the Corporation of the Municipality of Lakeshore hereby enacts as follows:

Definitions

1. In this by-law:

   a) **“Agricultural Uses”** has the same meaning as in Lakeshore’s Comprehensive Zoning By-law.

   b) **“Board of Education”** has the same meaning as "board", as defined in the Education Act, R.S.O. 1990, c.E.2, as amended;

   c) **"Commercial"** means the use of land, buildings, or structures for a use which is not industrial, and which are used in connection with:

      i) the selling of commodities to the general public; or

      ii) the supply of services to the general public; or

      iii) office or administrative facilities.

   d) **“Council”** means the Council for the Corporation of the Municipality of Lakeshore;

   e) **“Development”** means the construction, erection, or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of substantially increasing the size or usability thereof;

   f) **“Dwelling Unit”** means one or more habitable rooms each of which is accessible from the others and which function as an independent and separate housekeeping unit in which separate kitchen and sanitary facilities are provided for the use of the occupants, with a private entrance from outside the building of from a common hallway or stairway inside the building;

   g) **“Gross Floor Area”** has the same meaning as in Lakeshore's Development Charges By-law, as amended.

   h) **“Industrial”** means the use of land, buildings, or structures in connection with:

      i. manufacturing, producing, or processing of raw goods;

      ii. warehousing or bulk storage of goods;

      iii. a distribution centre;

      iv. a truck terminal; or

v. research or development in connection with manufacturing, producing or processing of raw goods;

and includes office uses and the sale of commodities to the general public where such office or retail uses are ancillary to an industrial use, but does not include a building used exclusively for office or administrative purposes unless it is attached to an industrial building or structure as defined above, and does not include a retail warehouse;

i) **"Institutional"** means the use of land, buildings, or structures for hospitals, correctional institutions and associated facilities, municipal facilities, elementary and secondary schools, colleges, universities, places of worship and ancillary uses, military and cultural buildings, daycare centres, residential care facilities for more than ten persons and long term care centres;

j) **"Lakeshore"** means the Corporation of the Municipality of Lakeshore;

k) **"Mixed Use"** means the physical integration of two or more of the following uses within a building or structure or separate buildings or structures on the lands proposed for Development or Redevelopment: Commercial; Industrial; Institutional; Residential; or any other use not noted herein;

l) **"Net Area of the Lands"** means the total area of the lands being Developed or Redeveloped, less the area of any lands to be conveyed gratuitously to Lakeshore, the County of Essex, the Essex Region Conservation Authority or the Lower Thames Region Conservation Authority, pursuant to an approval or provisional consent issued in accordance with the Planning Act, in support of natural heritage systems, including but not limited to, wetlands, valley and watercourse corridors, tableland woodlands and other environmentally sensitive lands as determined by Lakeshore;

m) **"Official Plan"** means the Lakeshore Official Plan, as amended.

n) **"PIL"** means payment-in-lieu of parkland otherwise required to be conveyed.

o) **"Planning Act"** means the Planning Act, R.S.O. 1990, c.P.13, as amended,

p) **"Redevelopment"** means the removal of a building or structure from land and the further Development of the land or, the expansion or renovation of a building or structure which results in a change in the character or density of the use in connection therewith;

q) **"Residential"** means the use of land, buildings, or structures for human habitation;

r) **"Rural Area"** means those areas designated as not being within a settlement area by the Official Plan;

s) **"Temporary Building or Structure"** means a building or structure constructed or erected or placed on land for a continuous period not exceeding eight (8) months, or an addition or alteration to a building or structure that has the effect of increasing the total floor area thereof for a continuous period not exceeding eight (8) months;

t) **"Urban Area"** means those areas designated as being within a settlement area by the Official Plan;

Conveyance of Land for Park Purposes

2. As a condition of Development or Redevelopment of land pursuant to the Planning Act, Lakeshore shall require the conveyance of land for park purposes as follows:

a) In the case of lands proposed for Residential uses, the greater of the following;

i) if the density of the development is 15 units per hectare or less, at a rate of five per cent (5%) of the land being Developed or Redeveloped, or

ii) if the density of the development is greater than 15 units per hectares, at a rate of one (1) hectare for each three hundred (300) Dwelling Units proposed

b) In the case of lands proposed for Commercial, Industrial or Institutional uses, land in the amount of two per cent (2%) of the land to be Developed or Redeveloped;

c) In the case of lands proposed for Development or Redevelopment for a use other than those referred to in subsections 2(a) and 2(b) of this by-law, land in the amount of five per cent (5%) of the land to be Developed or Redeveloped;

d) In the case of a Mixed Use Development or Redevelopment, land in the aggregate, calculated as follows:

i) the Residential component, if any as determined by Lakeshore, of the lands being Developed or Redeveloped, shall require the conveyance of land as determined in accordance with subsection 2(a) of this by-law; plus

ii) the Commercial, Industrial, or Institutional component of the lands being Developed or Redeveloped, if any as determined by Lakeshore, shall require the conveyance of land as determined in accordance with subsection 2(b) of this by-law; plus

iii) the component of the lands proposed for any use other than Residential, Commercial, Industrial or Institutional, if any as determined by the Municipality, shall require the conveyance of land as determined in accordance with subsection 2(c) of this by-law.

Location of Conveyance and Condition of Title

3. The location and configuration of land required to be conveyed pursuant to this by-law shall be as determined by Lakeshore and all such lands shall be free of all encumbrances, including but not limited to such easements which Lakeshore, in its sole and absolute discretion, is not prepared to accept and shall be free of any contamination, including but not limited to any toxic, noxious or dangerous contaminants, and shall otherwise be in a condition satisfactory to Lakeshore.

4. The conveyance of any valleyland or watercourse corridors, woodlands, natural heritage system lands and associated buffers, easements, vista blocks and storm water management ponds, as defined in the Official Plan or any secondary plan adopted under the Official Plan, shall not be considered a conveyance of land for park purposes pursuant to the requirements of section 2 of this by-law.

Timing of Conveyance

6. Where land is required to be conveyed in accordance with section 2 of this by-law, the lands shall be conveyed as follows:

a) In the case of Development or Redevelopment to be approved pursuant to sections 51.1 or 53 of the Planning Act, the conveyance of land may be required as a condition of approval, and said lands shall be conveyed to Lakeshore either prior to or immediately upon registration of the plan of subdivision or upon the consent being given, as determined by Lakeshore;

b) In the case of Development or Redevelopment where land has not been conveyed or has not been required pursuant to sections 51.1 or 53 of the Planning Act, Lakeshore shall require the conveyance of land as a condition of Development or Redevelopment prior to building permit issuance in accordance with section 42 of the Planning Act.

Payment-in-Lieu of Parkland

6. In lieu of requiring the conveyances referred to in section 2 of this by-law, Lakeshore may require the payment of the value of the lands otherwise required to be conveyed, calculated in accordance with the following:

a) Where the payment of PIL has been required as a condition of a severance or consent pursuant to sections 51.1 or 53 of the Act, PIL shall be calculated as follows:

   i. Residential uses - $6,000 per lot;

b) The per lot rates identified in section 6 (a) shall be indexed annually on January 1st of each year commencing January 1, 2023 by the CMHC housing starts by dwelling type index.

c) For all other development or redevelopment, the PIL shall be calculated as the equivalent value of the land required as follows:

   i) In the case of lands proposed for Residential uses, the greater of the following;

      1) if the density of the development is 25 units per hectare or less, at a rate of five per cent (5%) of the value of land being Developed or Redeveloped, or

      2) if the density of the development is greater than 25 units per hectares, at a rate of the value of one (1) hectare of land for each five hundred (500) Dwelling Units proposed

   ii) In the case of lands proposed for Commercial, Industrial or Institutional uses, the value of two per cent (2%) of the land to be Developed or Redeveloped;

   iii) In the case of lands proposed for Development or Redevelopment for a use other than those referred to in subsections 6(c)(i) and 6(c)(ii) of this by-law, the value of five per cent (5%) of the land to be Developed or Redeveloped;

   iv) In the case of a Mixed-Use Development or Redevelopment, the value of the land in the aggregate, calculated as follows:

      1) the Residential component, if any as determined by Lakeshore, of the lands being Developed or Redeveloped, shall require the PIL of the value of land as determined in accordance with subsection 6(c)(i) of this by-law; plus

      2) the Commercial, Industrial, or Institutional component of the lands being Developed or Redeveloped, if any as determined by Lakeshore, shall require the conveyance of land as determined in accordance with subsection 6(c)(ii) of this by-law; plus

3) the component of the lands proposed for any use other than Residential, Commercial, Industrial or Institutional, if any as determined by the Municipality, shall require the conveyance of land as determined in accordance with subsection 6(c)(iii) of this by-law.

Timing of PIL Payment and Determination of Value

7. PIL shall be paid as follows:

a) For Development or Redevelopment where the payment of PIL is required as a condition of an approval or a consent pursuant to either sections 51.1 or 53 of the Planning Act, PIL shall be paid prior to registration of the plan of subdivision or prior to the consent being given, as the case may be;

i) the value of the land shall be determined as of the day before the day of the approval of the draft plan of subdivision or consent

b) For Development or Redevelopment where the payment of PIL is not required as a condition of an approval or a consent, pursuant to either sections 51.1 or 53 of the Planning Act, PIL shall be paid prior to the issuance of the building permit in respect of the Development or Redevelopment in accordance with Section 42 of the Planning Act.

i) the value of the land shall be determined as of the day before the day the building permit is issued in respect of the development or redevelopment or, if more than one building permit is required for the development or redevelopment, as of the day before the day the first permit is issued

Credits for Previous Conveyances

8. Notwithstanding sections 2 and 6 of this by-law, if land has been conveyed or is required to be conveyed to Lakeshore for park or other public recreational purposes or PIL has been received by Lakeshore or is owing to it pursuant to a condition imposed pursuant to sections 42, 51.1 or 53 of the Planning Act, no additional conveyance or payment in respect of the lands subject to the earlier conveyance or payment will be required by Lakeshore in respect of subsequent Development or Redevelopment unless:

a) There is a change in the proposed Development or Redevelopment which would increase the density of the development; or

b) Land originally proposed for Development or Redevelopment for Commercial, Industrial, or Institutional uses is now proposed for Development or Redevelopment for other uses.

9. Where there is a claim of previous conveyance or PIL payment, it is the applicant's/owner's responsibility to provide suitable evidence of such previous conveyance or PIL payment, to Lakeshore's satisfaction.

10. Land or PIL required to be conveyed or paid to Lakeshore for park or other public recreation purposes pursuant to sections 2 or 6 of this by-law shall be reduced by the amount of land or PIL previously received by Lakeshore pursuant to sections 42, 51.1 or 53 of the Planning Act in respect of the lands being Developed or Redeveloped.

Limits of the Lands to be Developed or Redeveloped

11. For the purposes of calculating the land conveyance or PIL requirements of sections 2 or 6 of this by-law, the following shall be used as the area of the lands being Developed or Redeveloped:

    a) For Development or Redevelopment of land which does not occur pursuant to section 51 or 53 of the Planning Act, the Net Area of the Lands denoted within the plan or drawings;

    b) For Development or Redevelopment of land which occurs pursuant to section 51 of the Planning Act, and for which the conveyance of land or the payment of PIL is required as a condition of approval, the Net Area of the Lands denoted within the approved draft plan of subdivision;

    c) For Development or Redevelopment of land which occurs pursuant to section 53 of the Planning Act, and for which the conveyance of land or the payment of PIL has been required as a condition of approval, the Net Area of the Lands to be severed pursuant to the consent;

    d) In all other cases, the area of the lands to be Developed or Redeveloped shall be determined by Lakeshore in accordance with the Planning Act, and the Net Area of the Lands as determined by Lakeshore shall be used for the purposes of calculating land conveyance or PIL requirements pursuant to sections 2 or 6 of this by-law.

Phased Development

12. Notwithstanding sections 5 and 7 of this by-law, for Development or Redevelopment for which approvals are issued in phases, Lakeshore shall calculate and require the conveyance of land for park purposes or the payment of CIL, in accordance with the provisions of sections 2 and 6 of this by-law, on a phase by phase basis.

Parkland Conveyance Agreements

13. Nothing in this by-law shall limit Lakeshore's ability to enter into a parkland conveyance agreement with one or more landowners for the purposes of assembling parkland. Parkland conveyance agreements entered into by Lakeshore shall include provisions for the conveyance of land for park purposes or PIL, the calculation of which shall be as provided in this by-law.

Exemptions

14. This by-law shall not apply to any of the following:

    a) Development or Redevelopment of land, buildings or structures owned by and used for the purposes of Lakeshore;

    b) Development or Redevelopment of land, buildings or structures owned by and used for the purposes of a Board of Education;

    c) The replacement of any building that is a direct result of destruction due to accidental fire or other accidental cause provided that no intensification or change of use is proposed, including but not limited to an increase in total Dwelling Unit count or Gross Floor Area;

    d) The enlargement of an existing Dwelling Unit provided that the enlargement does not result in additional Dwelling Units;

    e) The enlargement of an existing Commercial, Industrial, or Institutional building or structure if the Gross Floor Area is enlarged by 50% or less. The area of the existing building or structure shall be calculated by reference to the first building permit which was issued in respect of the building or structure for which the exemption is sought;

    f) A Temporary Building or Structure; or

    g) Where the total PIL payable for Development or Redevelopment is less than $100.

General

15. If a court of competent jurisdiction should declare any section or part of a section of this by-law to be invalid, such section or part of a section shall not be construed as having persuaded or influenced Council to pass the remainder of the by-law and it is hereby declared that the remainder of the by-law shall be valid and shall remain in force.

16. The headings in this By-law are for convenience only and do not form part of this By-law.

17. This By-law shall come into force and take effect upon the final passing thereof.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS xx DAY OF xx 2022.

_____

Mayor

_____

Clerk

Municipality of Lakeshore – Report to Council

Finance & Technology

Financial Planning & Analysis

To: Mayor & Members of Council

From: Justin Rousseau, Corporate Leader-Chief Financial Officer

Date: September 9, 2022

Subject: Municipality of Lakeshore Asset Management Plan 2022

Recommendation

Approve the Municipality of Lakeshore Asset Management Plan 2022;

Direct the Corporate Leader-Chief Financial Officer to submit the Municipality of Lakeshore Asset Management Plan 2022 to the Ontario Ministry of Infrastructure;

Direct that the Municipality of Lakeshore Asset Management Plan 2022 be made available on the Municipal website;

Direct that the financial strategies outlined in Municipality of Lakeshore Asset Management Plan 2022 Report presented at the September 27, 2022 Council meeting be adopted and implemented in future budgets and fiscal planning and policy documents.

Background

December 2017, the Province passed an Asset Management Planning regulation under the Infrastructure for Jobs and Prosperity Act, 2015. Ontario Municipalities are now subject to Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure. Under the Regulation, every Municipality is required to prepare a comprehensive strategic asset management policy, a plan to maintain core municipal infrastructure, a level of service proposal, and a publicly accessible Asset Management Plan (AMP) which is required to be updated every fifth year going forward with data obtained within the preceding two years.

The following are the key dates to this Regulation:

- January 1, 2018: Effective date of Regulation.
- July 1, 2019: Date for Municipalities to have a finalized strategic Asset Management Policy.
- July 1, 2021 (*now 2022): Date for Municipalities to have an approved AMP for core assets (roads, bridges and culverts, water, wastewater and stormwater

management) that discusses current levels of service and the cost of maintaining those services.

- **July 1, 2023(*now 2024)**: Date for Municipalities to have an approved AMP for all municipal infrastructure assets that discusses current levels of service and the cost of maintaining those services.
- **July 1, 2024(*now 2025)**: Date for Municipalities to have an approved AMP for all municipal infrastructure assets that builds upon the requirements set out in 2023. This includes a discussion of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund the activities.

***Due to the pandemic and the state of many Municipal resources in the province, the deadlines where extended a year.

On July 12, 2022, the Municipality of Lakeshore passed By-Law 66-2022 enacting an Asset Management Policy thus satisfying the July 1, 2019, requirement.

This report contains the Municipality of Lakeshore AMP 2022 which stratifies the July 1, 2022, requirement.

The Ontario Regulation 588/17 Requirements and Reporting Deadlines are included below:

Requirement	2019	2022	2024	2025
Asset Management Policy	●		●	
Asset Management Plans		●	●	●
State of infrastructure for core assets		●		
State of infrastructure for all assets			●	●
Current levels of service for core assets		●		
Current levels of service for all assets			●	
Proposed levels of service for all assets				●
Lifecycle costs associated with current levels of service		●	●	
Lifecycle costs associated with proposed levels of service				●
Growth impacts		●	●	●
Financial strategy				●

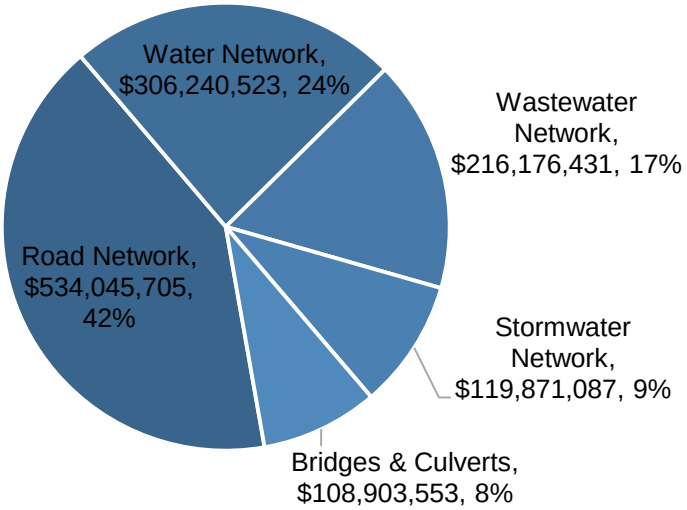
Upon Council approval Lakeshore will be compliant with reporting requirements.

Although this is a significant milestone, work continues to be required with asset management as we move into Phase 2 of our project.

In 2022 the Municipality of Lakeshore was able to secure $50,000 in funding from the Federation of Canadian Municipalities' (FCM) who offered an eight-year, $50 million Municipal Asset Management Program (MAMP) through the funding from Infrastructure Canada (INFC) to support Canadian Municipalities and communities in building their Asset Management (AM) practice. This funding will help Lakeshore continue to improve our data and business process around Asset Management.

Comments

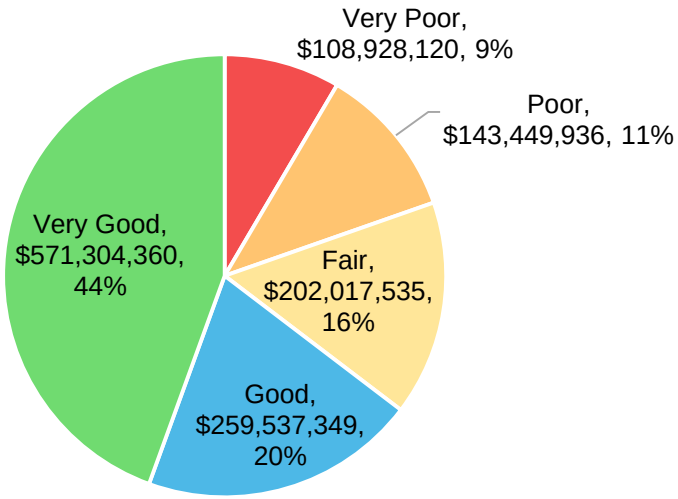
This AMP for the Municipality of Lakeshore was developed in accordance with Ontario Regulation 588/17 ("O. Reg"). It includes key elements of an industry-standard and regulation compliant AMP and provides a detailed overview and analysis of the Municipality's core infrastructure. Together, the five asset categories analyzed in this AMP have a total current replacement cost of **$1.3 billion**.



Total Current Replacement Cost: $1,285,237,300

The Municipality's core asset portfolio comprises of a road network of paved, unpaved, and surface treated roadways; bridges and structural culverts; stormwater collection and conveyance infrastructure; water treatment and distribution network; wastewater collection and treatment infrastructure. At 42% of the total replacement cost of all infrastructure, roads and related assets form the largest share of the Municipality's asset portfolio and have a current replacement cost of more than $534 million.

Based on both assessed condition and age-based analysis, 80% of the Municipality's infrastructure portfolio is in fair or better condition, with the remaining 20% in poor or worse condition. Typically, assets in poor or worse condition may require replacement or major rehabilitation in the immediate or short-term. Asset criticality and targeted condition assessments may help further refine the list of assets that may be candidates for immediate intervention.



Those assets in fair condition should be monitored for disrepair over the medium term. Keeping assets in fair or better condition is typically more cost-effective than addressing asset needs when they enter the latter stages of their lifecycle or decline to a lower condition rating, e.g., poor or worse.

It should be noted that with the exception of the Municipality's road network, and bridges & culverts (which together comprise 50% of total asset value) no in-field condition assessment data was available for other assets. As such, age was used as an approximation of condition for these assets. While a useful substitute in the absence of inspection data, using asset age to approximate its condition can lead to inaccurate results as age can under- or over-state asset needs. A more programmatic approach to condition assessments is recommended to improve data confidence.

Aging assets require maintenance, rehabilitation, and replacement. On average, $24.3 million is required each year to remain current with capital replacement needs for the Municipality's existing core asset portfolio. This figure relies on age and available condition data. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise. It should be noted that this figure assumes a like-for-like asset replacement and does not account for capacity upgrades that offer higher levels of service at higher potential costs.

Average annual funding available totals $15.5 million for core assets. As a result, the Municipality is funding 64% of its annual capital requirements (based on the relative data). This creates a total annual funding deficit of $8.8 million. Addressing annual infrastructure funding shortfalls is a difficult and long-term endeavor for municipalities. Considering the Municipality's current funding position, it will require many years to

reach full funding for current assets. Short phase-in periods to meet these funding targets may place too high a burden on taxpayers too quickly, whereas a phase-in period beyond 20 years may see a continued deterioration of infrastructure, leading to larger backlogs.

To close annual deficits for tax-funded assets, we recommend the Municipality review feasibility of implementing a 3.4% annual increase in revenues over a 5-year phase-in period. Similarly, water rate revenues would need to increase at 1.2% to achieve full-funding over a 5-year phase-in period. For wastewater, a 10-year phase-in is recommended, requiring a 2.3% increase in rate revenues annually to close annual funding gaps. Funding scenarios over longer time frames are also presented which may reduce these annual increases.

As this plan is based on like-for-like replacements, these increases do not reflect the additional costs that will need to be accounted for as the Municipality implements its gravel conversion program. Through to 2032, a total of 76 kilometers of gravel roads are slated for conversion from gravel to surface treated, yielding higher service levels and improved user experience. Based on existing replacement costs and target reinvestment rates, this will result in an annual cost increase of $656,800. As roads are converted, their added lifecycle costs would need to be factored into future financial planning, which may have implications on tax rates.

Further, a full asset management breakdown and plan has not been undertaken for Lakeshore's water and wastewater treatment facilities. Although there currently a plan being developed to complete these detailed assessments (with an intention to complete this in the short term), it does pose some concern related to the older facilities (i.e. the Stoney Point water treatment plant requiring life cycling if remaining in use and/or the eastern lagoons for replacement when this is likely not achievable) as exact costs have not been determined for these assets and will likely impact this plan once thee detailed assessments are completed.

In addition to annual needs, there is also an infrastructure backlog of nearly $38 million, comprising assets that remain in service beyond their estimated useful life. It is highly unlikely that all such assets are in a state of disrepair, requiring immediate replacements or full reconstruction. This makes targeted and consistent condition assessments integral to refining long-term replacement and backlog estimates.

Risk frameworks and levels of service targets can then be used to prioritize projects and help select the right lifecycle intervention for the right asset at the right time—including replacement or full reconstruction in lieu of rehabilitation or continued maintenance. The Municipality has developed preliminary risk models which are integrated with its asset register. These models can produce risk matrices that classify assets based on their risk profiles.

Most Municipalities in Ontario, and across Canada, continue to struggle with meeting infrastructure demands. This challenge was created over many decades and will take many years to overcome. To this end, several broad recommendations should be considered, including:

- Continuous and dedicated improvement to the Municipality's infrastructure datasets, which form the foundation for all analysis, including financial projections and needs;
- Continuous refinements to the Municipality's risk and lifecycle models as additional data becomes available. This will aid in prioritizing projects and creating more strategic long-term capital budgets that are better aligned with corporate goals.
- Development of key performance indicators for all infrastructure programs to meet 2024 O. Reg requirements, and to establish benchmark data to calibrate levels of service targets to meet 2025 regulatory requirements; and
- Establishing a dedicated, full-time asset management function to manage the Municipality's AMP.

The Municipality has taken important steps in building its AMP, including developing a more complete and accurate asset register—a substantial initiative. Continuous improvement to this inventory will be essential in maintaining momentum, supporting long-term financial planning, and delivering the highest affordable service levels to the Lakeshore community.

This AMP is designed to be a live document requiring sustainability and continuous updating (resources) to ensure proper planning, reporting and financial accuracy.

Lakeshore is also developing its first corporate asset management strategy to support the development of a formal and more structured asset management program. This essential step will reinforce the Municipality's commitment to deliver a quality infrastructure program with affordable levels of service.

It should be noted that the AMP only deals with the current existing assets owned by Lakeshore (and assumes like-for-like replacement), it does not factor in growth assets nor does it consider increased service levels like park expansions or road widening projects.

The AMP serves as a fiscal policy document and the actual funding contributions and reserve transfers remain part of the annual budget process/document. However, policy documents like the AMP ensure sound financial planning for future investment needs and financial strategies for the municipality.

It is recommended that Council approve the AMP, as well as direct Administration to submit it to the Ministry of Infrastructure to be compliant with legislation and not to risk future grant funding allocations such as OCIF and Gas Tax. It is also recommended that the AMP be posted on the Municipal Website and that Administration incorporate recommendations of the AMP in the preparation of future budgets.

Others Consulted

Israr Ahmad, Public Sector Digest Citywide Inc.

Financial Impacts

The AMP has identified significant annual funding gaps and deficits. At existing levels as further detailed below, the Municipality is funding 64% of its annual capital requirements for all infrastructure analyzed in this AMP. This creates a total annual funding deficit of $8.8 million.

Asset Category	Annual Capital Requirements	Average Annual Funding Available	Annual Infrastructure Deficit	Funding Level
Road Network	$14,861,377	$10,527,489	$4,333,888	71%
Bridges & Culverts	$1,497,524	$208,425	$1,289,099	14%
Stormwater Network	$1,365,319	$438,018	$927,302	32%
Water Network	$3,386,853	$2,831,682	$555,172	84%
Wastewater Network	$3,188,736	$1,477,102	$1,137,574	46%
Total	**$24,299,810**	**$15,482,715**	**$8,817,095**	**64%**

The following compares Lakeshore's target vs. actual reinvestment rates. It shows that, while the Municipality's reinvestment rates are below target, they are higher or in line with other municipalities based on CIRC's 2016 average. The exception is bridges and culverts.

Asset Category	Target Reinvestment Rate	Lakeshore Actual Reinvestment Rate	CIRC 2016 Municipal Average
Road Network	2.8%	2.0%	1.1%
Bridges & Culverts	1.4%	0.2%	0.8%
Stormwater Network	1.1%	0.4%	0.3%
Water Network	1.1%	0.9%	0.9%-1.1%
Wastewater Network	1.5%	0.7%	0.7%-1.4%
Total	1.9%	1.2%	NA

Tax-Funded Assets

For 2022, the Municipality of Lakeshore's forecasted property tax revenue totals $36,448,510. Annual capital requirements for tax-funded categories total $17,724,221 against available funding of $11,173,932. This creates a funding deficit of $6,550,289. To close this annual gap, the Municipality's property tax revenue would need to increase by 18%. This will allow Lakeshore to meet its average annual requirements of $17.7 million for tax-funded categories.

2022 Property Taxation Revenue	Additional Revenue Needed for Infrastructure	% Increase Needed
$36,448,510	$6,550,289	18%

To achieve this increase, several scenarios have been developed using phase-in periods ranging from five to 20 years. Shorter phase-in periods may place too high a burden on taxpayers, whereas a phase-in period beyond 20 years may see a continued deterioration of infrastructure, leading to larger backlogs.

Total % Increase Needed in Annual Property Taxation Revenues	Phase-in Period			
	5 Years	10 Years	15 Years	20 Years
18%	3.4%	1.7%	1.1%	0.8%

Funding 100% of annual capital requirements ensures that major capital events, including replacements, are completed as required. Under this scenario, projects are unlikely to be deferred to future years. This delivers the highest asset performance and customer levels of service.

Council has set roads as a key priority in its strategic plan and to stay true to that commitment its recommended that a 5-year approach be adopted to fund that level of service.

Rate-Funded Assets

For 2022, the Municipality of Lakeshore's forecasted water rate revenues total $9,269,371. Annual capital requirements for the water network total $3,386,853, against available funding of $2,831,682. This creates a funding deficit of $555,172. To close this annual gap, the Municipality's water revenues would need to increase by 6%. This will allow Lakeshore to meet its average annual requirements of $3.4 million.

Similarly, wastewater rate revenues are forecasted to be $6,751,651 in 2022. Average annual requirements for Lakeshore's wastewater assets total $3,188,736, against available funding of $1,477,102, creating an annual deficit of $1,711,635. Rate revenues would need to increase by 25.4% to close this funding gap.

Category	2022 Rate Revenues	Additional Revenue Needed for Infrastructure	% Increase Needed
Water Network	$9,269,371	$555,172	6%
Wastewater Network	$6,751,651	$1,711,635	25.4%

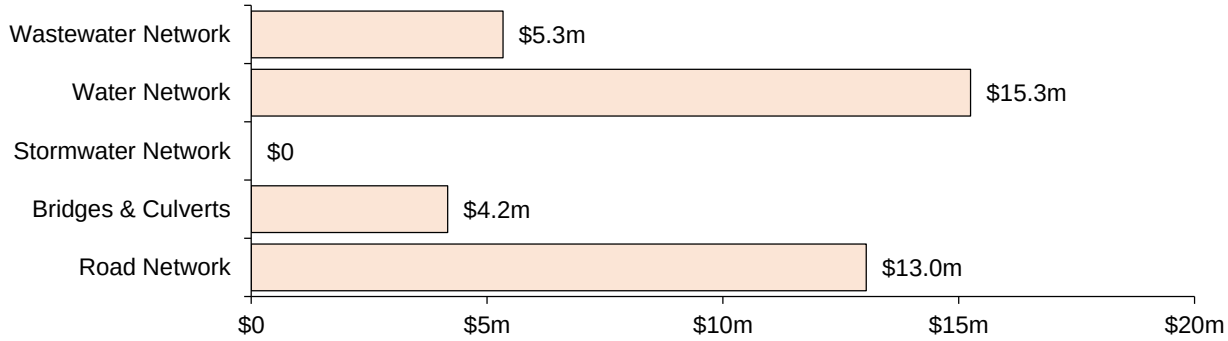
To achieve these increases, several scenarios have been developed using phase-in periods ranging from five to 20 years. As with tax-funded assets, short phase-in periods may require excessive rate increases, whereas more protracted timeframes may lead to larger backlogs and more unpredictable spending on emergency repairs and replacements.

Category	Total % Increase Required in Rate Revenues	Phase-in Period			
		5 Years	10 Years	15 Years	20 Years
Water Network	6%	1.2%	0.6%	0.4%	0.3%
Wastewater Network	25.4%	4.6%	2.3%	1.5%	1.1%

Infrastructure Backlogs

The annual tax and rate increases proposed are designed to eliminate annual infrastructure deficits. However, they do not address existing backlogs. **Error!**

Reference source not found. The figure Below shows that the current infrastructure backlog totals approximately $37.8 million across all asset categories analyzed in this AMP. However, as many assets did not have condition assessment data available, age was used to estimate backlog figures. As a result, the figure below may be an under- or overstatement of actual asset needs. Condition assessment data will be essential in developing more accurate and credible estimates.



Eliminating backlogs will require prioritizing projects, ideally through continuous improvements and application of the Municipality's risk models to augment staff judgement. This risk-based approach will ensure that project selection is objective, supports delivery of the Municipality's service level targets, and is in line with long-term strategic objectives.

Financial Strategy

Review feasibility of adopting a full-funding scenario that achieve 100% of average annual requirements for the asset categories analyzed in this AMP.

This involves:

- implementing a 3.4% annual tax increase over a 5-year phase-in period and allocating the full increase in revenue toward tax-funded asset categories into future budgets for Council consideration;
- implementing a 1.2% rate increase for water over a 5-year phase-in period, and a 2.3% increase for wastewater, over a 10-year phase-in period as well as tie the assumptions into the water and wastewater rates studies and future budget consideration;
- continued allocation of OCIF and CCBF funding as previously done in the past; and
- using risk frameworks and staff judgement to prioritize projects, particularly to aid in elimination of existing infrastructure backlogs.

Report Approval Details

Document Title:	Municipality of Lakeshore Asset Management Plan 2022.docx
Attachments:	- Asset Management Plan for Core Assets 2022.docx
Final Approval Date:	Sep 21, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Justin Rousseau

Approved by Truper McBride

Municipality of Lakeshore | Asset Management Plan for Core Assets

2022

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Executive Summary

This asset management plan (AMP) for the Municipality of Lakeshore was developed in accordance with Ontario Regulation 588/17 ("O. Reg"). It includes key elements of an industry-standard and regulation compliant AMP, and provides a detailed overview and analysis of the Municipality's core infrastructure. Together, the five asset categories analyzed in this asset management plan have a total current replacement cost of **$1.3 billion**.

The Municipality's core asset portfolio comprises a road network of paved, unpaved, and surface treated roadways; bridges and structural culverts; stormwater collection and conveyance infrastructure; water treatment and distribution network; wastewater collection and treatment infrastructure. At 42% of the total replacement cost of all infrastructure, roads and related assets form the largest share of the Municipality's asset portfolio and have a current replacement cost of more than $534 million.

Based on both assessed condition and age-based analysis, 80% of the Municipality's infrastructure portfolio is in fair or better condition, with the remaining 20% in poor or worse condition. Typically, assets in poor or worse condition may require replacement or major rehabilitation in the immediate or short-term. Asset criticality and targeted condition assessments may help further refine the list of assets that may be candidates for immediate intervention.

Assets in fair condition should be monitored for disrepair over the medium term. Keeping assets in fair or better condition is typically more cost-effective than addressing asset needs when they enter the latter stages of their lifecycle or decline to a lower condition rating, e.g., poor or worse.

We note that with the exception of the Municipality's road network, and bridges & culverts, which together comprise 50% of total asset value, no in-field condition assessment data was available for other assets. As such, age was used as an approximation of condition for these assets. While a useful substitute in the absence of inspection data, using asset age to approximate its condition can lead to inaccurate results as age can under- or over-state asset needs. A more programmatic approach to condition assessments is recommended to improve data confidence.

Aging assets require maintenance, rehabilitation, and replacement. On average, $24.3 million is required each year to remain current with capital replacement needs for the Municipality's existing core asset portfolio. This figure relies on age and available condition data. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise. We note that this figure assumes a like-for-like asset replacement, and does not account for capacity upgrades that offer higher levels of service at higher potential costs.

Average annual funding available totals $15.5 million for core assets. As a result, the Municipality is funding 64% of its annual capital requirements. This creates a total annual funding deficit of $8.8 million. Addressing annual infrastructure funding shortfalls is a difficult and long-term endeavour for municipalities. Considering the Municipality's current funding position, it will require many years to reach full funding for current assets. Short phase-in periods to meet these funding targets may place too high a burden on taxpayers too quickly, whereas a phase-in period beyond 20 years may see a continued deterioration of infrastructure, leading to larger backlogs.

To close annual deficits for tax-funded assets, we recommend the Municipality review feasibility of implementing a 3.4% annual increase in revenues over a 5-year phase-in period. Similarly, water rate revenues would need to increase at 1.2% to achieve full-funding over a 5-year phase-in period. For wastewater, a 10-year phase-in is recommended, requiring a 2.3% increase in rate revenues annually to close annual funding gaps. Funding scenarios over longer time frames are also presented which may reduce these annual increases.

We also note that these increases do not reflect the additional costs that will need to be accounted for as the Municipality implements its gravel conversion program. Through 2032, a total of 76km of gravel roads are slated for conversion to surface treated roads, yielding higher service levels and improved user experience. Based on existing replacement costs and target reinvestment rates, this will result in an annual cost increase of $656,800. As roads are converted, their added lifecycle costs would need to be factored in to future financial planning, which may have implications on tax rates.

In addition to annual needs, there is also an infrastructure backlog of nearly $38 million, comprising assets that remain in service beyond their estimated useful life. It is highly unlikely that all such assets are in a state of disrepair, requiring immediate replacements or full reconstruction. This makes targeted and consistent condition assessments integral to refining long-term replacement and backlog estimates.

Risk frameworks and levels of service targets can then be used to prioritize projects and help select the right lifecycle intervention for the right asset at the right time—including replacement or full reconstruction. The Municipality has developed preliminary risk models which are integrated with its asset register. These models are capable of producing risk matrices that classify assets based on their risk profiles.

Most municipalities in Ontario, and across Canada, continue to struggle with meeting infrastructure demands. This challenge was created over many decades, and will take many years to overcome. To this end, a number of broad recommendations should be considered, including:

- continuous and dedicated improvement to the Municipality's infrastructure datasets, which form the foundation for all analysis, including financial projections and needs;
- continuous refinements to the Municipality's risk and lifecycle models as additional data becomes available. This will aid in prioritizing projects and creating more strategic long-term capital budgets that are better aligned with corporate goals.

- development of key performance indicators for all infrastructure programs to meet 2024 O. Reg requirements, and to establish benchmark data to calibrate levels of service targets for 2025 regulatory requirements;
- establishing a dedicated, full-time asset management function to manage the Municipality's asset management program;

The Municipality has taken important steps in building its asset management program, including developing a more complete and accurate asset register—a substantial initiative. Continuous improvement to this inventory will be essential in maintaining momentum, supporting long-term financial planning, and delivering the highest affordable service levels to the Lakeshore community.

Lakeshore is also developing its first corporate asset management strategy to support the development of a formal and more structured asset management program. This essential step will reinforce the Municipality's commitment to deliver a quality infrastructure program with affordable levels of service.

About this document

This asset management plan (AMP) for the Municipality of Lakeshore was developed in accordance with Ontario Regulation 588/17 (“O. Reg 588/17”). It contains a comprehensive analysis of Lakeshore’s infrastructure portfolio. The AMP is a living document that should be updated regularly as additional asset and financial data becomes available.

Ontario Regulation 588/17

As part of the *Infrastructure for Jobs and Prosperity Act, 2015*, the Ontario government introduced Regulation 588/17 - Asset Management Planning for Municipal Infrastructure. Along with creating better performing organizations, more livable and sustainable communities, the regulation is a key, mandated driver of asset management planning and reporting. It places substantial emphasis on current and proposed levels of service and the lifecycle costs incurred in delivering them.

Table 1 Ontario Regulation 588/17 Requirements and Reporting Deadlines

Requirement	2019	2022	2024	2025
Asset Management Policy	●		●	
Asset Management Plans		●	●	●
State of infrastructure for core assets		●		
State of infrastructure for all assets			●	●
Current levels of service for core assets		●		
Current levels of service for all assets			●	
Proposed levels of service for all assets				●
Lifecycle costs associated with current levels of service		●	●	
Lifecycle costs associated with proposed levels of service				●
Growth impacts		●	●	●
Financial strategy				●

Scope

The scope of this AMP includes all requirements for the 2022 reporting deadline, and additional analysis that includes non-core assets as well as a financial strategy to address any identified annual infrastructure funding shortfalls. Core assets addressed in this AMP include roads, bridges & culverts, and storm, water, and wastewater.

In addition to limiting the analysis only to core assets, the projections and forecasts contained in the AMP are limited to Lakeshore's existing infrastructure assets. System-generated analysis and projections, including asset replacement needs, do not account for planned capital expenditures on growth-related assets nor capacity upgrades. All replacement projections and financial requirements are limited to like-for-like asset replacements.

As new assets are built or acquired, and eventually put in to service, these assets should be added to Lakeshore's asset register for inclusion in future asset management related documentation, including AMPs.

Overview of Asset Management

Municipalities are responsible for managing and maintaining a broad portfolio of infrastructure assets to deliver services to the community. The goal of asset management is to minimize the lifecycle costs of delivering infrastructure services, manage the associated risks, while maximizing the value and levels of service ratepayers receive from the asset portfolio.

Lifecycle costs can span decades, requiring planning and foresight to ensure financial responsibility is spread equitably across generations. An asset management plan is critical to this planning, and an essential element of broader asset management program. The industry-standard approach and sequence to developing a practical asset management program begins with a Strategic Plan, followed by an Asset Management Policy and an Asset Management Strategy, concluding with an Asset Management Plan.

This industry standard, defined by the Institute of Asset Management (IAM), emphasizes the alignment between the corporate strategic plan and various asset management documents. The strategic plan has a direct, and cascading impact on asset management planning and reporting.

Key Technical Concepts in Asset Management

Effective asset management integrates several key components, including lifecycle management, risk management, and levels of service. These concepts are applied throughout this asset management plan and are described below in greater detail.

Lifecycle Management Strategies

The condition or performance of most assets will deteriorate over time. This process is affected by a range of factors including an asset's characteristics, location, utilization, maintenance history and environment. Asset deterioration has a negative effect on the ability of an asset to fulfill its intended function, and may be characterized by increased cost, risk and even service disruption.

To ensure that municipal assets are performing as expected and meeting the needs of customers, it is important to establish a lifecycle management strategy to proactively manage asset deterioration.

There are several field intervention activities that are available to extend the life of an asset. These activities can be generally placed into one of three categories: maintenance, rehabilitation, and replacement. The following table provides a description of each type of activity and the general difference in cost.

Depending on initial lifecycle management strategies, asset performance can be sustained through a combination of maintenance and rehabilitation, but at some point, replacement is required. Understanding what effect these activities will have on the lifecycle of an asset, and their cost, will enable staff to make better recommendations. Table 2 provides a description of each type of activity, the general difference in cost, and typical risks associated with each.

The Municipality's approach to lifecycle management is described within each asset category outlined in this AMP. Developing and implementing a proactive lifecycle strategy will help staff to determine which activities to perform on an asset and when they should be performed to maximize useful life at the lowest total cost of ownership.

Table 2 Lifecycle Management: Typical Lifecycle Interventions

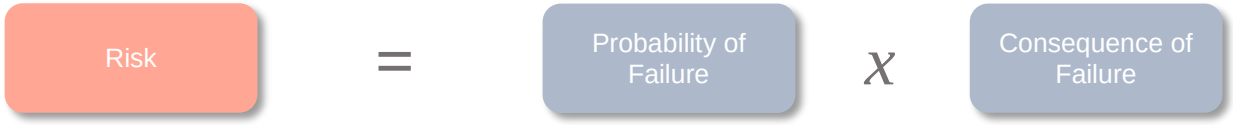
Lifecycle Activity	Description	Cost	Typical Associated Risks
Maintenance	Activities that prevent defects or deteriorations from occurring	$	• Balancing limited resources between planned maintenance and reactive, emergency repairs and interventions; • Diminishing returns associated with excessive maintenance activities, despite added costs; • Intervention selected may not be optimal and may not extend the useful life as expected, leading to lower payoff and potential premature asset failure;
Rehabilitation/ Renewal	Activities that rectify defects or deficiencies that are already present and may be affecting asset performance	$$$$	• Useful life may not be extended as expected; • May be costlier in the long run when assessed against full reconstruction or replacement; • Loss or disruption of service, particularly for underground assets;
Replacement/ Reconstruction	Asset end-of-life activities that often involve the complete replacement of assets	$$$$$$	• Incorrect or unsafe disposal of existing asset; • Costs associated with asset retirement obligations; • Substantial exposure to high inflation and cost overruns; • Replacements may not meet capacity needs for a larger population; • Loss or disruption of service, particularly for underground assets;

Risk and Criticality

Asset risk and criticality are essential building blocks of asset management, integral in prioritizing projects and distributing funds where they are needed most based on a variety of factors. Assets in disrepair may fail to perform their intended function, pose substantial risk to the community, lead to unplanned expenditures, and create liability for the municipality. In addition, some assets are simply more important to the community than others, based on their financial significance, their role in delivering essential services, the impact of their failure on public health and safety, and the extent to which they support a high quality of life for community stakeholders.

Risk is a product of two variables: the probability that an asset will fail, and the resulting consequences of that failure event. It can be a qualitative measurement, (low, medium, high) or quantitative measurement (1-5), that can be used to rank assets and projects, identify appropriate lifecycle strategies, optimize short- and long-term budgets, minimize service disruptions, and maintain public health and safety.

Figure 1 Risk Equation



The approach used in this AMP relies on a quantitative measurement of risk associated with each asset. The probability and consequence of failure are each scored from 1 to 5, producing a minimum risk index of 1 for the lowest risk assets, and a maximum risk index of 25 for the highest risk assets.

Probability of Failure

Several factors can help decision-makers estimate the probability or likelihood of an asset's failure, including its condition, age, previous performance history, and exposure to extreme weather events, such as flooding and ice jams—both a growing concern for municipalities in Canada.

Consequence of Failure

Estimating criticality also requires identifying the types of consequences that the organization and community may face from an asset's failure, and the magnitude of those consequences. Consequences of asset failure will vary across the infrastructure portfolio; the failure of some assets may result primarily in high direct financial cost but may pose limited risk to the community. Other assets may have a relatively minor financial value, but any downtime may pose significant health and safety hazards to residents.

Table 3 illustrates the various types of consequences that can be integrated in developing risk and criticality models for each asset category and segments within. We note that these consequences are common, but not exhaustive.

Table 3 Risk Analysis: Types of Consequences of Failure

Type of Consequence	Description
Direct Financial	Direct financial consequences are typically measured as the replacement costs of the asset(s) affected by the failure event, including interdependent infrastructure.
Economic	Economic impacts of asset failure may include disruption to local economic activity and commerce, business closures, service disruptions, etc. Whereas direct financial impacts can be seen immediately or estimated within hours or days, economic impacts can take weeks, months and years to emerge, and may persist for even longer.
Socio-political	Socio-political impacts are more difficult to quantify, and may include inconvenience to the public and key community stakeholders, adverse media coverage, and reputational damage to the community and the Municipality.
Environmental	Environmental consequences can include pollution, erosion, sedimentation, habitat damage, etc.
Public Health and Safety	Adverse health and safety impacts may include injury or death, or impeded access to critical services.
Strategic	These include the effects of an asset's failure on the community's long-term strategic objectives, including economic development, business attraction, etc.

This AMP includes a preliminary evaluation of asset risk and criticality. Each asset has been assigned a probability of failure score and consequence of failure score based on available asset data. These risk scores can be used to prioritize maintenance, rehabilitation, and replacement strategies for critical assets.

These models have been built in Citywide for continued review, updates, and refinements. Risk matrices are also generated using these models.

Levels of Service

A level of service (LOS) is a measure of the services that the Municipality is providing to the community and the nature and quality of those services. Within each asset category in this AMP, technical metrics and qualitative descriptions that measure both technical and community levels of service have been established and measured as data is available.

Two levels of service key performance indicators are provided: Community Levels of Service, and Technical Levels of Service. At this stage, only those LOS that are required under O. Reg are included.

Community Levels of Service

Community levels of service are a simple, plain language description or measure of the service that the community receives. For core asset categories, the Province, through O. Reg. 588/17, has mandated qualitative descriptions that are required to be included in this AMP.

Technical Levels of Service

Technical levels of service are a measure of key technical attributes of the service being provided to the community. These include mostly quantitative measures and tend to reflect the impact of the Municipality's asset management strategies on the physical condition of assets or the quality/capacity of the services they provide.

For core asset categories, the province, through O. Reg. 588/17, has also prescribed technical metrics that are required to be included in this AMP.

Current and Proposed Levels of Service

This AMP focuses on measuring the current level of service provided to the community. Once current levels of service have been measured, the Municipality plans to establish proposed levels of service over a 10-year period, in accordance with O. Reg. 588/17.

Proposed levels of service should be realistic and achievable within the timeframe outlined by the Municipality. They should also be determined with consideration of a variety of community expectations, fiscal capacity, regulatory requirements, corporate goals and long-term sustainability. Once proposed levels of service have been established, and prior to July 2025, the Municipality must identify a lifecycle management and financial strategy which allows these targets to be achieved.

Reinvestment Rate

As assets age and deteriorate they require additional investment to maintain a state of good repair. The reinvestment of capital funds, through asset renewal or replacement, is necessary to sustain an adequate level of service. The reinvestment rate is a measurement of available or required funding relative to the total replacement cost. By comparing the actual vs. target reinvestment rate (TRR) the Municipality can determine the extent of any existing funding gap.

Asset Condition

An incomplete or limited understanding of asset condition can mislead long-term planning and decision-making. Accurate and reliable condition data helps to prevent premature and costly rehabilitation or replacement and ensures that lifecycle activities occur at the right time to maximize asset value and useful life.

A condition assessment rating system provides a standardized descriptive framework that allows comparative benchmarking across the Municipality's asset portfolio. The table below outlines the condition rating system used in this AMP to determine asset condition. This rating system is aligned with the Canadian Core Public Infrastructure Survey which is used to develop the Canadian Infrastructure Report Card. When assessed condition data is not available, service life remaining is used to approximate asset condition.

Table 4 Standard Condition Rating Scale

Condition	Pavement Condition Index (PCI)	Pipe Rating	Bridge Condition Index (BCI)	Age-based (Service Life Remaining%)	Broad Description
Very Good	91-100	0-1	>70	80-100	**Fit for the future** Well maintained, good condition, new or recently rehabilitated; no defects or minor defects
Good	76-90	2		60-80	**Adequate for now** Acceptable, signs of minor to defects and deterioration
Fair	66-75	3	50-70	40-60	**Requires attention** Signs of moderate deterioration and defects, some elements exhibit significant deficiencies
Poor	40-65	4	<50	20-40	**Increasing potential of affecting service** Approaching end of service life, condition below standard, large portion of system exhibits significant deterioration; significant defects overall
Very Poor	0-39	5		0-20	**Unfit for sustained service** Near or beyond expected service life, widespread signs of advanced deterioration, some assets may be unusable

Age Profile

An asset's age profile comprises two key values: estimated useful life (EUL), or design life; and the percentage of EUL consumed. The EUL is the serviceable lifespan of an asset during which it can continue to fulfil its intended purpose and provide value to users, safely and efficiently. As assets age, their performance diminishes, often more rapidly as they approach the end of their design life.

In conjunction with condition data, an asset's age profile provides a more complete summary of the state of infrastructure. It can help identify assets that may be candidates for further review through condition assessment programs; inform the selection of optimal lifecycle strategies; and improve planning for potential replacement spikes.

A comparison of the weighted average useful life of all segments and their weighted average age has been provided for all categories.

Foundational Documents in Asset Management

In the municipal sector, 'asset management strategy' and 'asset management plan' are often used interchangeably. Other concepts such as 'asset management framework', 'asset management system', and 'strategic asset management plan' further add to the confusion; lack of consistency in the industry on the purpose and definition of these elements offers little clarity. We make a clear distinction between the policy, strategy, and the plan.

Asset Management Policy

An asset management policy represents a statement of the principles guiding the Municipality's approach to asset management activities. It aligns with the organizational strategic plan and provides clear direction to municipal staff on their roles and responsibilities as part of the asset management program. All municipalities were required to develop and adopt an asset management policy in 2019 in compliance with O. Reg 588/17.

Asset Management Strategy

An asset management strategy is typically a higher-level document, focusing on business processes and organizational practices. It is a roadmap that includes key initiatives with recommended timelines that lead to higher state of asset management maturity. It is intended to convert the asset management policy from a set of formal, institutionalized, but philosophical commitments into specific actions.

While not a static document, the strategy should not evolve and change frequently—unlike the asset management plan. The strategy provides a long-term outlook on the overall asset management program development and strengthening key elements of its framework.

Asset Management Plan

The asset management plan is often identified as a key output within the strategy. The AMP has a sharp focus on the current state of the Municipality's asset portfolio, and its approach to managing and funding individual service areas or asset groups. It is tactical in nature and provides a snapshot in time.

The strategic plan has a direct, and cascading impact on asset management planning and reporting, making it a foundational element. Many municipalities begin with an asset management plan. However, without the preceding documents, the AMP operates in a vacuum.

Limitations and Constraints

This AMP required substantial effort by staff. It was developed based on best-available data, and was subject to the following broad limitations, constrains, and assumptions:

1. The analysis in this AMP is highly sensitive to several critical data fields, including an asset's estimated useful life, replacement cost, quantity, and in-service date. Inaccuracies or imprecisions in any of these fields can have substantial and cascading impacts on all reporting and analytics.
2. User-defined and unit cost estimates, based typically on staff judgment, recent projects, or established through completion of technical studies, offer the most precise approximations of current replacement costs. When this isn't possible, historical costs incurred at the time of asset acquisition or construction can be inflated to present day. This approach, while sometimes necessary, and deployed in this AMP for some asset groups, can produce highly inaccurate estimates.
3. In the absence of condition assessment data, age was used to estimate asset condition ratings. This approach can result in an over- or understatement of asset needs. As a result, financial requirements generated through this approach can differ from those produced by staff.
4. Wastewater and water treatment facilities are not effectively componentized into their individual elements, major components, and minor components. These facilities contain thousands of individual assets, including the substructures, shell, interior assets, various electrical, plumbing, HVAC systems, and other complex equipment and furnishings. Each of these assets has its own useful life and replacement cost, and individual condition rating, as well as installation history. Without componentization, the value of condition ratings, age profiles, and long- and short-term forecasts remains limited.
5. The risk models are designed to support objective project prioritization and selection. However, in addition to the inherent limitations that all models face, they also require availability of important asset attribute data to ensure that asset risk ratings are valid, and assets are properly stratified within the risk matrix. Missing attribute data can misclassify assets.

These limitations have a direct impact on most of the analysis presented in this AMP, including condition summaries, age profiles, long-term replacement and rehabilitation forecasts, and shorter term, 10-year forecasts that are generated from Citywide, the Municipality's primary asset management system.

These challenges are quite common among municipalities and require long-term commitment of resources and sustained effort by staff. As the Municipality's asset management program evolves and advances, the quality of future AMPs and other core documents that support asset management will continue to increase. Lakeshore's forthcoming asset management framework will identify ways to overcome many of these limitations.

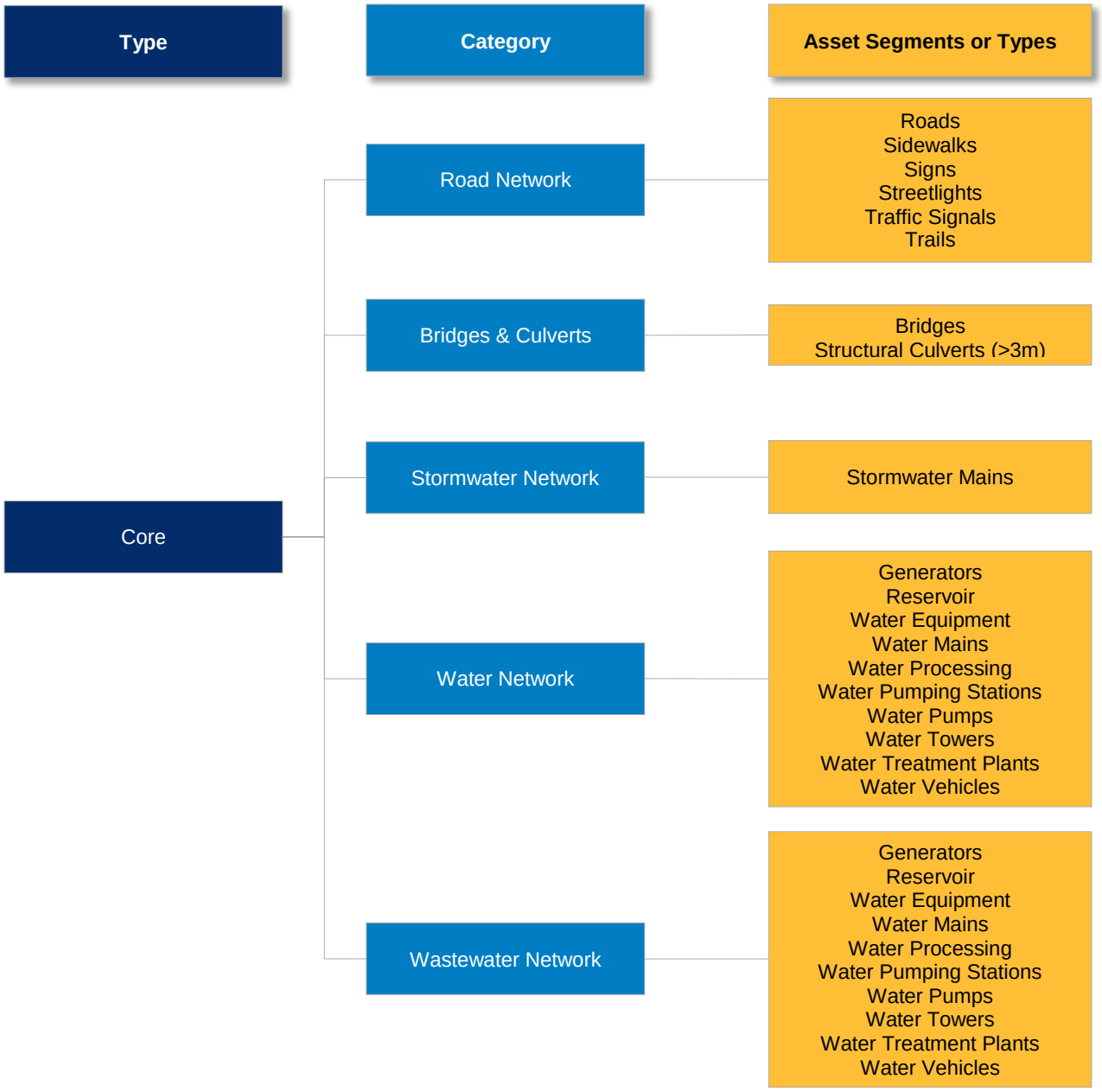
State of the Infrastructure

The state of the infrastructure (SOTI) summarizes the inventory, condition, age profiles, and other key performance indicators for the Municipality's infrastructure portfolio. Figure 2 illustrates how assets were classified within the infrastructure data hierarchy. Most reporting and analysis is presented at the segment level.

Asset Hierarchy and Data Classification

Asset hierarchy illustrates the relationship between individual assets and their components, and a wider, more expansive network and system. How assets are grouped in a hierarchy structure can impact how data is interpreted. Assets were structured to support meaningful, efficient reporting and analysis. Key category details are summarized at the asset segment level.

Figure 2 Asset Hierarchy and Data Classification

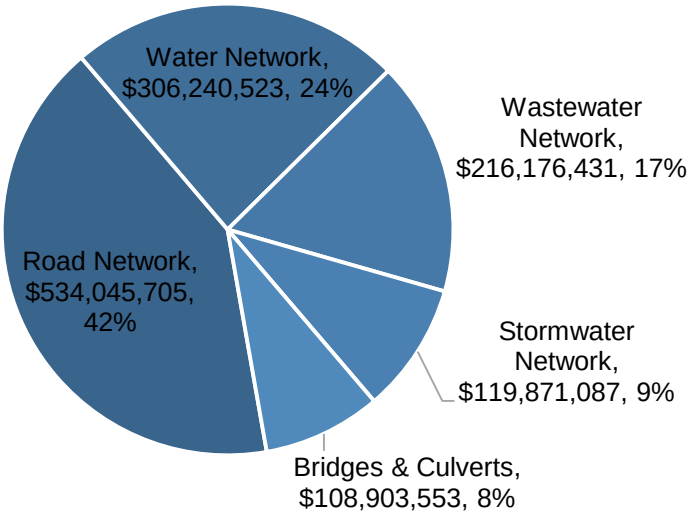


Portfolio Overview

The five core asset categories analyzed in this asset management plan have a total current replacement cost of $1.3 billion. This estimate was calculated using user-defined costing, as well as inflation of historical or original costs to current date.

Figure 3 illustrates the replacement cost of each asset category; at 42% of the total portfolio and with a current replacement cost of nearly $534 million, roads form the largest share of the Municipality's asset portfolio, followed by water at 24%.

Figure 3 Current Replacement Cost by Asset Category



Total Current Replacement Cost: $1,285,237,300

Condition Data

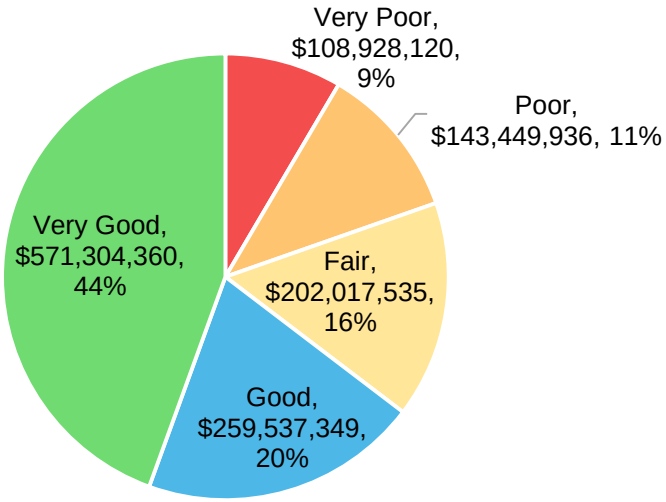
Figure 4 and Figure 5 summarize asset condition at the portfolio and category levels, respectively. Based on both assessed condition and age-based analysis, 80% of the Municipality's infrastructure portfolio is in fair or better condition, with the remaining 20% in poor or worse condition. Typically, assets in poor or worse condition may require replacement or major rehabilitation in the immediate or short-term. Targeted condition assessments may help further refine the list of assets that may be candidates for immediate intervention, including potential replacement or reconstruction.

Similarly, assets in fair condition should be monitored for disrepair over the medium term. Keeping assets in fair or better condition is typically more cost-effective than addressing asset needs when they enter the latter stages of their lifecycle or decline to a lower condition rating, e.g., poor or worse.

With the exception of the Municipality's road network, and bridges & culverts, which together comprise 50% of total asset value, no in-field condition assessment data was available for other assets. As such, age was used as an approximation of condition for these assets. Age-based approach is limited in how accurately an asset's true condition can be approximated.

Further, when assessed condition data was available, it was projected to current year (2022). This 'projected condition' can generate lower condition ratings than those established at the time of the condition assessment. The rate of this deterioration will also depend on lifecycle curves used to project condition over time.

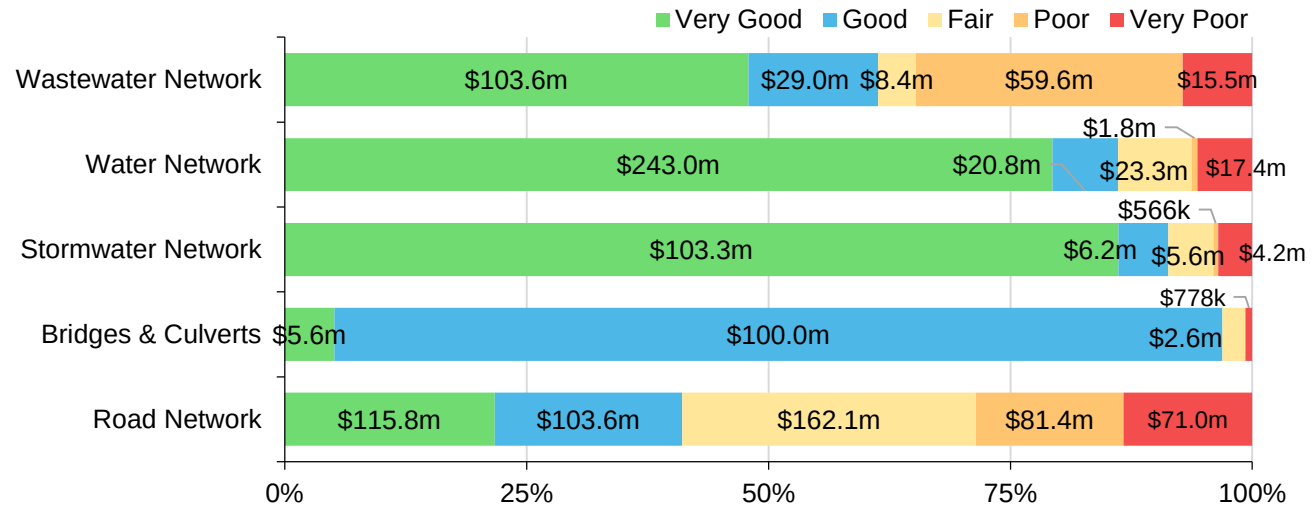
Figure 4 Asset Condition – Portfolio Overview



As further illustrated in Figure 5, the majority of major, core infrastructure including roads, bridges, and structural culverts are in fair or better condition, based on in-field condition assessment data. However, as no condition data was available for other essential assets such as storm, water, and wastewater, age was used to approximate asset condition. Age-based estimates revealed that a substantial portion of wastewater treatment plant assets, with a current replacement cost of more than $75 million, are in poor or worse condition. This was dominated by the Denis St. Pierre Pollution Control plant assets; the plant has been operating for 45 years.

See Table 5 Source of Condition Data for details on how condition data was derived for each asset segment. In addition, we also note that facilities assets in water, storm, and wastewater services are not componentized. As such, condition data could not be presented for individual major elements and components typically found in complex buildings and facilities.

Figure 5 Asset Condition – By Asset Category



Source of Condition Data

This asset management plan relies on assessed condition for 45% of assets, based on and weighted by replacement cost. For the remaining assets, aged is used as an approximation of condition. Assessed condition data is invaluable in asset management planning as it reflects the true condition of the asset and its ability to perform its functions. The table below identifies the source of condition data used throughout this AMP.

Table 5 Source of Condition Data

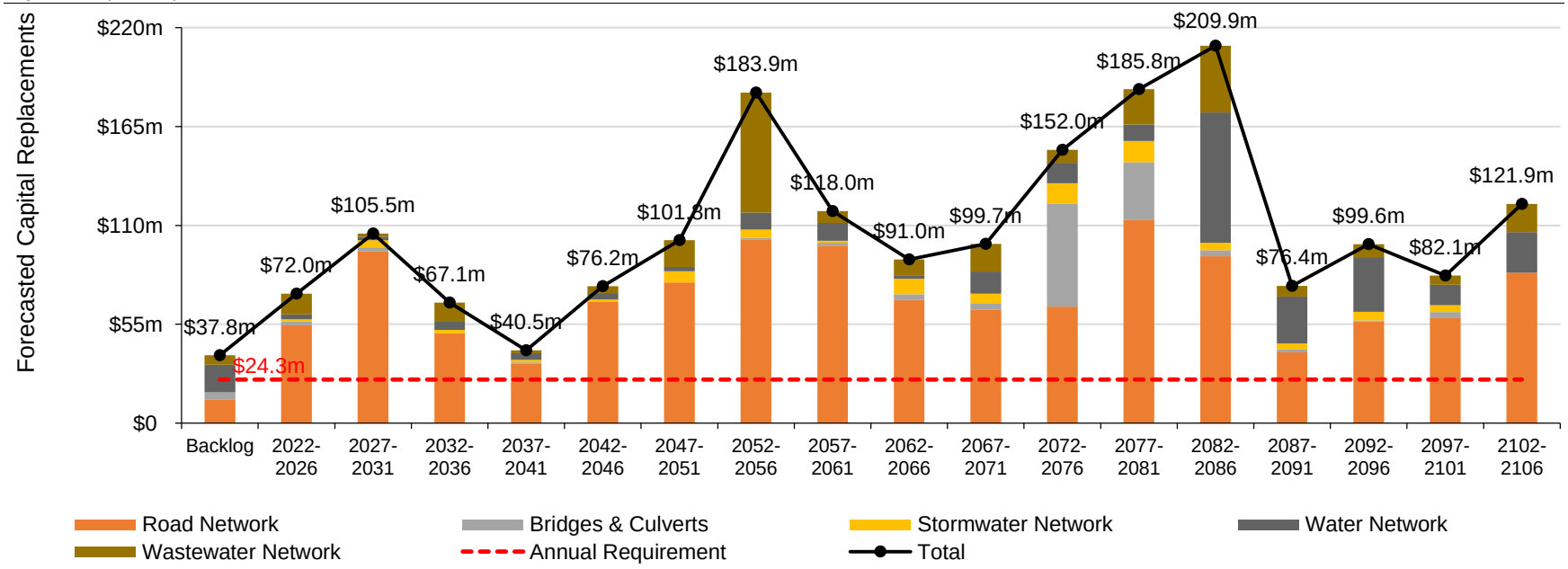
Asset Category	Segment	% of Assets with Assessed Condition	Source
Road Network	Roads	97%	2018 StreetScan Roads Needs Study
	Sidewalks	48%	2018 StreetLogix Sidewalk Inspection
	Signs	0%	Age-based estimates only
	Streetlights	0%	Age-based estimates only
	Traffic Signal	0%	Age-based estimates only
	Trails	0%	Age-based estimates only
Bridges & Culverts	Bridges	100%	2021 KBMC OSIM
	Culverts	100%	2021 KBMC OSIM
Storm	Mains	0%	Age-based estimates only
Water	Generators	0%	Age-based estimates only
	Reservoir	0%	Age-based estimates only
	Water Equipment	0%	Age-based estimates only
	Water Mains	0%	Age-based estimates only
	Water Processing	0%	Age-based estimates only
	Water Pumping Station	0%	Age-based estimates only
	Water Pumps	0%	Age-based estimates only
	Water Towers	0%	Age-based estimates only
	Water Treatment Plant	0%	Age-based estimates only
	Water Vehicles	0%	Age-based estimates only
Wastewater	Generators	0%	Age-based estimates only
	Pumphouse	0%	Age-based estimates only
	Sanitary Pumps	0%	Age-based estimates only
	Sanitary Pumps Electrical	0%	Age-based estimates only
	Sanitary Sewer Mains	0%	Age-based estimates only
	Sewage Lagoons	0%	Age-based estimates only
	Sewage Processing	0%	Age-based estimates only
	Sewage Treatment Plant	0%	Age-based estimates only
Total		**45%**	

Forecasted Long-term Replacement Needs

Aging assets require maintenance, rehabilitation, and replacement. Figure 6 below illustrates the cyclical short-, medium- and long-term infrastructure replacement requirements for all asset categories analyzed in this AMP. On average, $24.3 million is required each year to remain current with capital replacement needs for the Municipality's asset portfolio (red dotted line). Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise. This figure relies on age and available condition data. Based on the current replacement cost of the portfolio, estimated at $1.3 billion, this represents an annual target reinvestment rate of 1.9%.

The chart also illustrates a backlog of nearly $38 million, comprising assets that remain in service beyond their estimated useful life. It is unlikely that all such assets are in a state of disrepair, requiring immediate replacements or major renewals. This makes targeted and consistent condition assessments integral. Risk frameworks, proactive lifecycle strategies, and levels of service targets can then be used to prioritize projects, continuously refine estimates for both backlogs and ongoing capital needs, and help select the right treatment for each asset.

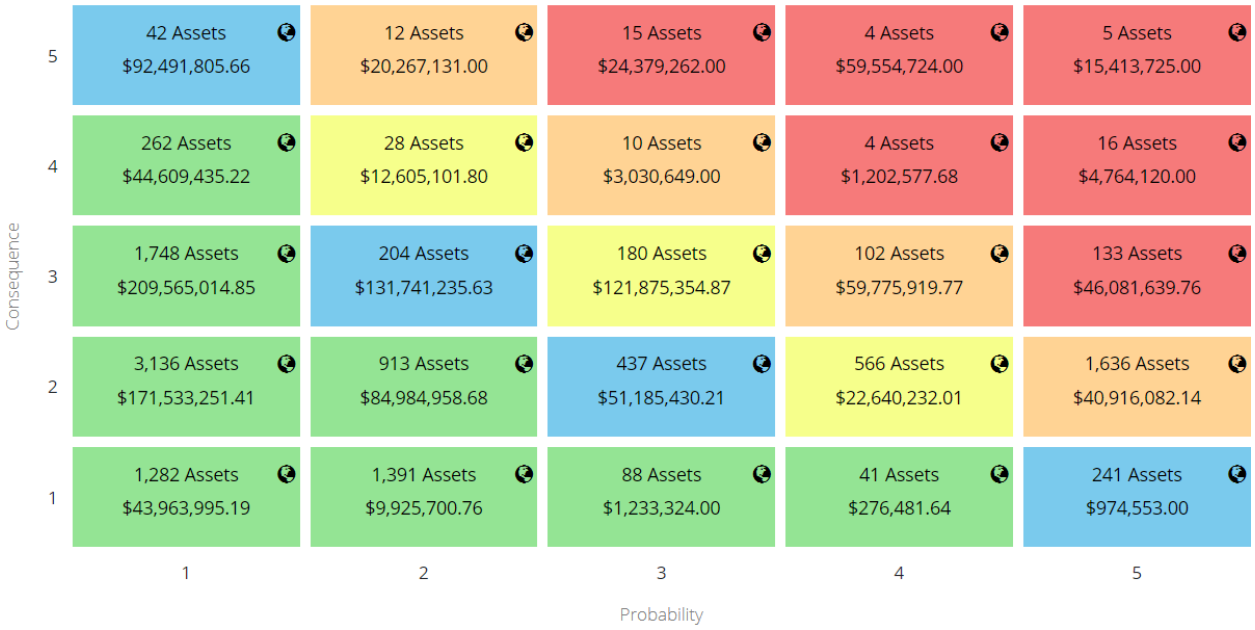
Figure 6 Capital Replacement Needs – Portfolio Overview 2022-2106



Risk Matrix

Using the risk equation and preliminary risk models, Figure 7 shows how assets across the different asset categories are stratified within a risk matrix.

Figure 7 Risk Matrix: All Assets



The analysis shows that based on current risk models, 12% of the Municipality's assets, with a current replacement cost of more than $151 million, carry a risk rating of 15 or higher (red) out of 25. Assets in this group may have a high probability of failure based on available condition data and age-based estimates and were considered to be most essential to the Municipality.

As new asset attribute information and condition assessment data are integrated with the asset register, asset risk ratings will evolve, resulting in a redistribution of assets within the risk matrix. Staff should also continue to calibrate risk models.

We caution that since risk ratings rely on many factors beyond an asset's physical condition or age, assets in a state of disrepair can sometimes be classified as low-risk, despite their poor condition rating. In such cases, although the probability of failure for these assets may be high, their consequence of failure ratings were determined to be low based on the attributes used and the data available.

Similarly, assets with very high condition ratings can receive a moderate to high risk rating despite a low probability of failure. These assets may be deemed as highly critical to the Municipality based on their costs, economic importance, social significance, and other factors. Continued calibration of an asset's criticality and regular data updates are needed to ensure these models more accurately reflect an asset's actual risk profile.

Road Network

The Municipality of Lakeshore's road network comprises the largest share of its infrastructure portfolio, with a current replacement cost of more than $534 million, distributed primarily between paved, surface treated, and gravel roads. The Municipality also owns and manages other supporting infrastructure and capital assets, including sidewalks, signs, streetlights, signals, and trails.

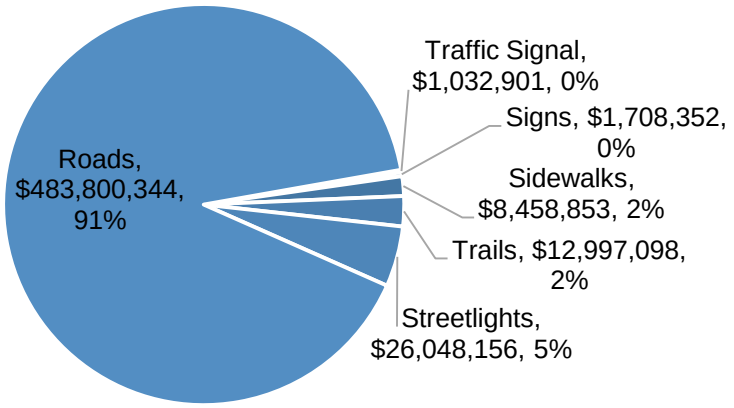
Inventory and Valuation

Table 6 summarizes the quantity and current replacement cost of the Municipality's various road network assets as managed in its primary asset management register, Citywide.

Table 6 Detailed Asset Inventory – Road Network

Segment	Quantity	Unit of Measure	Replacement Cost
Roads	538	km	$483,800,343
Paved - HCB	201	km	$276,268,691
Surface Treated – ICB/LCB	218	km	$160,860,357
Gravel	119	km	$46,671,295
Sidewalks	114	km	$8,458,853
Signs	3,781	Assets	$1,708,352
Streetlights	3,636	Assets	$26,048,156
Traffic Signal	15	Assets	$1,032,901
Trails	134	m.sq	$12,997,098
Total			**$534,045,704**

Figure 8 Portfolio Valuation – Road Network



Total Current Replacement Cost: $534,045,705

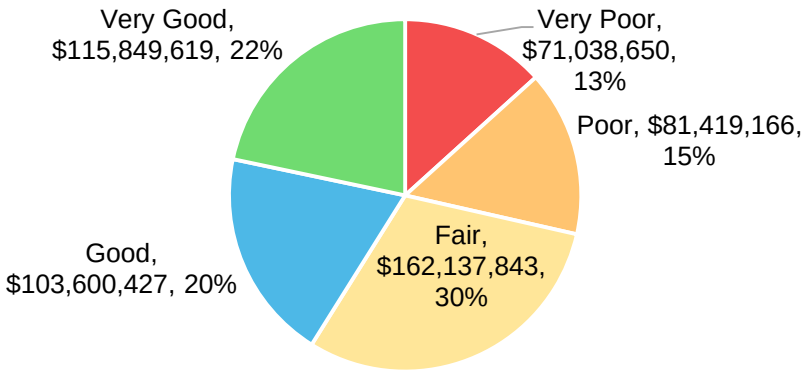
Asset Condition

Figure 9 summarizes the replacement cost-weighted condition of the Municipality's road network. Based on a combination of field inspection data and age, 71% of assets are in fair or better condition; the remaining 29% of assets are in poor to very poor condition. Condition assessments were available for 97% of roads and 48% of sidewalks, based on replacement cost.

This condition data was projected from inspection date to current year to estimate their condition today. No condition data was available for the remaining asset types, requiring age-based approximations.

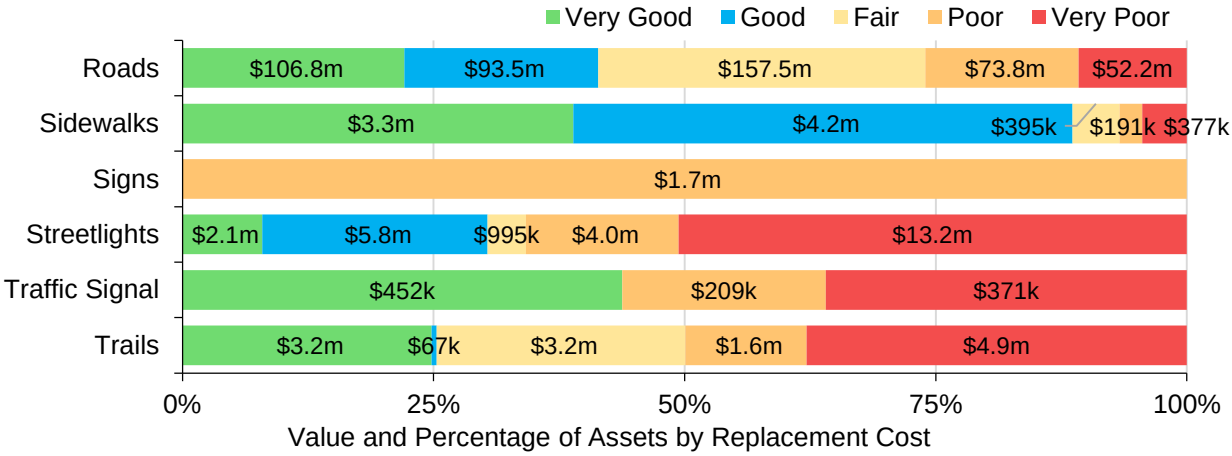
Assets in poor or worse condition may be candidates for replacement in the short term; similarly, assets in fair condition may require rehabilitation or replacement in the medium term and should be monitored for further degradation in condition. As illustrated in Figure 9, the majority of the Municipality's road network assets are in fair or better condition.

Figure 9 Asset Condition – Road Network: Overall



As illustrated in Figure 10, based on condition assessments, the majority of the Municipality's paved and surface treated roads are in fair or better condition. However, 26% of the network is in poor or worse condition.

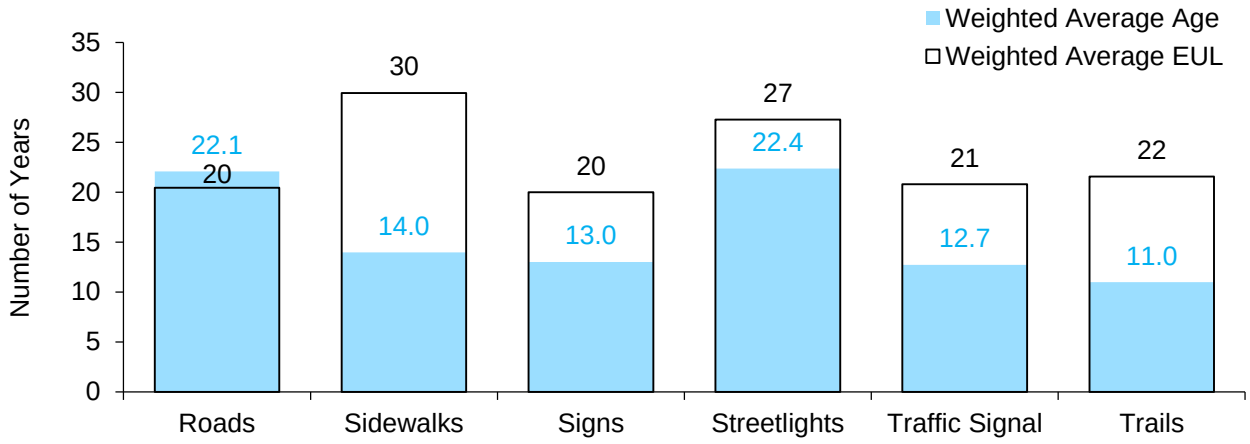
Figure 10 Asset Condition – Road Network: By Segment



Age Profile

Figure 11 illustrates the average current age of each asset type and its estimated useful life. Both values are weighted by the replacement cost of individual assets.

Figure 11 Estimated Useful Life vs. Asset Age – Road Network



The analysis shows that, based on in-service dates, roads continue to remain in operation beyond their expected useful life, with an average age of 22.1 against an average expected serviceable life of 20 years. Age analysis also revealed that, on average, streetlights, traffic signals, and trails have entered the latter stages of their useful life. Condition assessments should be used to identify potential candidates for potential repair, renewal, or replacements.

Although age analysis is important, we do note that roads needs studies and pavement condition reports provide a much more accurate summary of road condition than average age, which is influenced by in-service dates, how road assets are treated within an accounting and financial reporting framework, and the useful life assigned. The Municipality's asset register contains 75 paved, surface treated, and gravel road segments, with a current replacement cost of $52.2 million, that have an in-service date of 1850. This was likely assigned as a 'dummy date' and should be updated.

Current Approach to Lifecycle Management

This section outlines Lakeshore's current approach to managing major infrastructure assets within the road network.

Roads

A roads needs study (RNS) is completed by an external consultant. The most recent RNS was completed in 2018 by StreetScan. As part of the study, a pavement condition index (PCI) was calculated based on distress quantity, type, and severity. Recommended treatment, ranging from preventative maintenance to rehabilitation and reconstruction, was developed for each road section a long with cost estimates.

PCI scores, staff judgment, traffic loads, and opportunity to bundle projects with utility work help inform the optimal lifecycle intervention, ranging from pothole repairs to potential replacements.

The Municipality's 5-year roads capital and lifecycle program for existing assets includes reconstruction, asphalt resurfacing, and treatment resurfacing projects totaling nearly $40 million.

Sidewalks

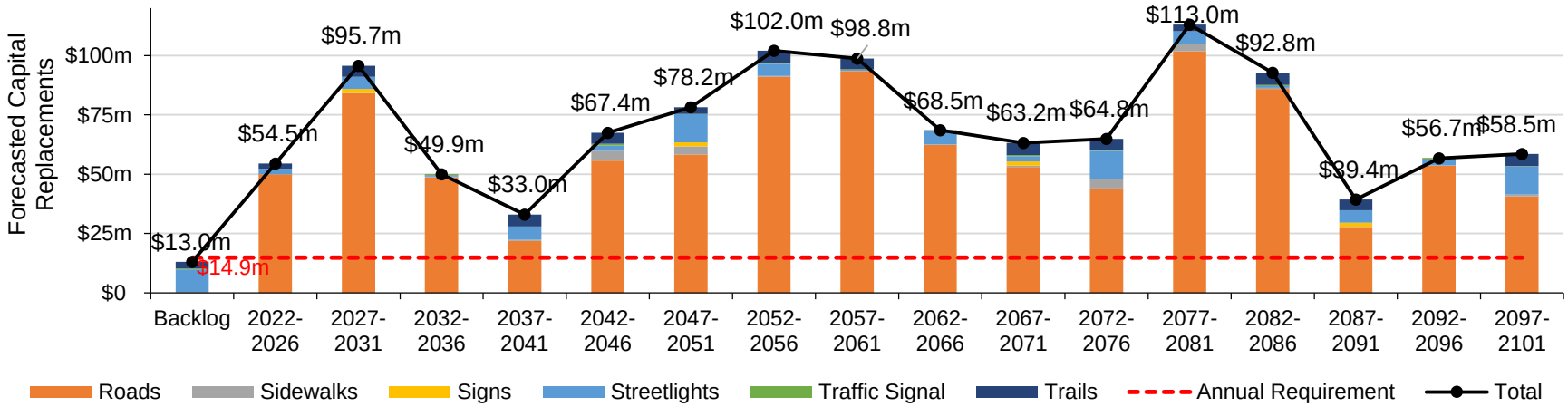
All sidewalk inventory is assessed annually by staff. The most recent external review was conducted in 2018 by StreetLogix, producing a sidewalk condition index (SCI), as well as the recommended lifecycle intervention ranging from grinding to partial replacement of panels. Internal inspections are done on an annual basis.

Forecasted Long-term Replacement Needs

Figure 12 illustrates the cyclical short-, medium- and long-term infrastructure rehabilitation and replacement requirements for the Municipality's road network. This analysis was run until 2101 to capture at least one iteration of replacement for the longest-lived asset in the asset register. Lakeshore's average annual requirements (red dotted line) total $14.9 million for all assets in the road network. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark value for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise. The chart illustrates substantial capital needs through the forecast period, remaining above $50 million for most 5-year intervals.

It also shows a backlog $13 million, comprising assets that have reached the end of their useful life. The projections are designed to provide a long-term, portfolio-level overview of capital needs and should be used to support improved financial planning over several decades. They are based on asset replacement costs, age analysis, and condition data when available, as well as lifecycle modeling (roads only). The lifecycle modeling included crack sealing and resurfacing (single and double lifts).

Figure 12 Forecasted Capital Replacement Requirements – Road Network 2022-2101



Often, the magnitude of capital needs is substantially higher than most municipalities can afford to fund. It is also unlikely that all assets will need to be rehabilitated or fully reconstructed as forecasted above. However, quantifying and monitoring these spikes is essential for long-term financial planning, including establishing dedicated reserves. Regular pavement condition assessments and a robust risk framework will ensure that high-criticality assets receive proper and timely lifecycle intervention, including replacements.

System-generated 10-Year Replacement Forecast

The table below summarizes the projected cost of lifecycle activities (rehabilitation and replacements) that may be undertaken over the next 10 years to support current levels of service. These projections are generated in Citywide and rely on the data available in the asset register. They can be different from actual capital forecasts. Consistent data updates, particularly condition, replacement costs, and regular upkeep of lifecycle models, will improve the alignment between the system generated expenditure requirements, and the Municipality's capital expenditure forecasts.

Table 7 System-generated 10-Year Capital Replacement Forecast – Road Network

Segment	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Roads	$10.6m	$9.1m	$23.1m	$3.7m	$3.4m	$5.2m	$4.1m	$4.6m	$56.0m	$14.1m
Sidewalks	$1k	$0	$0	$0	$0	$1k	$51k	$0	$45k	$29k
Signs	$0	$0	$0	$0	$0	$0	$0	$1.7m	$0	$0
Streetlights	$386k	$577k	$125k	$639k	$650k	$1.3m	$1.3m	$555k	$955k	$1.1m
Traffic Signal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Trails	$1.2m	$296k	$375k	$215k	$157k	$893k	$519k	$821k	$2.3m	$135k
Total	**$12.2m**	**$10.0m**	**$23.6m**	**$4.6m**	**$4.2m**	**$7.4m**	**$5.9m**	**$7.7m**	**$59.3m**	**$15.3m**

Planned Capital Expenditures

The table below summarizes the forecasted capital expenditures as outlined in Lakeshore's 2022 capital forecasts. Operating and other program service costs for 2022 are illustrated in Appendix 1: Operating Costs. Road lifecycle projections beyond 2026 are based on an average of the previous five years.

Table 8 Capital Plan – Road Network

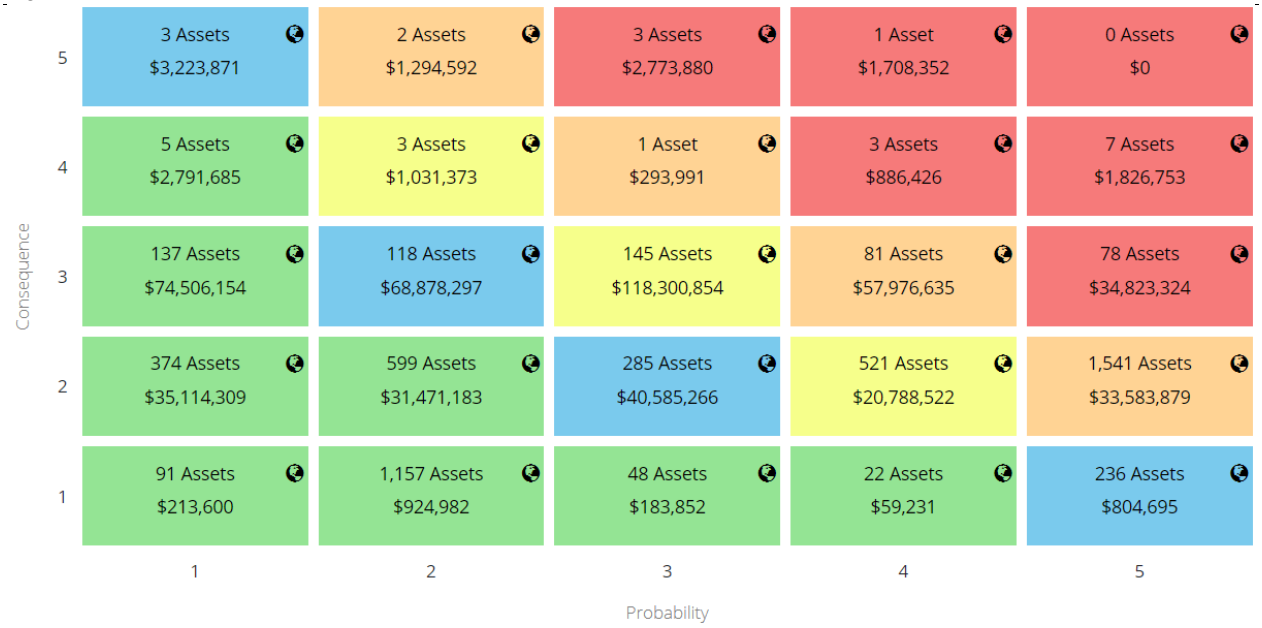
Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gravel Conversion	$1.1m	$990k	$1.0m	$889k	$1.2m	$930k	$1.0m	$995k	$1.1m	$986k
Roads Lifecycle	$6.0m	$7.1m	$9.3m	$10.5m	$8.5m	*$8.5m*	*$8.3m*	*$8.3m*	*$8.3m*	*$8.3m*
Total	**$7.1m**	**$8.1m**	**$10.3m**	**$11.4m**	**$9.7m**	**$9.4m**	**$9.4m**	**$9.3m**	**$9.4m**	**$9.3m**

Risk Analysis

The risk matrix below is generated using available asset data, including condition, service life remaining, replacement costs, traffic data, and road class. The risk ratings for assets without useful attribute data were calculated using only condition, service life remaining, and their replacement costs.

See *Risk and Criticality* section for further details on approach used to determine asset risk ratings and classifications.

Figure 13 Risk Matrix – Road Network



In addition to asset level risk, the Municipality may also face risk associated with not executing key lifecycle activities, including repairs, rehabilitation, and replacement of critical assets. These include:

- missed opportunities for cost savings and increases in lifecycle costs;
- misallocation of funds leading to over- or under-investments;
- deferral of vital projects, or further lending and borrowing;
- accelerated asset deterioration and premature failure, which may lead to public health and safety hazards, and disruption of services to the Municipality's residential and commercial base;
- a decline in public satisfaction with the Municipality's service standards and the resulting reputational damage;

Levels of Service

The tables that follow summarize Lakeshore's current levels of service with respect to prescribed KPIs under Ontario Regulation 588/17.

Table 9 Ontario Regulation 588/17 Community Levels of Service – Road Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	Description, which may include maps, of the road network in the Municipality and its level of connectivity	See map in Figure 14
Quality	Description or images that illustrate the different levels of road class pavement condition.	See map in Figure 15

Table 10 Ontario Regulation 588/17 Technical Levels of Service – Road Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	Lane-km of arterial roads (MMS classes 1 and 2) per land area (km/km^2)	0.0478 km/km^2
	Lane-km of collector roads (MMS classes 3 and 4) per land area (km/km^2)	0.8712 km/km^2
	Lane-km of local roads (MMS classes 5 and 6) per land area (km/km^2)	0.5758 km/km^2
Quality	Average pavement condition for paved roads in the Municipality	69
Performance	Average surface condition for unpaved roads in the Municipality (e.g. excellent, good, fair, poor)	65

Description, which may include maps, of the road network in the municipality and its level of connectivity.

Exhibit 2-3: County Road Network

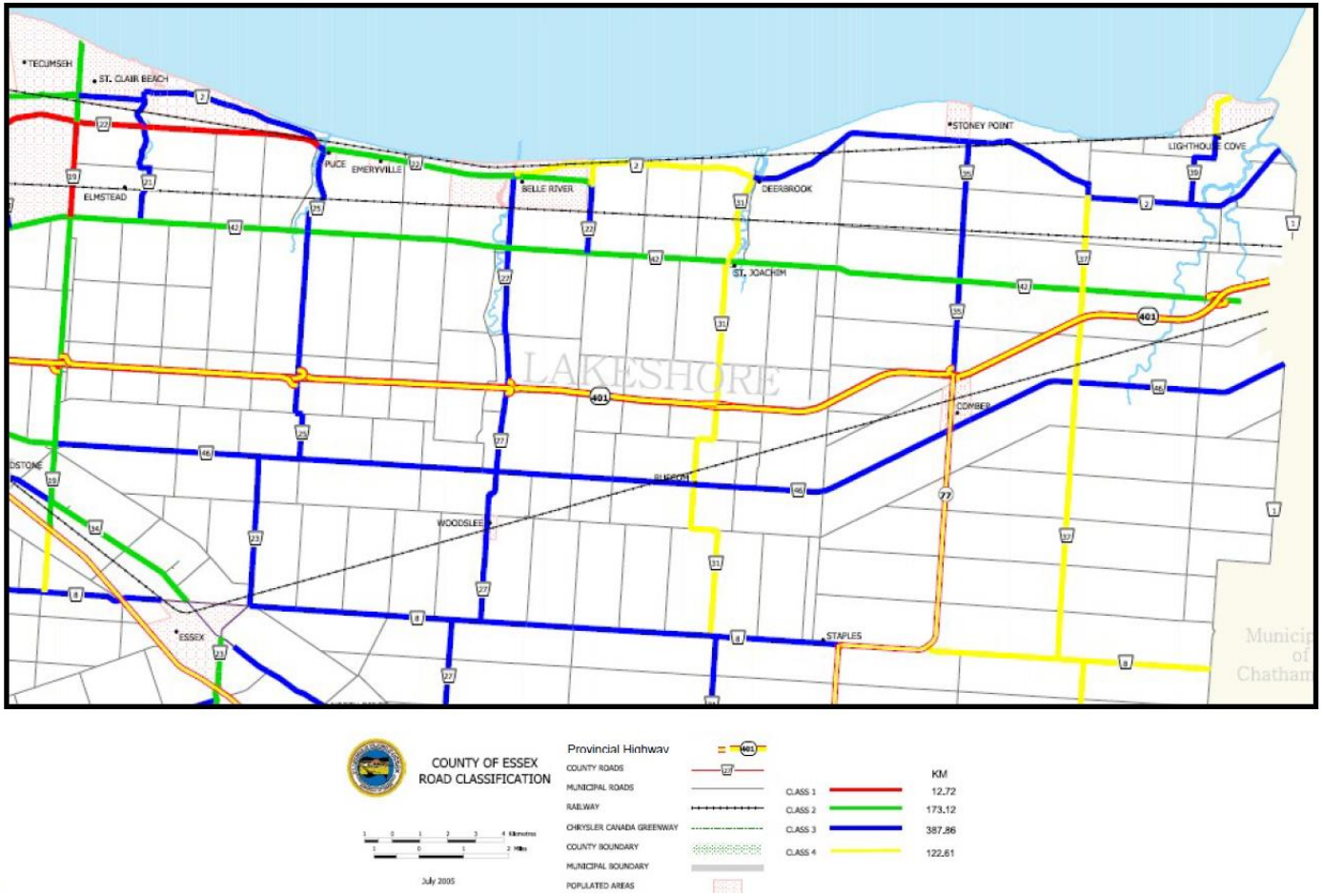
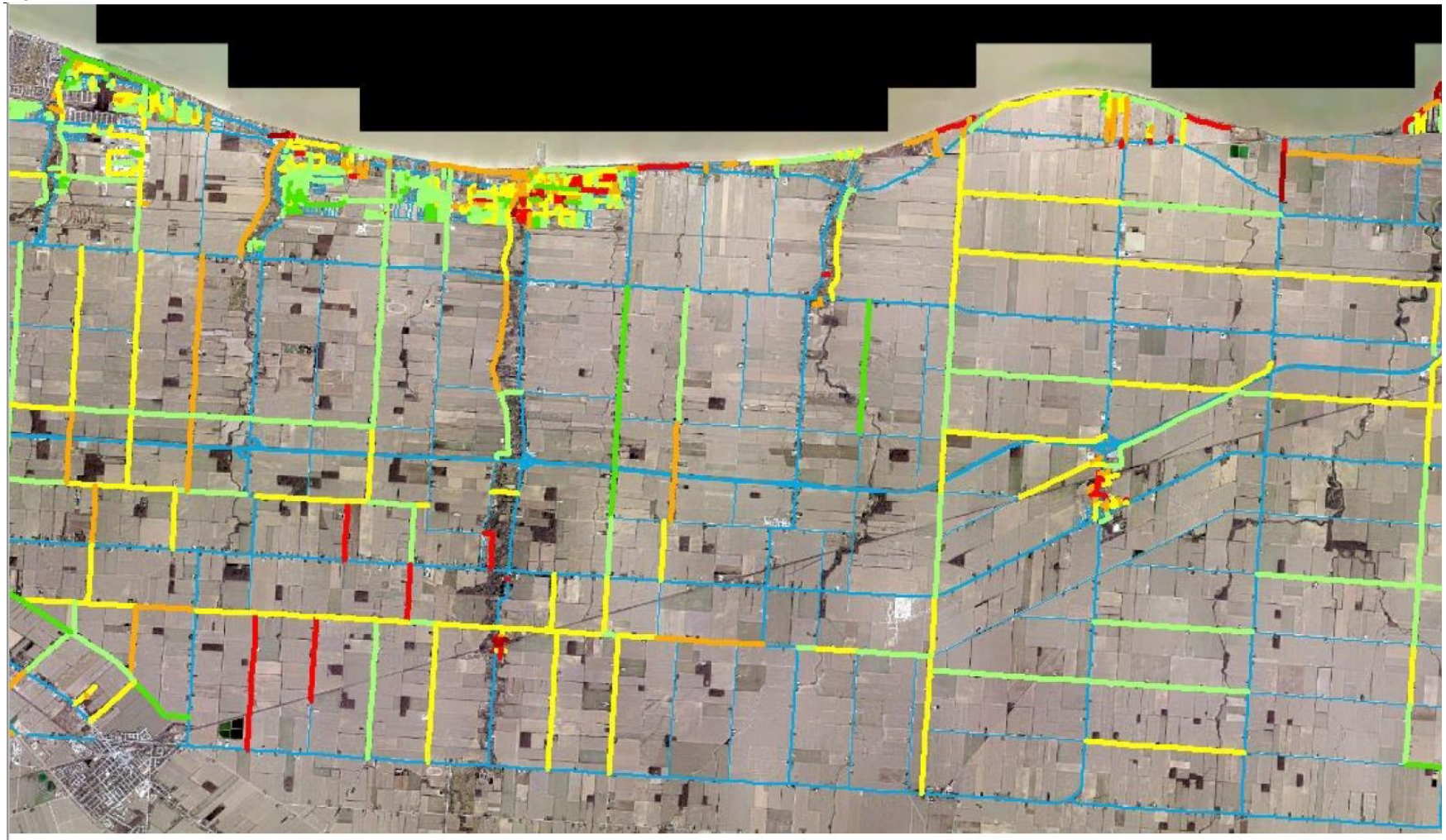


Figure 15 Road Network: PCI



Bridges & Culverts

The Municipality of Lakeshore's transportation network also includes bridges and structural culverts, with a current replacement cost of $109 million.

Inventory and Valuation

Table 11 summarizes the quantity and current replacement cost of bridges and culverts assets as managed in Lakeshore's asset register. We note that the 2021 OSIM inspection identified 107 bridges and 11 culverts, with a total replacement cost of $110,891,000.

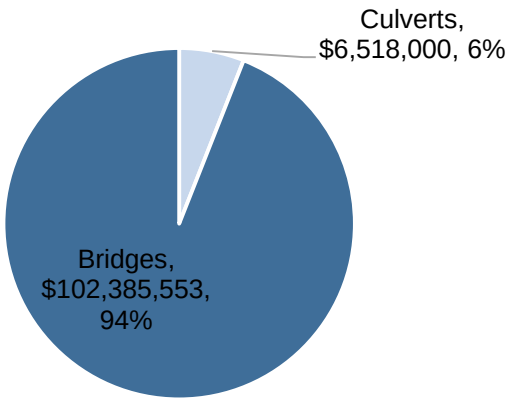
The difference in quantity and replacement costs of bridges between the OSIM report and the data in the table below is explained by two factors: the OSIM inspections does not include the Halliday Drain bridge (Asset ID 49408), with a listed replacement cost of $32,553. This asset was put in service after the inspection.

Similarly, some assets included in the OSIM report are not found in the municipality's asset register. These include OSIM Bridge IDs Ped 2, Ped 3, Ped 5, and Ped 6. These assets have a total replacement cost of $2,020,000. The net difference totals $1,987,447.

Table 11 Detailed Asset Inventory – Bridges & Culverts

Segment	Quantity	Unit of Measure	Replacement Cost
Bridges	104	Assets	$102,385,553
Culverts	11	Assets	$6,518,000
Total	**115**		**$108,903,553**

Figure 16 Portfolio Valuation – Bridges & Culverts

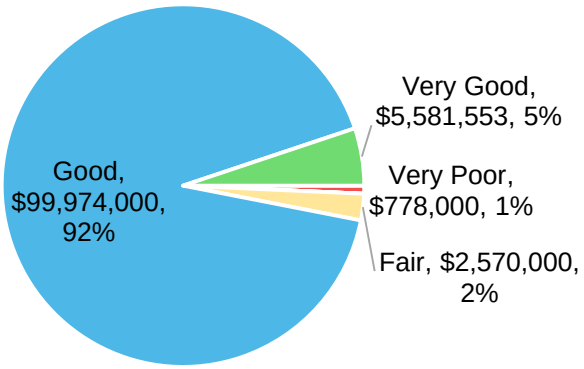


Total Current Replacement Cost: $108,903,553

Asset Condition

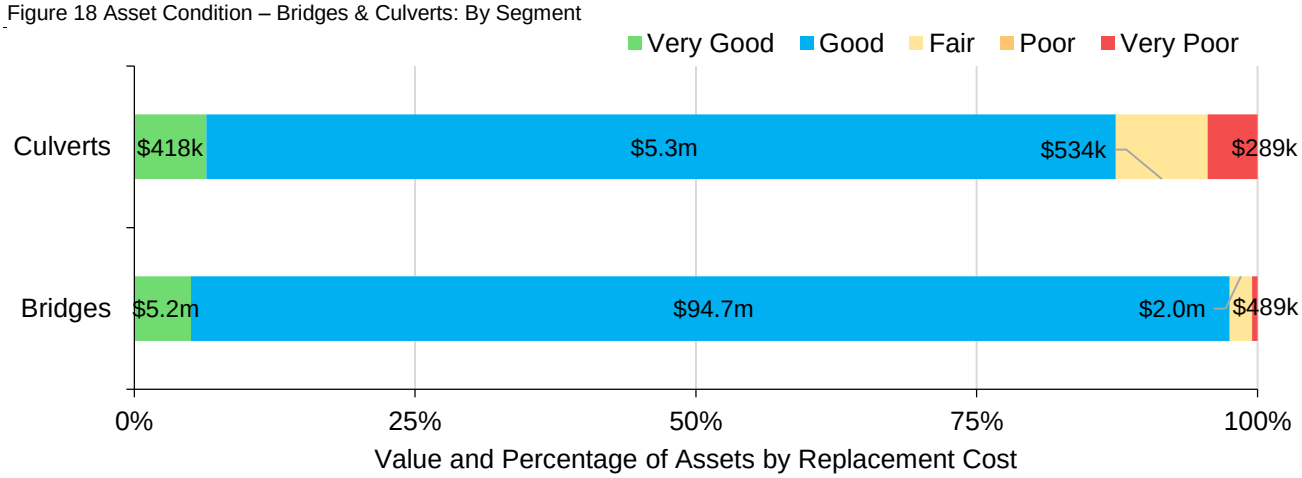
Figure 17 summarizes the replacement cost-weighted condition of the Municipality's bridges and culverts. Based on the Municipality's 2021 OSIM assessments, 99% of all bridges and culverts are in fair or better condition. Some elements or components of these structures may be candidates for replacement or rehabilitation in the medium term and should be monitored for further degradation in condition.

Figure 17 Asset Condition – Bridges & Culverts: Overall



As further detailed in Figure 18, based on in-field condition assessments, less than 1% of bridges were assessed as very poor. Bridges and structures with a poor or worse rating (i.e., a bridge condition index of less than 60) are not necessarily unsafe for regular use. The OSIM ratings are designed to identify repairs needed to elevate condition ratings to a fair or higher.

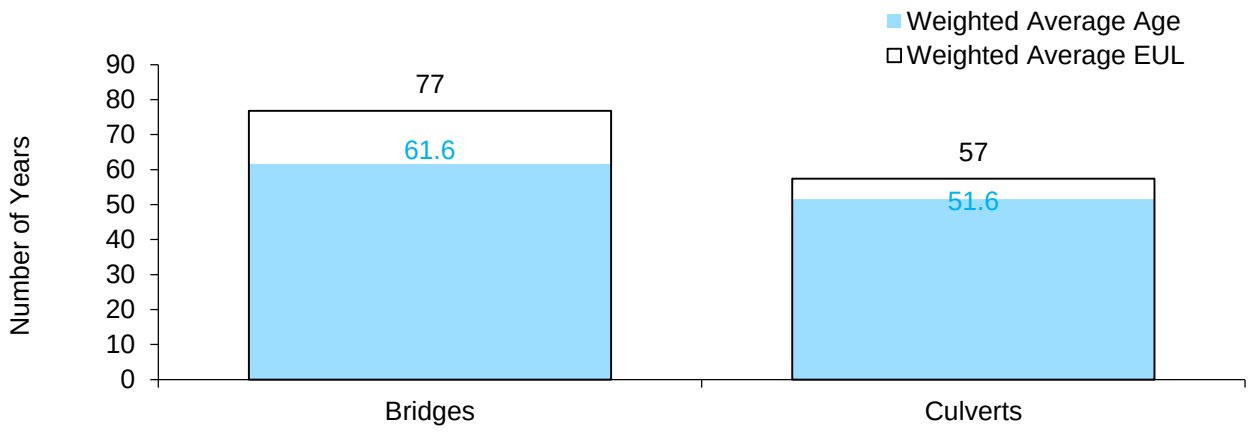
Figure 18 Asset Condition – Bridges & Culverts: By Segment



Age Profile

Figure 19 illustrates the average current age of each asset type and its estimated useful life. Both values are weighted by the replacement cost of individual assets.

Figure 19 Estimated Useful Life vs. Asset Age – Bridges & Culverts



Age analysis reveals that on average, bridges and culverts are in the latter stage of their expected serviceable life. On average, bridges have a weighted average age of 61.6 years against an average estimated useful life of 77 years. Similarly, culverts have an average age of 51.6 years against an EUL of 57 years.

OSIM assessments should continue to be used in conjunction with age and asset criticality to prioritize capital and maintenance expenditures, and to identify potential candidates for further review and analysis.

Current Approach to Lifecycle Management

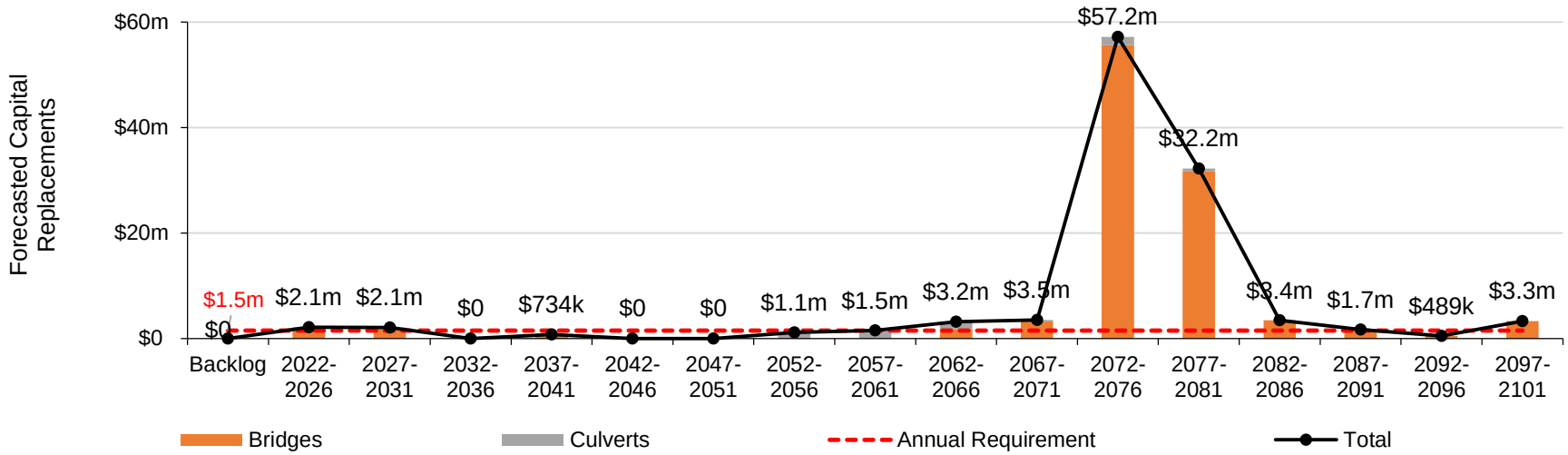
The condition of bridges and structural culverts is assessed biennially in compliance with Ontario Structure Inspection Manual (OSIM). The most recent inspection report was completed in 2021. The bridge condition index (BCI) is used to guide and prioritize capital investment, unless health and safety concerns warrant a different, more immediate intervention.

Forecasted Long-term Replacement Needs

Figure 20 illustrates the cyclical short-, medium- and long-term infrastructure rehabilitation and replacement requirements for the Municipality's bridges and culverts. These projections are based on asset replacement costs, age analysis, and condition data. They are designed to provide a long-term, portfolio-level overview of capital needs and should be used to support improved financial planning over several decades.

The analysis was run until 2101 to capture at least one iteration of replacement for the longest-lived asset in the asset register. Lakeshore's average annual requirements (red dotted line) for bridges and culverts total $1.5 million. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark value for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise.

Figure 20 Forecasted Capital Replacement Requirements – Bridges & Culverts 2022-2101



While no major replacement spikes are anticipated for the next 30 years, capital needs will rapidly after 2052 and peak at $57.2 million between 2072 and 2076 as assets reach the end of their useful life. It is highly unlikely that all assets will require full reconstruction or replacement. With proactive lifecycle management, the life of most assets can be extended by many years in a cost-effective manner. However, quantifying and monitoring these spikes is essential for long-term financial planning, including establishing dedicated reserves. OSIM condition assessments and a robust risk framework will ensure that high-criticality assets receive proper and timely lifecycle intervention, including replacements.

System-generated 10-Year Replacement Forecast

The table below summarizes the projected cost of lifecycle activities (capital replacement only) that will need to be undertaken over the next 10 years to support current levels of service. We note that these are represented at the major asset level, i.e., full cost of bridge or culvert, rather than partial repair, rehabilitation, or replacement.

Table 12 System-generated 10-Year Capital Replacement Forecast – Bridges & Culverts

Segment	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Bridges	$0	$14k	$288k	$1.5m	$294k	$77k	$408k	$0	$1.2m	$0
Culverts	$0	$0	$0	$0	$0	$0	$0	$0	$340k	$0
Total	**$0**	**$14k**	**$288k**	**$1.5m**	**$294k**	**$77k**	**$408k**	**$0**	**$1.6m**	**$0**

These projections are generated in Citywide and rely on the data available in the asset register. Assessed condition data and replacement costs were used to assist in forecasting replacement needs for bridges and structural culverts. These projections may be different from actual capital forecasts as outlined in OSIM inspections and recommended workplans. Consistent data updates, especially condition, will improve the alignment between the system generated expenditure requirements, and the Municipality's capital expenditure forecasts, including long-term capital plans.

Planned Capital Expenditures

The table below summarizes the forecasted capital expenditures as outlined in Lakeshore's 2022 capital forecasts. Operating and other program service costs for 2022 are illustrated in Appendix 1: Operating Costs.

Table 13 Capital Plan – Bridges & Culverts

Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Bridges & Culverts Lifecycle	$702k	$794k	$547k	$405k	$504k	$690k	$408k	$360k	$822k	$294k
Total	**$702k**	**$794k**	**$547k**	**$405k**	**$504k**	**$690k**	**$408k**	**$360k**	**$822k**	**$294k**

Risk Analysis

The risk matrix below is generated using available asset data, including condition, service life remaining, replacement costs, traffic volume (AADT), and road hierarchy. The risk ratings for assets without useful attribute data were calculated using only condition, service life remaining, and their replacement costs.

These risk models have been built into the Municipality's Asset Management Database (CityWide Asset Manager). See *Risk and Criticality* section for further details on approach used to determine asset risk ratings and classifications.

Figure 21 Risk Matrix – Bridges & Culverts

In addition to asset level risk, the Municipality may also face risk associated with not executing key lifecycle activities, including repairs, rehabilitation, and replacement of critical assets. These include:

- missed opportunities for cost savings and increases in lifecycle costs;
- deferral of vital projects, or further lending and borrowing;
- accelerated asset deterioration and premature failure, which may lead to public health and safety hazards, and disruption of services to the Municipality's residential and commercial base;
- a decline in public satisfaction with the Municipality's service standards and the resulting reputational damage;

- bridges are inherently vital to the Municipality's transportation infrastructure, and their failures can disconnect communities, lead to public health and safety incidents, and can impede the efficient flow of residential and commercial traffic.

An asset's criticality rating, determined by the nature and magnitude of the consequences of its potential failure should be used to prioritize projects, particularly lifecycle management strategies. Using risk in conjunction with levels of service, and the recommended workplans in OSIM inspections, can assist in optimizing limited funds.

Levels of Service

The tables that follow summarize Lakeshore's current levels of service with respect to prescribed KPIs under Ontario Regulation 588/17.

Table 14 Ontario Regulation 588/17 Community Levels of Service – Bridges & Culverts

Service Attribute	Qualitative Description	Current Level of Service
Scope	Description of the traffic that is supported by municipal bridges (e.g., heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, cyclists).	The municipality's bridges and culverts support all traffic types.
Quality	1. Description or images of the condition of bridges and how this would affect use of the bridges.	The majority of the municipality's bridges and culverts are in fair or better condition, and continue to support the safe and efficient flow of traffic.
	2. Description or images of the condition of culverts and how this would affect use of the culverts.	

Table 15 Ontario Regulation 588/17 Technical Levels of Service – Bridges & Culverts

Service Attribute	Qualitative Description	Current Level of Service
Scope	Percentage of bridges in the Municipality with loading or dimensional restrictions.	1.9%. The 2021 OSIM recommended load posting for two of the 107 bridges.
Quality	1. For bridges in the Municipality, the average bridge condition index value.	73
	2. For structural culverts in the Municipality, the average bridge condition index value.	71

Stormwater Network

Lakeshore's Stormwater Network comprises concrete, PVC, and clay sewer mains with a total current replacement cost of approximately $120 million. The Municipality is responsible for 113 kilometres of storm mains.

Inventory and Valuation

Table 16 summarizes the quantity and current replacement cost of all stormwater management assets available in the Municipality's asset register.

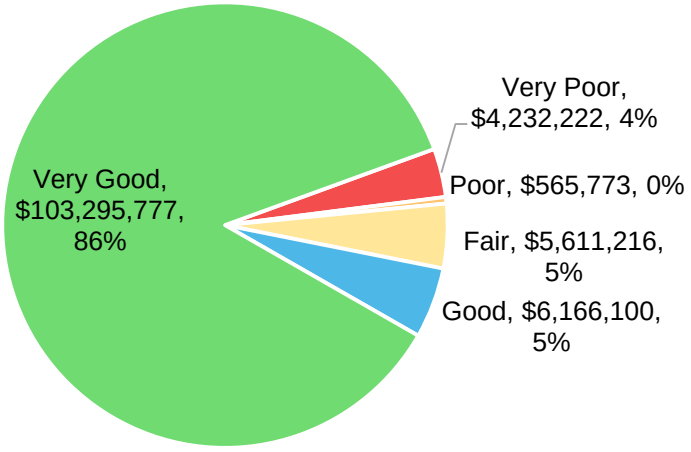
Table 16 Detailed Asset Inventory – Stormwater Network

Segment	Quantity	Unit of Measure	Replacement Cost
Stormwater Mains	113	Kilometers	$119,871,087
Total			**$119,871,087**

Asset Condition

Figure 22 summarizes the replacement cost-weighted condition of the Municipality's stormwater mains. Based on age data only, approximately 96% of mains are in good to very good condition, with the remaining in poor to very poor condition.

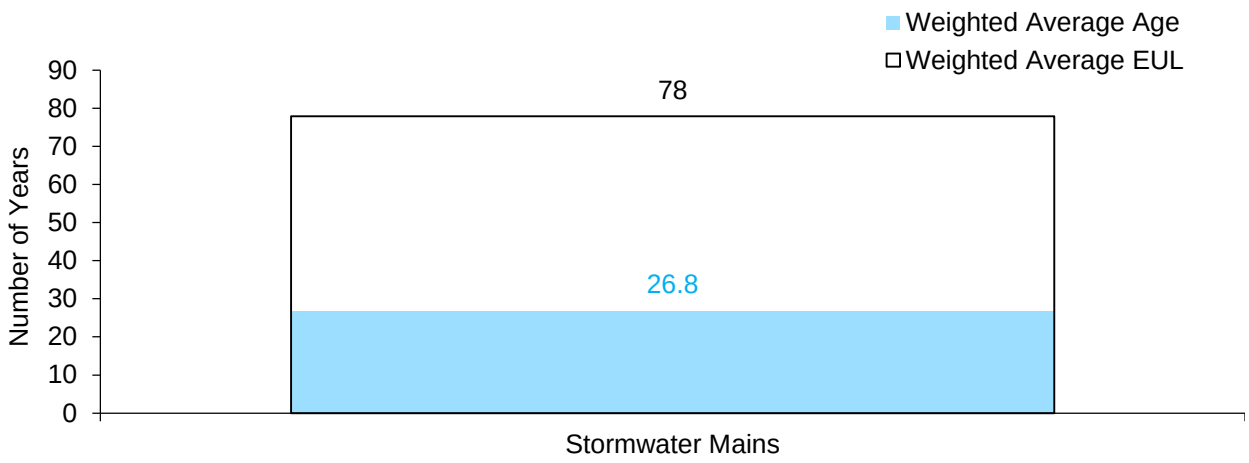
Figure 22 Asset Condition – Stormwater Network: Mains



Age Profile

Figure 23 illustrates the average current age of each asset type and its estimated useful life. Both values are weighted by the replacement cost of individual assets.

Figure 23 Estimated Useful Life vs. Asset Age – Stormwater Network: Mains



Age analysis reveals that on average, storm mains are in the earlier stages of their estimated useful life. Nearly $90 million in storm mains was put into service after 1990. Age profiles and CCTV inspections will help to identify mains in need of replacements and/or upgrades. A review of EULs for mains may also be considered based on performance history to date and staff's professional judgement.

Current Approach to Lifecycle Management

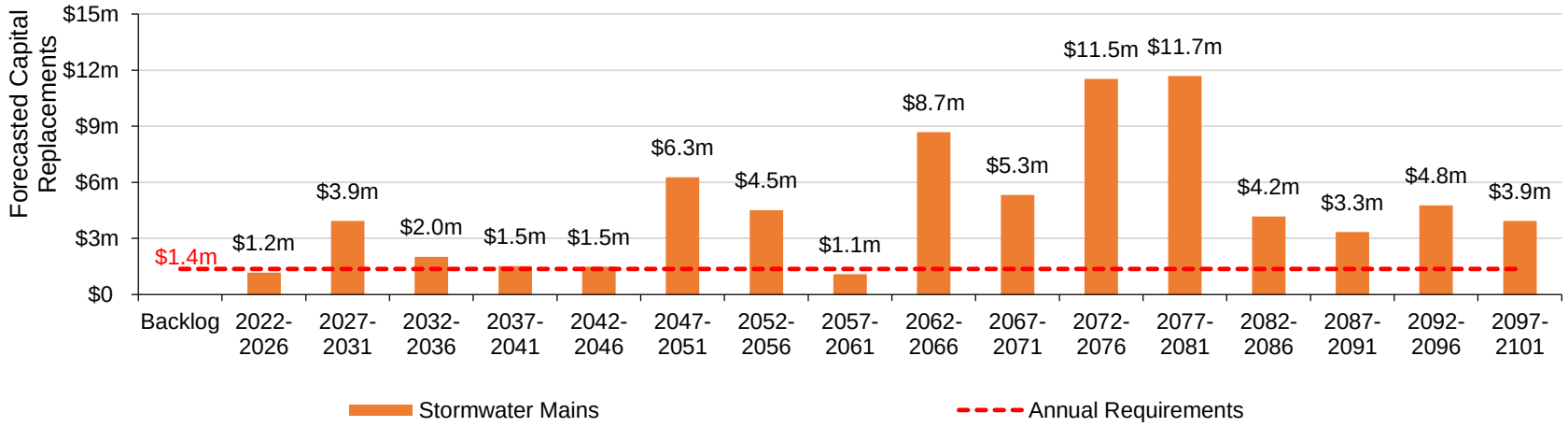
The Municipality's stormwater network management includes storm pond sedimental removal on a 10-year cycle, and remote monitoring for 10 storm pumping stations. No CCTV condition assessment program is in place; however, storm sewers may be replaced in coordination with roadwork and other utility works.

Forecasted Long-term Replacement Needs

Figure 24 illustrates the cyclical short-, medium- and long-term infrastructure replacement requirements for the Municipality's storm mains. This analysis was run until 2101 to capture at least one iteration of replacement for the longest-lived asset in the asset register. Lakeshore's average annual requirements (red dotted line) total $1.4 for all assets in the stormwater network. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark value for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise.

The largest replacement spike is forecasted in the 2070s as mains reach the end of their useful life. These projections and estimates are based on asset replacement costs and age analysis. They are designed to provide a long-term, portfolio-level overview of capital needs and should be used to support improved financial planning over several decades.

Figure 24 Forecasted Capital Replacement Requirements – Stormwater Network 2022-2101



Often, the magnitude of replacement needs is substantially higher than most municipalities can afford to fund. In addition, most assets may not need to be replaced as forecasted, while others may be replaced as part of coordinated roadwork. However, quantifying and monitoring these spikes is essential for long-term financial planning, including establishing dedicated reserves, and identifying assets that may be candidates for further inspections. Although no backlog is identified based on data in the Municipality's asset register, CCTV inspections may reveal one. The inspections may also help reduce long-term projections by providing more accurate condition data for mains than age. In addition, a robust risk framework will ensure that high-criticality assets receive proper and timely lifecycle intervention, including replacements.

System-generated 10-Year Replacement Forecast

The table below summarizes the projected cost of lifecycle activities (capital replacement only) that may be undertaken over the next 10 years to support current levels of service. These projections are generated in Citywide, assume a like-for-like replacement, and rely on the data available in the asset register. As no assessed condition data was available for the stormwater network, only age was used to determine forthcoming replacement needs. Further, no data was available on stormwater facilities. These projections can be different from actual capital forecasts. Consistent data updates, especially condition, will improve the alignment between the system generated expenditure requirements, and the Municipality's capital expenditure forecasts.

Table 17 System-generated 10-Year Replacement Forecast – Stormwater Network

Segment	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Stormwater Mains	$164k	$129k	$208k	$519k	$152k	$212k	$151k	$2.2m	$1.1m	$221k
Total	**$164k**	**$129k**	**$208k**	**$519k**	**$152k**	**$212k**	**$151k**	**$2.2m**	**$1.1m**	**$221k**

Planned Capital Expenditures

The table below summarizes the forecasted capital expenditures as outlined in Lakeshore's 2022 capital forecasts. Operating and other program service costs for 2022 are illustrated in Appendix 1: Operating Costs. The capital plan below includes potential capacity upgrades as storm mains are replaced.

Table 18 Capital Plan – Stormwater Network

Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Stormwater Lifecycle	$310k	$5.8m	$5.7m	$5.8m	$5.7m	$5.9m	$6.2m	$5.7m	$5.7m	$5.2m
Total	**$310k**	**$5.8m**	**$5.7m**	**$5.8m**	**$5.7m**	**$5.9m**	**$6.2m**	**$5.7m**	**$5.7m**	**$5.2m**

Risk Analysis

The risk matrix below is generated using available asset data, including service life remaining, replacement costs, pipe material, and diameter. As no attribute data was available for storm assets, the risk ratings for assets relied only on these required, minimum asset fields.

These risk models have been built into the Municipality's Asset Management Database (CityWide Asset Manager). See *Risk and Criticality* section for further details on approach used to determine asset risk ratings and classifications.

Figure 25 Risk Matrix - Stormwater Mains

In addition to asset level risk, the Municipality may also face risk associated with not executing key lifecycle activities, including repairs, rehabilitation, and replacement of critical assets. These include:

- missed opportunities for cost savings and increases in lifecycle costs associated with more frequent asset maintenance;
- deferral of vital projects, or further lending and borrowing;
- accelerated asset deterioration and premature failure, which may lead to public health and safety hazards, and disruption of services to the Municipality's residential and commercial base;
- a decline in public satisfaction with the Municipality's service standards and the resulting reputational damage;
- failure of stormwater assets can be particularly detrimental, causing excessive flooding, erosion, backups, road and bridge closures, environmental damage, and substantial property damage. Water quality may also be jeopardized, further exacerbating public health and safety challenges.
- increased frequency of extreme weather events has made some communities even more vulnerable to flooding. These events can also create legal liabilities for the Municipality in the event of asset failure.

An asset's criticality rating, determined by the nature and magnitude of the consequences of its potential failure should be used to prioritize projects, particularly lifecycle management strategies. Using risk in conjunction with levels of service, and findings from standard CCTV inspections will assist in optimizing limited funds.

Levels of Service

The tables that follow summarize Lakeshore's current levels of service with respect to prescribed KPIs under Ontario Regulation 588/17.

Table 19 Ontario Regulation 588/17 Community Levels of Service – Stormwater Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	Description, which may include maps, of the user groups or areas of the Municipality that are protected from flooding, including the extent of the protection provided by the municipal stormwater management system.	Lakeshore's flood management system includes a network of storm mains, stormwater management facilities, pumps, and seawalls to protect its residents, including the shoreline.

Table 20 Ontario Regulation 588/17 Technical Levels of Service – Stormwater Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	1. Percentage of properties in municipality resilient to a 100-year storm.	See note below. TBD
	2. Percentage of the municipal stormwater management system resilient to a 5-year storm.	See note below. TBD

Risk Management

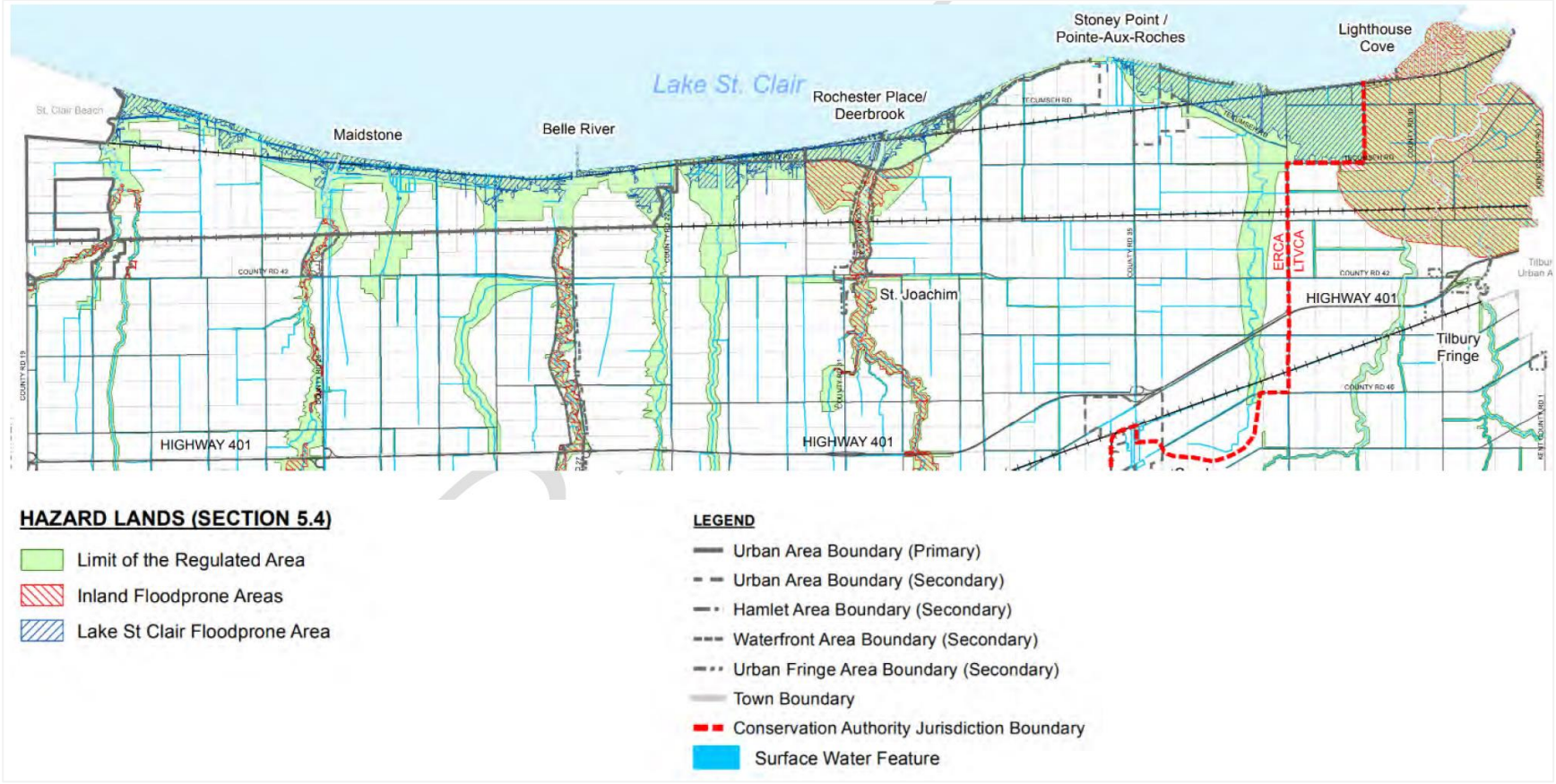
The Municipality of Lakeshore recently adopted a Shoreline Management Plan for the Lake St. Clair shoreline, map flooding, erosion, and dynamic beach hazards, and develop management and policy recommendations to increase resilience. The entire northern extent of the Municipality of Lakeshore consists of the Lake St. Clair shoreline and includes both serviced and unserviced development areas. Each reach of the shoreline is exposed to shoreline hazards, such as flooding and erosion. There are areas within the Municipality that are also subject to inland and riverine flood hazards. Shoreline hazards consist of the 100-year flood level, plus allowances for wave uprush, 100 years of shoreline erosion, and dynamic beach hazards.

Lakeshore also completed Phase 1 of a stormwater master plan (SMP) in 2020 to develop a stormwater servicing strategy to address drainage concerns in the urban portion of the Town. The SMP is being undertaken in two phases with Phase 1 addressing stormwater issues in the mostly urban areas of the northwest portion of the Town and Phase 2 addressing the remaining urbanized areas of the Town.

The Phase 1 study area limits are County Road 42 to the south, Lake St. Clair to the north, County Road 19 (Manning Road) to the west and County Road 22 (near Duck Creek) to the east. The study area consists of approximately 2,300 hectares (ha) of developed land and 2,400 ha of agricultural lands. Screening of catchments determined that buildings in 10 of the 25 catchments would be vulnerable to surface ponding.

Lakeshore's development manuals and agreements identify minimum elevations of new roads and buildings to protect against flooding whilst being able to provide access to properties in emergencies.

Figure 26 Natural Hazards and Floodprone Areas



Water Network

Lakeshore's Water distribution network includes mains, treatment facilities, towers, vehicles, and various machinery and equipment, with a total current replacement cost of more than $306 million.

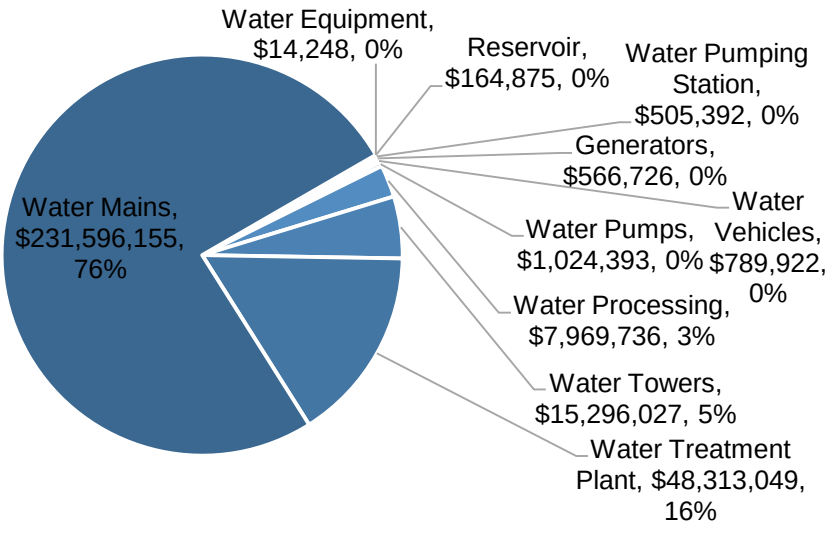
Inventory and Valuation

Table 21 summarizes the quantity and current replacement cost of all water distribution and treatment assets available in the Municipality's asset register. At 76% of the portfolio, mains comprise the largest share of water assets.

Table 21 Detailed Asset Inventory – Buildings & Facilities

Segment	Quantity	Unit of Measure	Replacement Cost
Generators	8	Assets	$566,726
Reservoir	1	Assets	$164,875
Water Equipment	5	Assets	$14,248
Water Mains	619	Kilometers	$231,596,155
Water Processing	13	Assets	$7,969,736
Water Pumping Station	4	Assets	$505,392
Water Pumps	18	Assets	$1,024,393
Water Towers	2	Assets	$15,296,027
Water Treatment Plant	2	Assets	$48,313,049
Water Vehicles	17	Assets	$789,922
Total			**$306,240,523**

Figure 27 Portfolio Valuation – Buildings & Facilities



Total Current Replacement Cost: $306,240,523

Asset Condition

Figure 28 summarizes the replacement cost-weighted condition of the Municipality's water distribution portfolio. Based only on age data, less than 7% of assets are in poor or worse condition. These assets may be candidates for replacement in the short term; similarly, assets in fair condition may require rehabilitation or replacement in the medium term and should be monitored for further degradation in condition.

Figure 28 Asset Condition – Water Network: Overall

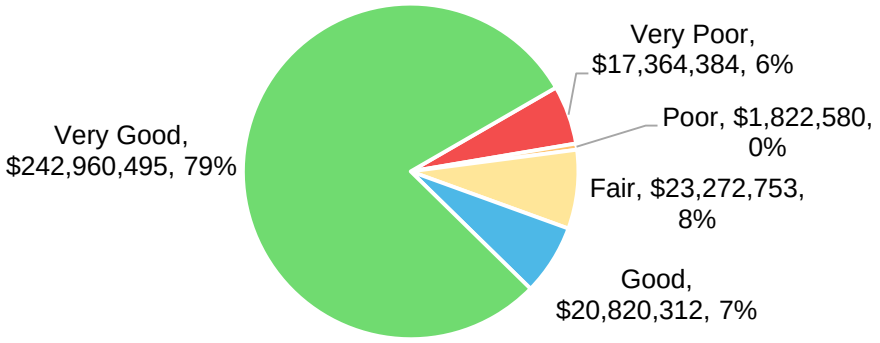
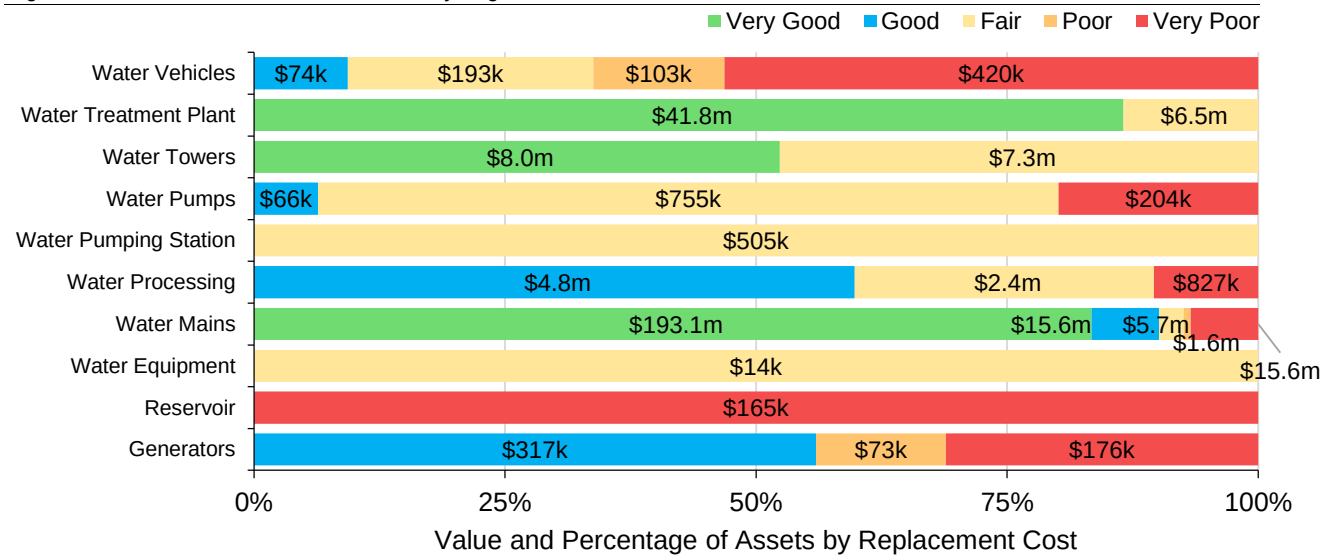


Figure 29 summarizes the age-based condition of water infrastructure by each segment. The analysis shows that the majority of each water infrastructure segment is in fair or better condition. We note that water treatment facilities and pumping stations are not componentized. Without sufficient componentization, condition data for major components and elements of various facilities may remain hidden.

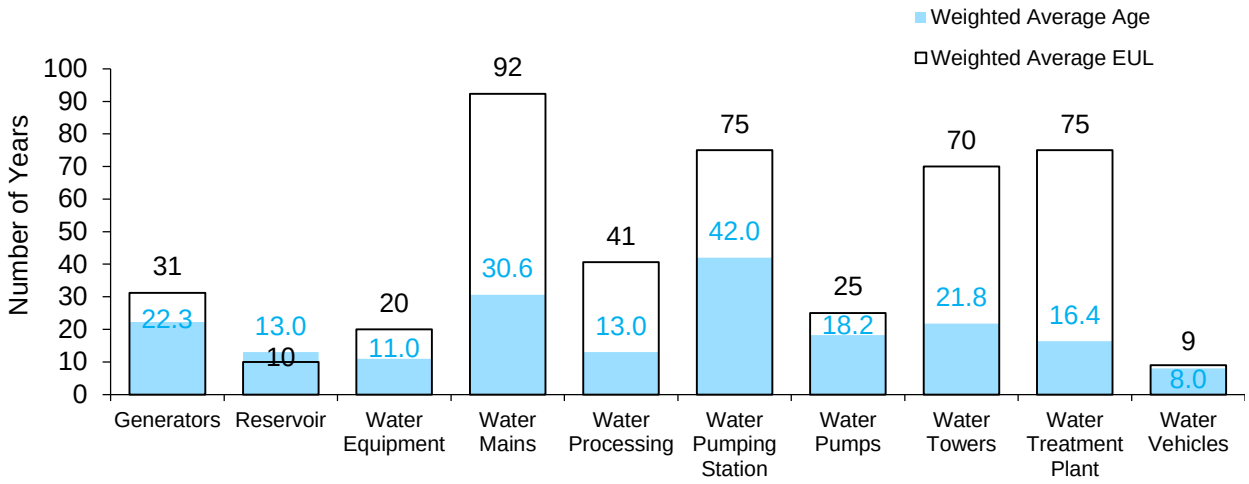
Figure 29 Asset Condition – Water Network: By Segment



Age Profile

Figure 30 illustrates the average current age of each asset type and its estimated useful life. Both values are weighted by the replacement cost of individual assets.

Figure 30 Estimated Useful Life vs. Asset Age – Water Network



Age analysis reveals that, on average, water mains are in the earlier stages of their life. However, as with storm mains, these findings are impacted by the accuracy of in-service dates, and useful life estimates for various main types. On average, watermains are 30.6 years old, against an EUL of 92 years.

Facilities have hundreds to thousands of individual element and components. As noted previously, water facilities are not componentized. For example, there are only four asset records available for the Stoney Point and John George treatment plants. In the absence of componentization, age analysis was only possible at the site level, rather than at the major element or component level.

Current Approach to Lifecycle Management

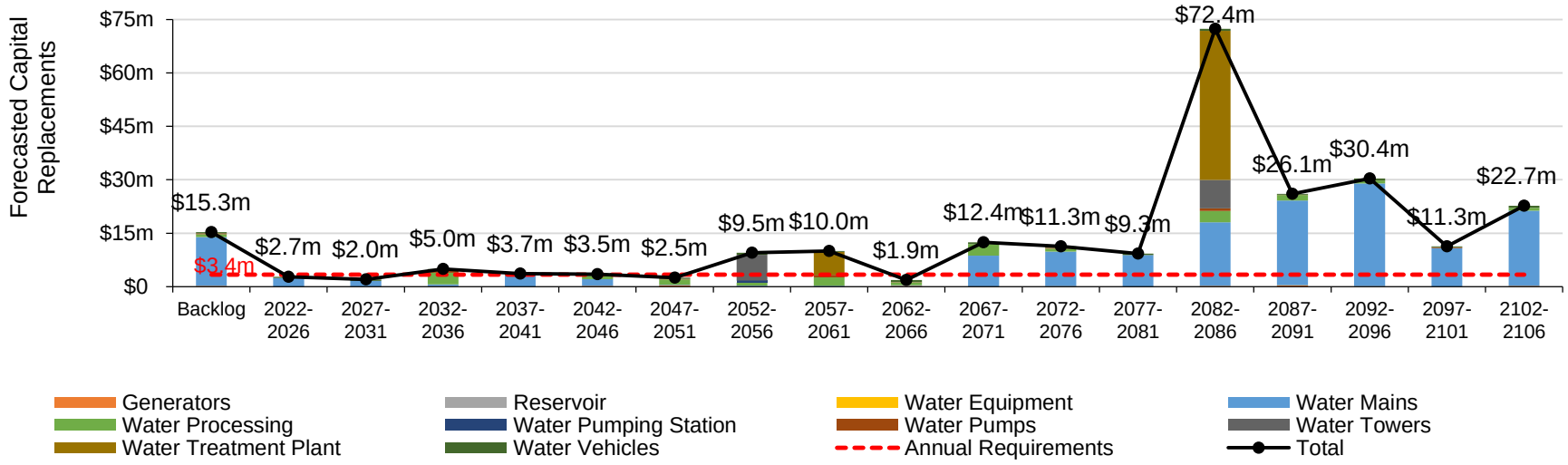
Although no formal condition assessment program is in place, break history, inadequate fire flow, and opportunity to bundle projects with road work or other major utility work informs renewal and/or replacement decisions. Capacity issues are also considered in project selection.

Forecasted Long-term Replacement Needs

Figure 31 illustrates the cyclical short-, medium- and long-term infrastructure replacement requirements for the Municipality's water distribution portfolio. This analysis was run until 2106 to capture at least one iteration of replacement for the longest-lived asset in the asset register. Lakeshore's average annual requirements (red dotted line) total $3.4 million for all water assets. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark value for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise.

Given the lengthy useful life for watermains, replacement needs are forecasted to remain relatively flat, and below $15 million per 5-year interval until the late 2070s. At this point, replacement needs will rise rapidly, peaking at more than $72 million between 2082 and 2086. The chart also illustrates an age-based backlog of $15.3 million, dominated by mains. These projections and estimates are based on current asset records, their replacement costs, and age analysis only. They are designed to provide a long-term, portfolio-level overview of capital needs and should be used to support improved financial planning over several decades.

Figure 31 Forecasted Capital Replacement Requirements – Water Network 2022-2106



It is highly unlikely that all assets will require replacements as forecasted, particularly given the potential for coordinating projects with road work. However, a review of useful life estimates, break histories, as well as componentization and condition assessment of water facilities may help uncover hidden needs and help refine backlog estimates.

System-generated 10-Year Replacement Forecast

The table below summarizes the projected cost of lifecycle activities (capital replacement only) that will need to be undertaken over the next 10 years to support current levels of service. These projections are generated in Citywide, assume like-for-like asset replacements, and rely on the data available in the asset register, which was limited to asset age, replacement cost, and useful life. In addition, as treatment facilities are not componentized, no element- or component-level replacement needs could be forecasted.

Table 22 System-generated 10-Year Replacement Forecast – Water Network

Segment	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Generators	$0	$0	$0	$0	$0	$73k	$0	$0	$0	$0
Reservoir	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$14k
Water Mains	$1.9m	$0	$220k	$191k	$96k	$211k	$224k	$907k	$161k	$0
Water Processing	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Pumping Station	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Pumps	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Towers	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Treatment Plant	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Vehicles	$68k	$0	$60k	$103k	$40k	$0	$227k	$0	$231k	$0
Total	**$2.0m**	**$0**	**$279k**	**$294k**	**$136k**	**$284k**	**$451k**	**$907k**	**$391k**	**$14k**

Planned Capital Expenditures

The table below summarizes the forecasted capital expenditures as outlined in Lakeshore's 2022 capital forecasts. Operating and other program service costs for 2022 are illustrated in Appendix 1: Operating Costs. Estimates beyond 2027 represent an average of the previous six years.

Table 23 Capital Plan – Water Network

Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Watermain Replacements	$938k	$9.3m	$12.1m	$11.4m	$2.9m	$1.9m	*$6.4m*	*$6.4m*	*$6.4m*	*$6.4m*
Total	**$938k**	**$9.3m**	**$12.1m**	**$11.4m**	**$2.9m**	**$1.9m**	**$6.4m**	**$6.4m**	**$6.4m**	**$6.4m**

Risk Analysis

The risk matrix below is generated using available asset data, including service life remaining, replacement costs, pipe material, and diameter. The risk ratings for assets without useful attribute data were calculated using only age, service life remaining, and their replacement costs.

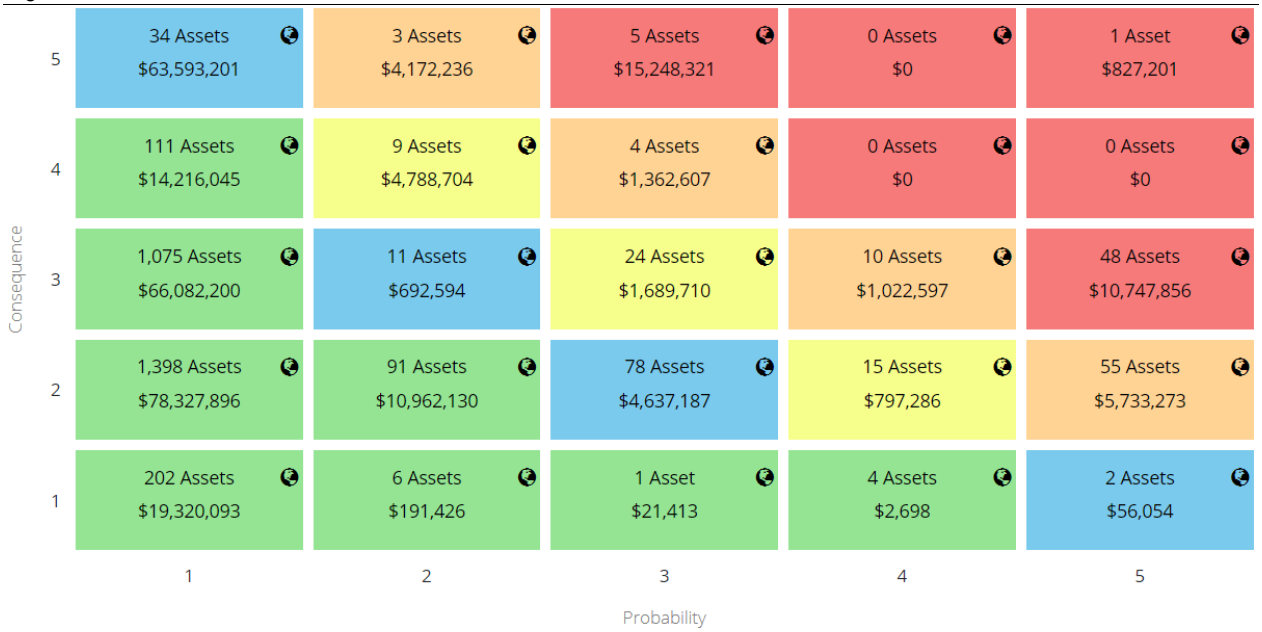
These risk models have been built into the Municipality's Asset Management Database (CityWide Asset Manager). See

Table 2 Lifecycle Management: Typical Lifecycle Interventions

Lifecycle Activity	Description	Cost	Typical Associated Risks
Maintenance	Activities that prevent defects or deteriorations from occurring	$	• Balancing limited resources between planned maintenance and reactive, emergency repairs and interventions; • Diminishing returns associated with excessive maintenance activities, despite added costs; • Intervention selected may not be optimal and may not extend the useful life as expected, leading to lower payoff and potential premature asset failure;
Rehabilitation/ Renewal	Activities that rectify defects or deficiencies that are already present and may be affecting asset performance	$$$$	• Useful life may not be extended as expected; • May be costlier in the long run when assessed against full reconstruction or replacement; • Loss or disruption of service, particularly for underground assets;
Replacement/ Reconstruction	Asset end-of-life activities that often involve the complete replacement of assets	$$$$$$	• Incorrect or unsafe disposal of existing asset; • Costs associated with asset retirement obligations; • Substantial exposure to high inflation and cost overruns; • Replacements may not meet capacity needs for a larger population; • Loss or disruption of service, particularly for underground assets;

Risk and Criticality section for further details on approach used to determine asset risk ratings and classifications.

Figure 32 Risk Matrix – Water Network



Levels of Service

The tables that follow summarize Lakeshore's current levels of service with respect to prescribed KPIs under Ontario Regulation 588/17.

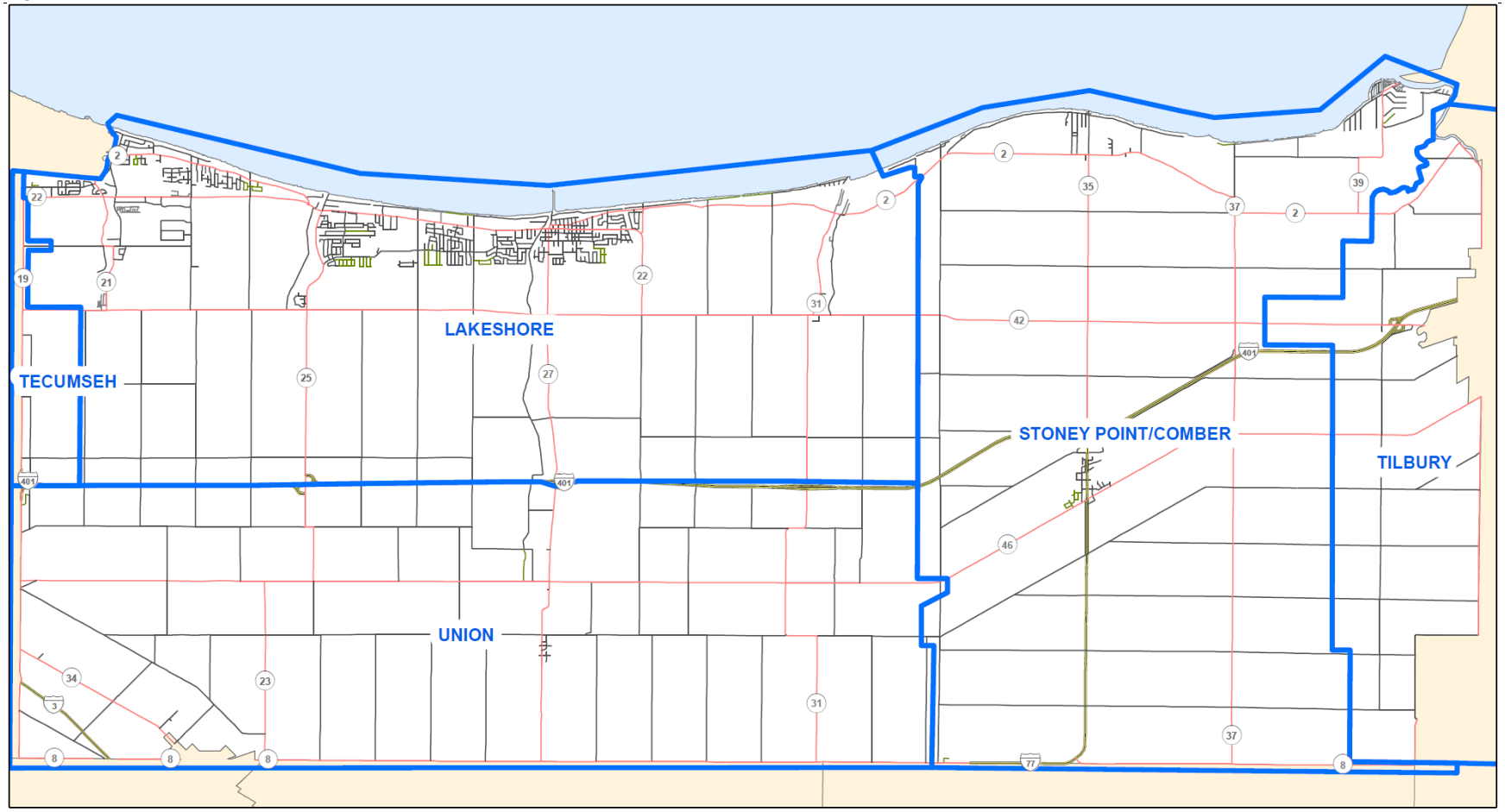
Table 24 Ontario Regulation 588/17 Community Levels of Service – Water Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	1. Description, which may include maps, of the user groups or areas of the municipality that are connected to the municipal water system. 2. Description, which may include maps, of the user groups or areas of the municipality that have fire flow.	See Figure 33
Reliability	Description of boil water advisories and service interruptions.	Lakeshore has not received/sent boil water advisory during the period of 2020 to date.

Table 25 Ontario Regulation 588/17 Technical Levels of Service – Water Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	1. Percentage of properties connected to the municipal water system. 2. Percentage of properties where fire flow is available.	1. 96.6% 2. 70%
Reliability	1. The number of connection-days per year where a boil water advisory notice is in place compared to the total number of properties connected to the municipal water system. 2. The number of connection-days per year due to water main breaks compared to the total number of properties connected to the municipal water system.	1. NA 2. Four watermain breaks, affecting two homes for four hours.

Figure 33 Water Service Area



Wastewater Network

Lakeshore's Wastewater Network infrastructure includes sewer mains, treatment facilities, and various appurtenances. The total current replacement of the Municipality's wastewater collection and treatment infrastructure is estimated at approximately $216 million.

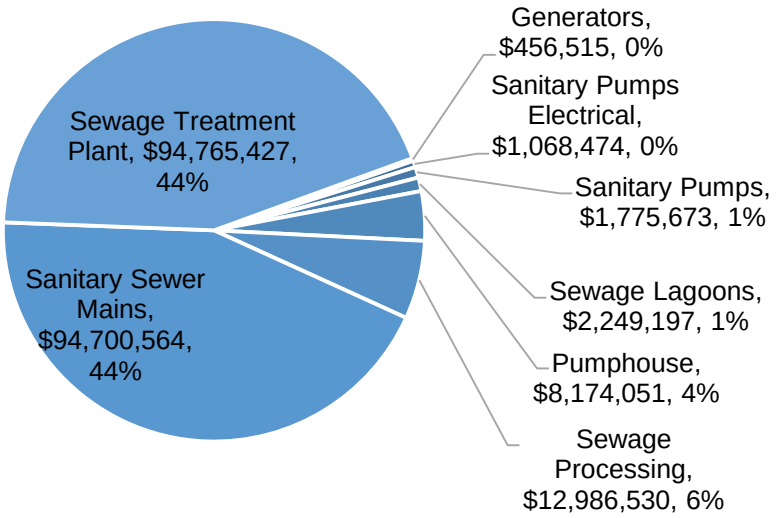
Inventory and Valuation

Table 26 summarizes the quantity and current replacement cost of all wastewater collection and treatment assets.

Table 26 Detailed Asset Inventory – Wastewater Network

Segment	Quantity	Unit of Measure	Replacement Cost
Generators	5	Assets	$456,515
Pumphouse	28	Assets	$8,174,051
Sanitary Pumps	72	Assets	$1,775,673
Sanitary Pumps Electrical	28	Assets	$1,068,474
Sanitary Sewer Mains	176	Kilometers	$94,700,564
Sewage Lagoons	3	Assets	$2,249,197
Sewage Processing	12	Assets	$12,986,530
Sewage Treatment Plant	5	Assets	$94,765,427
Total			**$216,176,431**

Figure 34 Portfolio Valuation – Wastewater Network



Total Current Replacement Cost: $216,176,431

Asset Condition

Figure 35 summarizes the replacement cost-weighted condition of the Municipality's wastewater infrastructure. Based on age data only, 35% of assets are in in poor or worse condition. These assets may be candidates for replacement in the short term; similarly, assets in fair condition may require rehabilitation or replacement in the medium term and should be monitored for further degradation in condition.

As with water infrastructure, we note that treatment facilities are not currently componentized, obscuring element- or component-level condition details.

Figure 35 Asset Condition – Wastewater Network: Overall

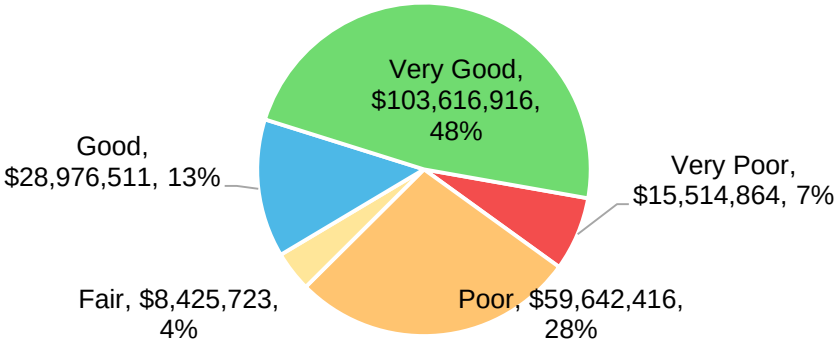
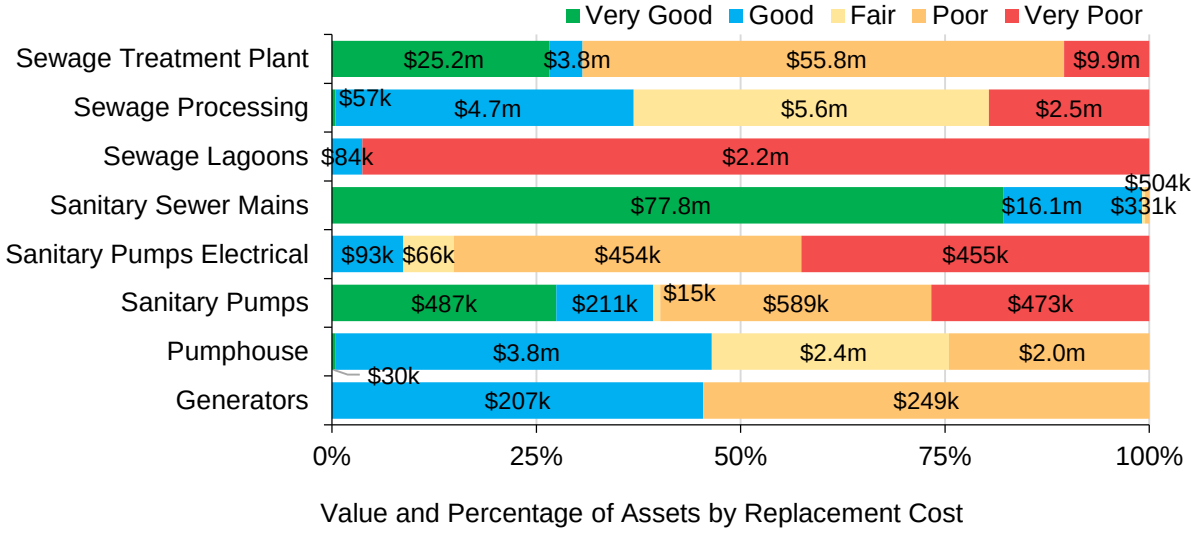


Figure 36 summarizes the age-based condition of wastewater assets by segment. The data suggests that 99% of sewer mains are in fair or better condition; however, substantial portions wastewater equipment and facilities are in poor or worse condition, including nearly 70% of treatment plant assets. As before, we note again that these estimates are based on age; further, for facilities, condition is represented primarily at the site-level. Without componentization, illustrating condition of individual element or component was not possible.

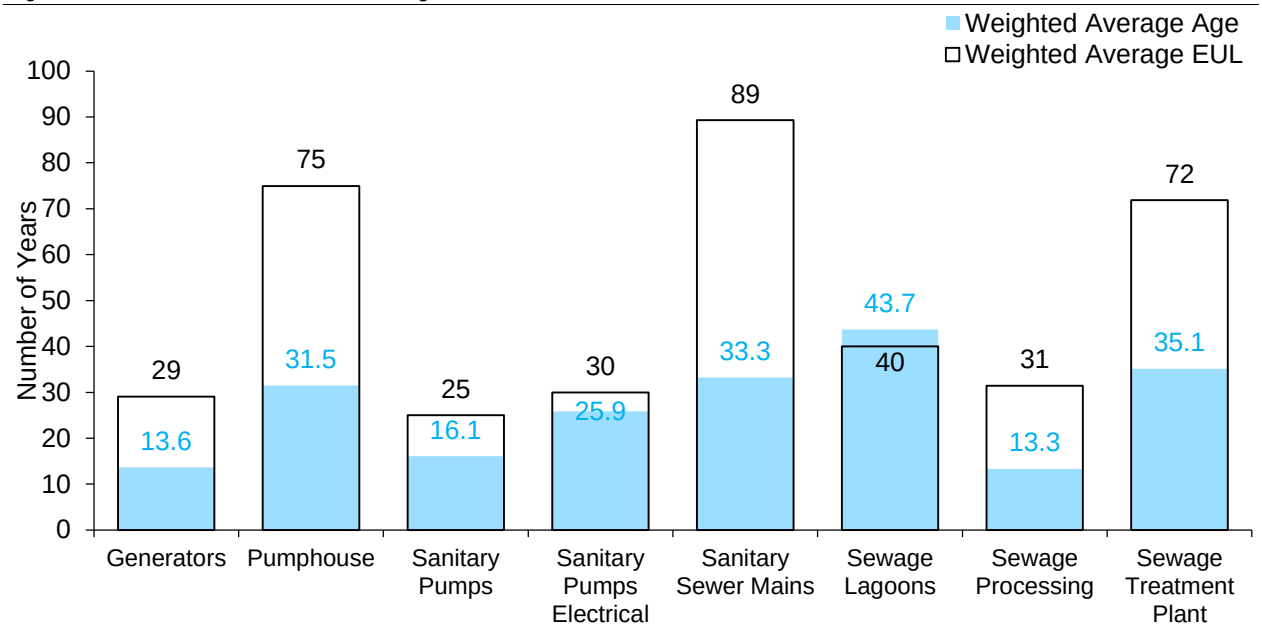
Figure 36 Asset Condition – Wastewater Network: By Segment



Age Profile

Figure 37 illustrates the average current age of each asset type and its estimated useful life. Both values are weighted by the replacement cost of individual assets.

Figure 37 Estimated Useful Life vs. Asset Age – Wastewater Network



Age analysis reveals that, on average, although mains are in the earlier stages of their life, sewage treatment plant assets have consumed, on average, nearly 50% of their established design life, with an average age of 35.1 years against an EUL of 72 years. However, the reliability of this analysis is limited given the lack of sufficient componentization within various sanitary facilities. With an in-service date of 1977, the Denis St. Pierre plant is more than 45 years old.

Although age indicates sewer mains have more than 50 years remaining before replacement needs arise, these estimates are directly impacted by the accuracy of in-service dates and the useful life benchmarks established for sewer mains. Periodically, these should be reviewed to better reflect in-field asset performance.

Current Approach to Lifecycle Management

Ontario Clean Water Agency (OCWA) has managed the Town of Lakeshores wastewater treatment and collections systems since 1971. They are responsible for the Denis St. Pierre Treatment Plant, the Comber and Stoney Point Lagoons and all pumping stations that are part of the wastewater system. Every year the Town discusses capital budget needs for capital repairs to items such as pump replacements, facility repairs, pump station repairs, collection mains.

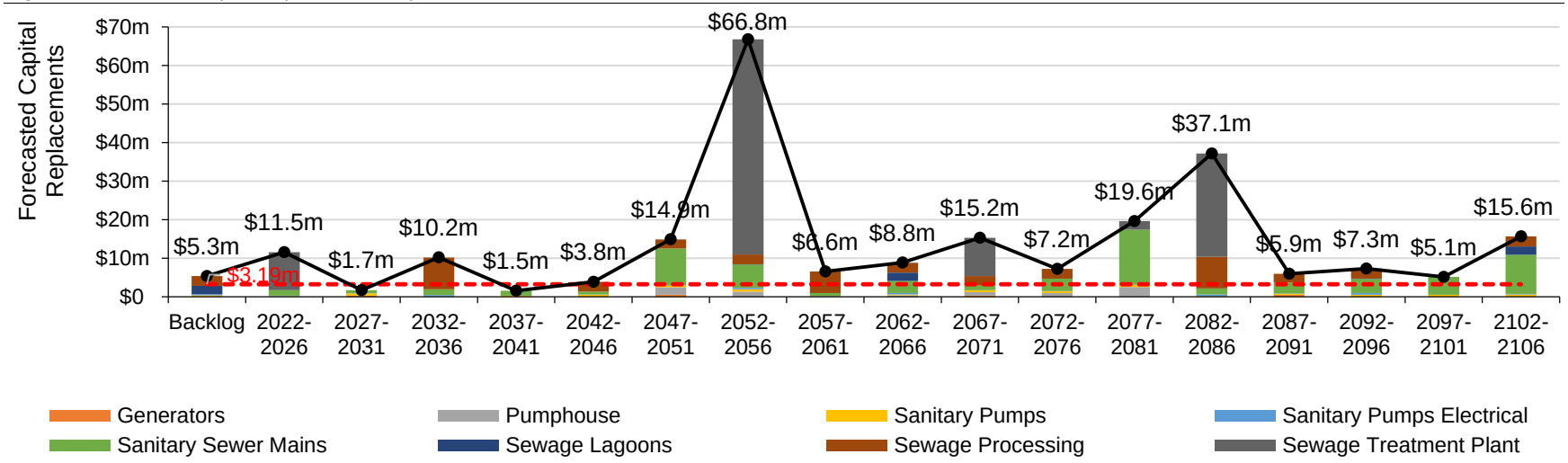
This AMP does not address or account for the need for increased capacity at existing treatment plants and lines, reflecting on like-for-like replacements of the infrastructure already installed. Master plans may identify capacity upgrade needs offering higher levels of service, which may be coordinated with condition analysis produced in the AMP.

Forecasted Long-term Replacement Needs

Figure 38 illustrates the cyclical short-, medium- and long-term infrastructure replacement requirements for the Municipality's wastewater infrastructure. This analysis was run until 2106 to capture at least one iteration of replacement for the longest-lived asset in the asset register. Lakeshore's average annual requirements (red dotted line) total $3.2 million for all wastewater assets. Although actual spending may fluctuate substantially from year to year, this figure is a useful benchmark value for annual capital expenditure targets (or allocations to reserves) to ensure projects are not deferred and replacement needs are met as they arise.

Replacement needs are forecasted to fluctuate over the 80+ year time horizon, totaling more than $13 million in the current decade, and peaking at nearly $67 million between 2077 and 2081 as a substantial portion of mains and water treatment plant assets reach the end of their useful life. These projections and estimates are based on asset replacement costs and age analysis. They are designed to provide a long-term, portfolio-level overview of capital needs and should be used to support improved financial planning over several decades. The chart also shows an age-based backlog of $5.3 million, comprising assets that have reached the end of their useful life.

Figure 38 Forecasted Capital Replacement Requirements – Wastewater Network 2022-2106



As noted previously, treatment facilities and other assets are not componentized, limiting the accuracy of these projections. In addition, similar to storm and water assets, particularly mains, it is unlikely that all mains will need to be replaced as forecasted. Coordinated projects, along with CCTV inspection data, may drive replacements and rehabilitations.

System-generated 10-Year Replacement Forecast

The table below summarizes the projected cost of lifecycle activities (capital replacement only) that will need to be undertaken over the next 10 years to support current levels of service. These projections are generated in Citywide and rely on the data available in the asset register. For wastewater assets, no condition information was available. As a result, this system-generated 10-year forecast relies only on asset age and replacement cost. In addition, projections reflect only like-for-like replacements of existing assets, and do no account for new, growth-related infrastructure nor capacity upgrades. These projections can be different from actual capital forecasts. Consistent data updates, especially condition, will improve the alignment between the system generated expenditure requirements, and the Municipality's capital expenditure forecasts.

Table 27 System-generated 10-Year Replacement Forecast – Wastewater Assets

Segment	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Generators	$0	$0	$0	$0	$0	$249k	$0	$0	$0	$0
Pumphouse	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sanitary Pumps	$0	$19k	$0	$0	$118k	$23k	$23k	$490k	$57k	$0
Sanitary Pumps Electrical	$91k	$0	$0	$29k	$0	$0	$29k	$0	$0	$79k
Sanitary Sewer Mains	$216k	$252k	$514k	$225k	$183k	$204k	$193k	$127k	$141k	$78k
Sewage Lagoons	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewage Processing	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewage Treatment Plant	$9.9m	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total	**$10.2m**	**$271k**	**$514k**	**$254k**	**$301k**	**$476k**	**$246k**	**$617k**	**$198k**	**$157k**

Planned Capital Expenditures

The table below summarizes the forecasted capital expenditures as outlined in Lakeshore's 2022 capital forecasts. Operating and other program service costs for 2022 are illustrated in Appendix 1: Operating Costs. Projections beyond 2026 are an average of the previous five years.

Table 28 Capital Plan – Wastewater Assets

Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Wastewater Lifecycle	$2.8m	$1.1m	$1.6m	$3.2m	$1.2m	*$2.0m*	*$2.0m*	*$2.0m*	*$2.0m*	*$2.0m*
Total	**$2.8m**	**$1.1m**	**$1.6m**	**$3.2m**	**$1.2m**	**$2.0m**	**$2.0m**	**$2.0m**	**$2.0m**	**$2.0m**

Risk Analysis

The risk matrix below is generated using available asset data, including service life remaining, replacement costs, pipe material, and diameter. The risk ratings for assets without useful attribute data were calculated using only age, service life remaining, and their replacement costs.

These risk models have been built into the Municipality's Asset Management Database (CityWide Asset Manager). See

Table 2 Lifecycle Management: Typical Lifecycle Interventions

Lifecycle Activity	Description	Cost	Typical Associated Risks
Maintenance	Activities that prevent defects or deteriorations from occurring	$	• Balancing limited resources between planned maintenance and reactive, emergency repairs and interventions; • Diminishing returns associated with excessive maintenance activities, despite added costs; • Intervention selected may not be optimal and may not extend the useful life as expected, leading to lower payoff and potential premature asset failure;
Rehabilitation/ Renewal	Activities that rectify defects or deficiencies that are already present and may be affecting asset performance	$$$$	• Useful life may not be extended as expected; • May be costlier in the long run when assessed against full reconstruction or replacement; • Loss or disruption of service, particularly for underground assets;
Replacement/ Reconstruction	Asset end-of-life activities that often involve the complete replacement of assets	$$$$$$	• Incorrect or unsafe disposal of existing asset; • Costs associated with asset retirement obligations; • Substantial exposure to high inflation and cost overruns; • Replacements may not meet capacity needs for a larger population; • Loss or disruption of service, particularly for underground assets;

Risk and Criticality section for further details on approach used to determine asset risk ratings and classifications.

Figure 39 Risk Matrix – Wastewater Network

Levels of Service

The tables that follow summarize Lakeshore's current levels of service with respect to prescribed KPIs under Ontario Regulation 588/17.

Table 29 Ontario Regulation 588/17 Community Levels of Service – Wastewater Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	Description, which may include maps, of the user groups or areas of the municipality that are connected to the municipal wastewater system.	The Municipality of Lakeshore is made up of five wastewater service areas: Belle River and Maidstone, Stoney Point, Comber, South Woodslee, and North Woodslee. On behalf of the Municipality of Lakeshore, the Ontario Clean Water Agency (OCWA) operates the wastewater treatment facilities.
Reliability	1. Description of how combined sewers in the municipal wastewater system are designed with overflow structures in place which allow overflow during storm events to prevent backups into homes. 2. Description of the frequency and volume of overflows in combined sewers in the municipal wastewater system that occur in habitable areas or beaches. 3. Description of how stormwater can get into sanitary sewers in the municipal wastewater system, causing sewage to overflow into streets or backup into homes. 4. Description of how sanitary sewers in the municipal wastewater system are designed to be resilient to avoid events described in paragraph 3. 5. Description of the effluent that is discharged from sewage treatment plants in the municipal wastewater system.	1. There are no combined sewers in Lakeshore. 2. NA 3. Broken or damaged sewer pipes/connections on public or private side, cross connections, infiltration through cracks in pump station chambers 4. Continued efforts by Lakeshore to correct I&I including smoke testing, mini-camera inspections, flood resilient communication to residents, creating a spare supply of pumps to avoid interruptions due to replacement needs, refurbishing existing pumps, etc. 5. The effluent meets or exceeds the MECP standards for discharge. The Denis St. Pierre Pollution Control Plant outlets into Lake St. Clair. North and South Woodslee treatment plant outlet into the Belle River which flows to Lake St. Clair.

Table 30 Ontario Regulation 588/17 Technical Levels of Service – Wastewater Network

Service Attribute	Qualitative Description	Current Level of Service
Scope	Percentage of properties connected to the municipal wastewater system.	66.7%
Reliability	1. The number of events per year where combined sewer flow in the municipal wastewater system exceeds system capacity compared to the total number of properties connected to the municipal wastewater system. 2. The number of connection-days per year due to wastewater backups compared to the total number of properties connected to the municipal wastewater system. 3. The number of effluent violations per year due to wastewater discharge compared to the total number of properties connected to the municipal wastewater system.	1. There are no combined sewers in Lakeshore. 2. NA 3. 1 occurrence of higher limit suspended solids at South Woodslee Package Plant

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Financial Strategy

Each year, the Municipality of Lakeshore makes important investments in its infrastructure's maintenance, renewal, rehabilitation, and replacement to ensure assets remain in a state of good repair. However, spending needs typically exceed fiscal capacity. In fact, most municipalities continue to struggle with annual infrastructure deficits. Achieving full-funding for infrastructure programs will take many years, and should be phased-in gradually to reduce burden on taxpayers.

This financial strategy is designed for the Municipality's existing asset portfolio, and is premised on two key inputs: the average annual capital requirements and the average annual funding typically available for capital purposes. The annual requirements are based on the replacement cost of assets and their serviceable life, and where available, lifecycle modeling. This figure is calculated for each individual asset, and aggregated to develop category-level values.

The annual funding typically available is determined by averaging historical capital expenditures on infrastructure, inclusive of any allocations to reserves for capital purposes. For Lakeshore, this average was based on 2020 and 2022 values; due to the extreme impact of COVID-19 on municipal operations and finance, 2021 amounts were excluded.

Only reliable and predictable sources of funding are used to benchmark funds that may be available on any given year. For the purpose of this AMP, these funding sources include:

- revenue from taxation spent on capital works;
- revenue from taxation allocated to reserves for capital purposes;
- revenue from water and wastewater rates allocated to capital reserves;
- the Canada Community Benefits Fund (CCBF), formerly the federal Gas Tax Fund; and,
- the Ontario Community Infrastructure Fund (OCIF).

Although provincial and federal infrastructure programs can change with evolving policy, CCBF, OCIF, and OMPF are considered as permanent and predictable.

Annual Capital Requirements

Table 31 outlines the total average annual capital requirements for existing assets in each asset category. Based on a replacement cost of $1.3 billion, annual capital requirements total more than $24.3 million for the five core asset categories analyzed in this document. The table also illustrates the system-generated, equivalent target reinvestment rate (TRR), calculated by dividing the annual capital requirements by the total replacement cost of each category. The cumulative target reinvestment for these five categories is estimated at 1.9%.

Table 31 Average Annual Capital Requirements

Asset Category	Replacement Cost	Annual Capital Requirements	Equivalent Target Reinvestment Rate
Road Network	$534,045,705	$14,861,377	2.8%
Bridges & Culverts	$108,903,553	$1,497,524	1.4%
Stormwater Network	$119,871,087	$1,365,319	1.1%
Water Network	$306,240,523	$3,386,853	1.1%
Wastewater Network	$216,176,431	$3,188,736	1.5%
Total	**$1,285,237,300**	**$24,299,810**	**1.9%**

Although there is no industry standard guide on optimal annual investment in infrastructure, the TRRs above provide a useful benchmark for organizations. In 2016, the Canadian Infrastructure Report Card (CIRC) produced an assessment of the health of municipal infrastructure as reported by cities and communities across Canada. The CIRC remains a joint project produced by several organizations, including the Federation of Canadian Municipalities (FCM), the Canadian Society of Civil Engineers (CSCE), the Canadian Network of Asset Managers (CNAM), and the Canadian Public Works Association (CPWA).

The 2016 version of the report card also contained recommended reinvestment rates that can also serve as benchmarks for municipalities. The CIRC suggest that, if increased, these reinvestment rates can “stop the deterioration of municipal infrastructure.” The report card contains both a range for reinvestment rates that outlines the lower and upper recommended levels, as well as current municipal averages. Table 32 provides the CIRC lower and upper reinvestment rate targets for relevant asset groups. The table shows that, on average, municipalities are well below the recommended target reinvestment rates.

Table 32 Canadian Infrastructure Report Card (CIRC) Reinvestment Rate Targets

Asset Category	Lower Target	Upper Target	Municipal Average in 2016
Road Network (inc. sidewalks)	2.0%	3.0%	1.1%
Bridges & Culverts	1.0%	1.5%	0.8%
Stormwater Network (linear)	1.0%	1.3%	0.3%
Water Network (linear)	1.0%	1.5%	0.9%
Water Network (non-linear)	1.7%	2.5%	1.1%
Wastewater Network (linear)	1.0%	1.3%	0.7%
Wastewater Network (non-linear)	1.7%	2.5%	1.4%

Current Infrastructure Funding Framework

Figure 40 shows the Municipality's own-source funding that has historically been available for infrastructure purposes for 2020, 2021, and 2022 (budget). Based only on 2020 and 2022 data, average funding available to the five categories analyzed in this AMP totals $11 million. This figure excludes development charges that may be used for growth-related infrastructure.

Figure 40 Historical Funding Available for Infrastructure Purposes: Own-source Revenues Only

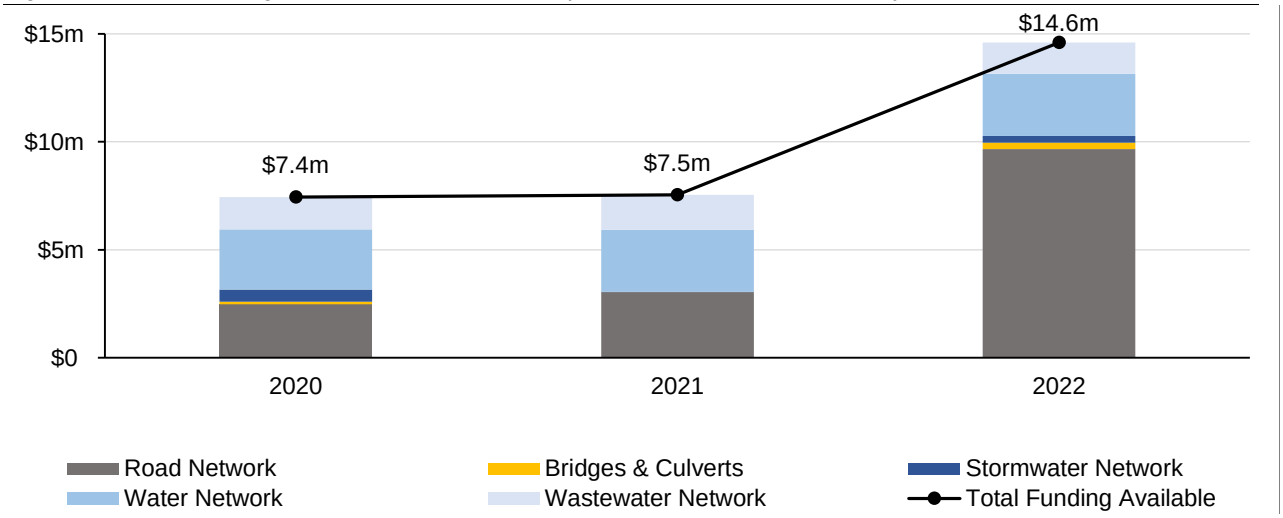


Table 33 further details how average funding is distributed across the five asset categories, and the various sources used to support spending. In addition to own-source revenue streams, namely property taxation and utility rates, the table also includes CCBF and OCIF as these sources are considered stable (2020, 2021, 2022 average). The inclusion of these funding sources increases available funding for roads by more than $4.4 million, and results in a total average annual funding of $15.5 million. We use this total funding, inclusive of OCIF and CCBF, as a baseline and to determine funding deficits.

Table 33 Allocation of Average Annual Infrastructure Funding by Asset Category

Asset Category	Primary Own-source Funding Stream	Allocated to Infrastructure	CCBF	OCIF	Average Annual Funding Available
Road Network	Property Tax	$6,067,393	$2,426,190	$2,033,906	$10,527,489
Bridges & Culverts	Property Tax	$208,425	$0	$0	$208,425
Stormwater Network	Property Tax	$438,018	$0	$0	$438,018
Water Network	Water Rates	$2,831,682	$0	$0	$2,831,682
Wastewater Network	Wastewater Rates	$1,477,102	$0	$0	$1,477,102
Total		**$11,022,619**	**$2,426,190**	**$2,033,906**	**$15,482,715**

Current Funding Levels and Infrastructure Deficits

Table 34 summarizes how current funding levels compare with funding required for each asset category. At existing levels, the Municipality is funding 64% of its annual capital requirements for all infrastructure analyzed in this asset management plan. This creates a total annual funding deficit of $8.8 million.

Table 34 Current Funding Position vs. Required Funding

Asset Category	Annual Capital Requirements	Average Annual Funding Available	Annual Infrastructure Deficit	Funding Level
Road Network	$14,861,377	$10,527,489	$4,333,888	71%
Bridges & Culverts	$1,497,524	$208,425	$1,289,099	14%
Stormwater Network	$1,365,319	$438,018	$927,302	32%
Water Network	$3,386,853	$2,831,682	$555,172	84%
Wastewater Network	$3,188,736	$1,477,102	$1,137,574	46%
Total	**$24,299,810**	**$15,482,715**	**$8,817,095**	**64%**

Table 35 compares Lakeshore's target vs. actual reinvestment rates. It shows that, while the Municipality's reinvestment rates are below target, they are higher or in line with other municipalities based on CIRC's 2016 average. The exception is bridges and culverts.

Table 35 Target vs. Actual Reinvestment Rates

Asset Category	Target Reinvestment Rate	Lakeshore Actual Reinvestment Rate	CIRC 2016 Municipal Average
Road Network	2.8%	2.0%	1.1%
Bridges & Culverts	1.4%	0.2%	0.8%
Stormwater Network	1.1%	0.4%	0.3%
Water Network	1.1%	0.9%	0.9%-1.1%
Wastewater Network	1.5%	0.7%	0.7%-1.4%
Total	**1.9%**	**1.2%**	**NA**

Closing Funding Gaps

Eliminating annual infrastructure funding shortfalls is a difficult and long-term endeavour for municipalities. Considering the Municipality's current funding position, it will require many years to reach full funding for current assets.

This section outlines how the Municipality of Lakeshore can close annual funding deficits using own-source revenue streams, i.e., property taxation and utility rates, and without the use of additional debt for existing assets. Separate analysis is provided for tax- and rate-funded assets.

Tax-Funded Assets

For 2022, the Municipality of Lakeshore's forecasted property tax revenue totals $36,448,510. Annual capital requirements for tax-funded categories total $17,724,221 against available funding of $11,173,932. This creates a funding deficit of $6,550,289. To close this annual gap, the Municipality's property tax revenue would need to increase by 18%. This will allow Lakeshore to meet its average annual requirements of $17.7 million for tax-funded categories.

Table 36 Increase Needed in Property Taxation Revenue to Meet Annual Infrastructure Needs

2022 Property Taxation Revenue	Additional Revenue Needed for Infrastructure	% Increase Needed
$36,448,510	$6,550,289	18%

To achieve this increase, several scenarios have been developed using phase-in periods ranging from five to 20 years. Shorter phase-in periods may place too high a burden on taxpayers, whereas a phase-in period beyond 20 years may see a continued deterioration of infrastructure, leading to larger backlogs.

Table 37 Phasing in Tax Increases

Total % Increase Needed in Annual Property Taxation Revenues	Phase-in Period			
	5 Years	10 Years	15 Years	20 Years
18%	3.4%	1.7%	1.1%	0.8%

Funding 100% of annual capital requirements ensures that major capital events, including replacements, are completed as required. Under this scenario, projects are unlikely to be deferred to future years. This delivers the highest asset performance and customer levels of service.

Rate-Funded Assets

For 2022, the Municipality of Lakeshore's forecasted water rate revenues total $9,269,371. Annual capital requirements for the water network total $3,386,853, against available funding of $2,831,682. This creates a funding deficit of $555,172. To close this annual gap, the Municipality's water revenues would need to increase by 6%. This will allow Lakeshore to meet its average annual requirements of $3.4 million.

Similarly, wastewater rate revenues are forecasted to be $6,751,651 in 2022. Average annual requirements for Lakeshore's wastewater assets total $3,188,736, against available funding of $1,477,102, creating an annual deficit of $1,711,635. Rate revenues would need to increase by 25.4% to close this funding gap.

Table 38 Increase Needed in Water and Wastewater Rate Revenues to Meet Annual Infrastructure Needs

Category	2022 Rate Revenues	Additional Revenue Needed for Infrastructure	% Increase Needed
Water Network	$9,269,371	$555,172	6%
Wastewater Network	$6,751,651	$1,711,635	25.4%

To achieve these increases, several scenarios have been developed using phase-in periods ranging from five to 20 years. As with tax-funded assets, short phase-in periods may require excessive rate increases, whereas more protracted timeframes may lead to larger backlogs and more unpredictable spending on emergency repairs and replacements.

Table 39 Phasing in Rate Increases

Category	Total % Increase Required in Rate Revenues	Phase-in Period			
		5 Years	10 Years	15 Years	20 Years
Water Network	6%	1.2%	0.6%	0.4%	0.3%
Wastewater Network	25.4%	4.6%	2.3%	1.5%	1.1%

Lowering Target Funding Levels

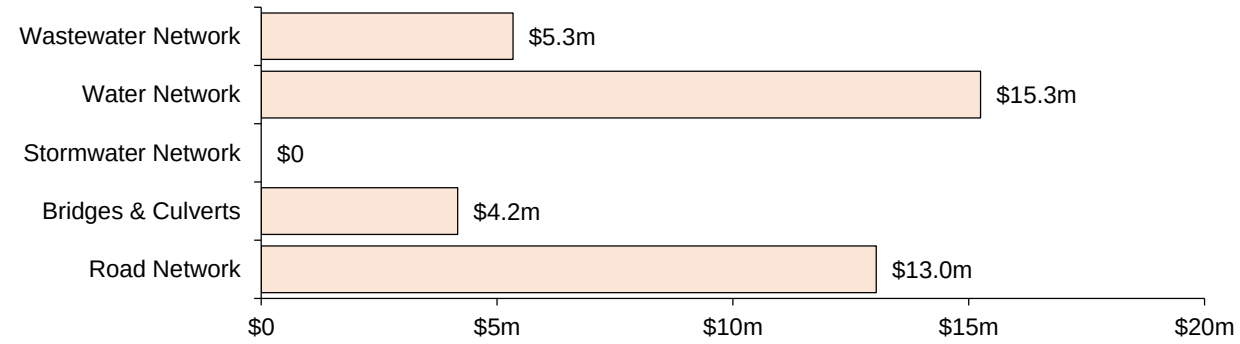
The above scenarios assume that the Municipality should target full funding for all asset classes. That is, it should strive to meet 100% of its average annual requirements of $23.7 million. If this target funding level is reduced, the total tax revenue and rate increases required would also decrease. However, this approach is not desirable as it reduces the Municipality's financial capacity to maintain its infrastructure in a state of good repair, yielding the following potential consequences:

- reduced asset performance and increased rate of asset failures; with a longer replacement cycle, assets may remain in service beyond their useful life;
- continuation of the 'worst-first' or reactive approach to infrastructure management and project selection;
- reduced customer service levels and increases in citizen complaints;
- potential reputational damage;
- increased risk to public health and safety;
- project deferrals or cancellations, leading to further accumulation of existing infrastructure backlogs.

Infrastructure Backlogs

The annual tax and rate increases proposed are designed to eliminate annual infrastructure deficits. However, they do not address existing backlogs. Figure 41 shows that the current infrastructure backlog totals approximately $37.8 million across all asset categories analyzed in this AMP. However, as many assets did not have condition assessment data available, age was used to estimate backlog figures. As a result, the figure below may be an under- or overstatement of actual asset needs. Condition assessment data will be essential in developing more accurate and credible estimates.

Figure 41 Current Infrastructure Backlog by Asset Category



Eliminating backlogs will require prioritizing projects, ideally through continuous improvements and application of the Municipality's risk models to augment staff judgement. This risk-based approach will ensure that project selection is objective, supports delivery of the Municipality's service level targets, and is in line with long-term strategic objectives.

Reserve Levels and Use of Debt

Table 40 summarizes the size of current infrastructure reserves for the five core asset categories. Across all asset categories in this AMP, infrastructure reserves total $17.5 million, or 1.4% of the total current replacement value of assets. These reserves are available for use for various infrastructure-related expenditures as needed and for potential tax stabilization.

Table 40 Infrastructure Reserve Levels

Reserve	Category	Closing Balance at December 31, 2021
Swim Drink Fish	Water Network	$19,029
Gravel Road Conversion	Road Network	$1,356,227
Street Lights - New	Road Network	$1,263,735
Roads	Road Network	$13,320,879
Railway Crossings	Road Network	$49,433
Road Share Drainage Works	Road Network	$1,310,809
Bridges and Culverts	Bridges & Culverts	-$224,091
Stormwater	Stormwater	$379,083
Total		**$17,475,104**

To put this in perspective, using $600,000 as an average home price for Windsor-Essex, the typical homeowner in Lakeshore would have approximately $8,400 on hand for major housing expenditures.

There is considerable debate in the municipal sector on the appropriate level of reserves that an organization should have on hand. No clear guideline has gained widespread acceptance. Factors that Lakeshore should consider when determining its capital reserve requirements include breadth of services provided; age and condition of infrastructure; use and level of debt; economic condition and outlook; and internal reserve and debt policies.

Impact of Gravel Road Conversion

Approximately 76km of Lakeshore's gravel roads, representing 64% of the total unpaved network, are slated for conversion to surface treated roads through 2032. This will offer higher levels of service. However, it will also increase the associated annual costs. To estimate potential changes in annual costs, we use a target reinvestment rate of 2.5%. This is the midpoint of CIRC's lower and upper target reinvestment rates for roads, as outlined in Table 32.

To estimate the current replacement cost of 76km of gravel roads, a per kilometer replacement cost of $392,200 is used. To estimate the replacement cost of the converted roads (surface treated), a per unit cost of $738,892 is used.

Table 41 Impact of Converting Gravel Roads to Surface Treated Roads

Length Converted	Current Replacement Cost	New Replacement Cost	Previous Annual Reinvestment Required (at 2.5%)	New Annual Reinvestment Required (at 2.5%)	Annual Increase $	Annual Increase %	Annual Increase per km
76km	$29,807,069	$56,079,757	$745,176	$1,401,994	$656,817	88%	$8,642

The analysis shows that converting 76km of gravel roads to surface treated roads will increase annual capital costs by approximately $657,000, representing an 88% increase in annual capital needs. As with all other areas of this document, this analysis is highly sensitive to asset replacement costs and reinvestment rates. For example, increasing annual reinvestment rate to 3% would produce an annual increase of $788,200, or a per km cost increase of $10,370.

The additional annual funding required would need to be integrated with future financial analysis and will have a direct impact on annual revenue required, and potential tax increases needed to maintain higher-order asset in a state of good repair. These cost increases should be balanced with the benefits expected from the conversions. We also note that based on staff feedback, existing surface treated roads are deteriorating faster than anticipated due to heavy industrial and commercial traffic load and volumes. For a growing community, these challenges can add additional wear and tear on roadways, requiring more frequent interventions.

Growth

Lakeshore is a rapidly growing community. Based on Census 2021, the community's current population is 40,410 residents, an increase of 10.4% from 2016. This followed a 9% increase over the previous census period, from 2011 to 2016. Based on the Municipality's 2015 Growth Analysis Study, employment base is forecasted to reach 15,180 by 2031—although, given recent population trends, the increase may be larger. To support anticipated growth and ensure service levels are adequately maintained, the Municipality will continue to invest in critical infrastructure. Table 42 summarizes 10-year growth-related capital expenditures for the core asset categories analyzed in this AMP.

Table 42 Growth-related Capital Expenditures

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Road Network	$0	$1.3m	$1.9m	$7.0m	$89k	$89k	$9.9m		$20.5m	$0
Bridges & Culverts	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Stormwater Network	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Network	$326k	$1.5m	$2.1m	$6.5m	$511k	$7.7m		$358k	$1.6m	$0
Wastewater Network	$58.1m	$235k	$5.4m	$0	$0	$5.6m	$0	$0	$0	$0
Total	**$58.4m**	**$2.9m**	**$9.4m**	**$13.5m**	**$600k**	**$13.4m**	**$9.9m**	**$358k**	**$22.1m**	**$0**

With the addition of this infrastructure, the Municipality will incur additional ongoing, lifecycle costs of ownership. Table 43 illustrates potential annual reinvestment needs to maintain new infrastructure in a state of good repair. The target reinvestment rates are based on existing infrastructure as listed in Table 31.

Table 43 Growth-related Reinvestments Required

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Road Network	$0	$39k	$58k	$218k	$3k	$3k	$306k	$0	$635k	$0
Bridges & Culverts	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Stormwater Network	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Water Network	$4k	$16k	$23k	$71k	$6k	$85k	$0	$4k	$18k	$0
Wastewater Network	$871k	$4k	$81k	$0	$0	$84k	$0	$0	$0	$0
Total	**$875k**	**$58k**	**$162k**	**$289k**	**$8k**	**$171k**	**$306k**	**$4k**	**$654k**	**$0**

Recommendations and Key Considerations

Financial Strategies

1. Review feasibility of adopting a full-funding scenario that achieve 100% of average annual requirements for the asset categories analyzed in this AMP. This involves:

- implementing a 3.4% annual tax increase over a 5-year phase-in period and allocating the full increase in revenue toward tax-funded asset categories;
- implementing a 1.2% rate increase for water over a 5-year phase-in period, and a 2.3% increase for wastewater, over a 10-year phase-in period;
- continued allocation of OCIF and CCBF funding as previously outlined in Table 33;
- using risk frameworks and staff judgement to prioritize projects, particularly to aid in elimination of existing infrastructure backlogs;

Although difficult to capture inflation costs, supply chain issues, and fluctuations in commodity prices will also influence capital expenditures. We also note that these recommendations reflect the needs associated with Lakeshore's existing assets, assume a like-for-like replacement, and do not account for any upgrades to existing infrastructure to meet higher capacity needs.

Better Asset Management Through Better Asset Data

1. Ensure stormwater inventory is complete, and includes appurtenances.
2. Componentize water and wastewater facilities data using Uniformat II Code standard for building classifications. This can be accomplished during building condition assessments. This will improve long-term replacement projections and better align system-generated forecasts with capital budgets.
3. Continuously review, refine, and calibrate lifecycle and risk profiles to better reflect actual practices and improve capital projections. In particular:
4. the timing of various lifecycle events, the triggers for treatment, anticipated impacts of each treatment, and costs;
5. the various attributes used to estimate the likelihood and consequence of asset failures, and their respective weightings.
6. Asset management planning is highly sensitive to replacement costs. Periodically update replacement costs based on recent projects, invoices, or estimates, as well as condition assessments, or any other technical reports and studies. Material and labour costs can fluctuate due to local, regional, and broader market trends, and substantially so during major world events. As a result, accurately estimating the replacement cost of like-for-like assets can be challenging. Ideally, several recent projects over multiple years should

be used. Staff judgement and historical data can help attenuate extreme and temporary fluctuations in cost estimates and keep them realistic.

7. Similar to replacement costs, an asset's established serviceable life can have dramatic impacts on all projections and analyses, including condition, long-range forecasting, and financial recommendations. Periodically reviewing and updating these values to better reflect in-field performance and staff judgement is recommended.

Risk and Levels of Service

1. Risk models and matrices can play an important role in identifying high-value assets, and developing an action plan which may include repair, rehabilitation, replacement, or further evaluation through condition assessments. As a result, project selection and the development of multi-year capital plans can become more strategic and objective. Initial models have been built into Citywide for all asset groups. These models reflect current data, which was limited. As the data evolves and new attribute information is obtained, these models should also be refined and updated.
2. Although Ontario Regulation 588/17 requires reporting on specific, prescribed KPIs for the Municipality's core assets, municipalities have discretion on the KPIs they select to track the performance of their non-core assets, such as buildings and vehicles. This information will be required for the 2024 iteration of the AMP. KPIs should be established for all non-core asset groups to support regulatory compliance. Further, as available, data on current performance should be centralized and tracked to support any calibration of service levels ahead of O. Reg's 2025 requirements on proposed levels of service.
3. Staff should monitor evolving local, regional, and environmental trends to identify factors that may shape the demand and delivery of infrastructure programs. These can include population growth, and the nature of population growth; climate change and extreme weather events; and economic conditions and the local tax base. This data can also be used to revise service level targets.

Dedicated Asset Management Resources

1. The Municipality should increase its asset management resources and capacity, beginning with a dedicated asset management coordinator (AMC). The AMC has become a much needed technical function in the municipal sector, with strong rationale. The AMC typically manages critical asset management processes, coordinates between departments, manages asset-related datasets, and ensures completion of major asset management initiatives. The scale and complexity of Lakeshore's infrastructure portfolio, which will only continue to grow, may warrant a full-time staff member who would serve as a steward of the Municipality's asset management program.

Appendix 1: Operating Costs

Operating and other program service costs are illustrated by division for 2022. Beyond 2022, they are increased at a rate of 2% per year through the forecast period. This increase may be used to support potential increases in costs as new infrastructure is built to support growth, and to account for typical inflationary increases in program services.

Table 44 Divisions and Associated Asset Categories

Division	Relevant Asset Categories
GIS	Road Network, Bridges & Culverts, Stormwater Network, Water Network, Wastewater Network
Operational Services Admin	Road Network, Bridges & Culverts, Stormwater Network, Water Network, Wastewater Network
Roads and Fleet	Road Network, Bridges & Culverts
Water	Water Network
Wastewater	Wastewater Network
Engineering and Infrastructure	Road Network, Bridges & Culverts, Stormwater Network, Water Network, Wastewater Network
Capital Projects	Road Network, Bridges & Culverts, Stormwater Network, Water Network, Wastewater Network

Table 45 Operating and Program Service Costs by Division: 2022 Budget

Division	Wages	Office Expenses	Admin Expenses	Professional Services	Program Supplies	Operating Costs	Total
GIS	$188k	$22k	$0	$0	$0	$0	$210k
Operational Services Admin	$204k	$4k	$0	$0	$0	$0	$208k
Roads and Fleet	$1.8m	$98k	$0	$586k	$620k	$2.5m	$5.6m
Water	$3.0m	$212k	$1.8m	$109k	$473k	$1.6m	$7.2m
Wastewater	$75k	$17k	$1.3m	$2.2m	$0	$1.8m	$5.4m
Engineering and Infrastructure	$650k	$79k	$0	$180k	$1k	$24k	$934k
Capital Projects	$345k	$6k	$0	$0	$0	$0	$351k
Total	**$6.3m**	**$439k**	**$3.1m**	**$3.1m**	**$1.1m**	**$6.0m**	**$19.9m**

Table 46 Operating and Program Service Costs by Division: 2022 – 2031

Division	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GIS	$214k	$219k	$223k	$227k	$232k	$237k	$241k	$246k	$251k	$214k
Operational Services Admin	$212k	$216k	$220k	$225k	$229k	$234k	$238k	$243k	$248k	$212k
Roads and Fleet	$5.8m	$5.9m	$6.0m	$6.1m	$6.2m	$6.4m	$6.5m	$6.6m	$6.7m	$5.8m
Water	$7.4m	$7.5m	$7.7m	$7.8m	$8.0m	$8.1m	$8.3m	$8.5m	$8.6m	$7.4m
Wastewater	$5.5m	$5.6m	$5.7m	$5.8m	$5.9m	$6.1m	$6.2m	$6.3m	$6.4m	$5.5m
Engineering and Infrastructure	$952k	$971k	$991k	$1.0m	$1.0m	$1.1m	$1.1m	$1.1m	$1.1m	$952k
Capital Projects	$358k	$365k	$373k	$380k	$388k	$395k	$403k	$411k	$420k	$358k
Total	**$20.3m**	**$20.8m**	**$21.2m**	**$21.6m**	**$22.0m**	**$22.5m**	**$22.9m**	**$23.4m**	**$23.8m**	**$20.3m**

Asset Management Planning at the Municipality of Lakeshore

Asset Management Plan for Core Assets

2022

Agenda

1. Background and Context
2. Today’s Focus: Asset Management Plan (AMP) 2022
3. Next Steps
4. Questions

Background and Context

- PSD and Lakeshore staff are collaborating on building a more formal and structured asset management program to support data-based decisions.
- The first phase of this engagement required completion of an AMP for Lakeshore's core assets to support compliance with Ontario Regulation 588/17. The Municipality is now in compliance with the regulation.
- The next phase will pivot to more corporate-level analysis of Lakeshore's asset management capacity, and will culminate in an asset management framework (or strategy).

Ontario Regulation 588/17

- As part of the *Infrastructure for Jobs and Prosperity Act*, *2015*, the Ontario government introduced *Regulation 588/17 - Asset Management Planning for Municipal Infrastructure* (O. Reg 588/17).
- Requires Ontario municipalities to develop an asset management policy and AMPs between 2022 and 2025 with increasing complexity.

Ontario Regulation 588/17

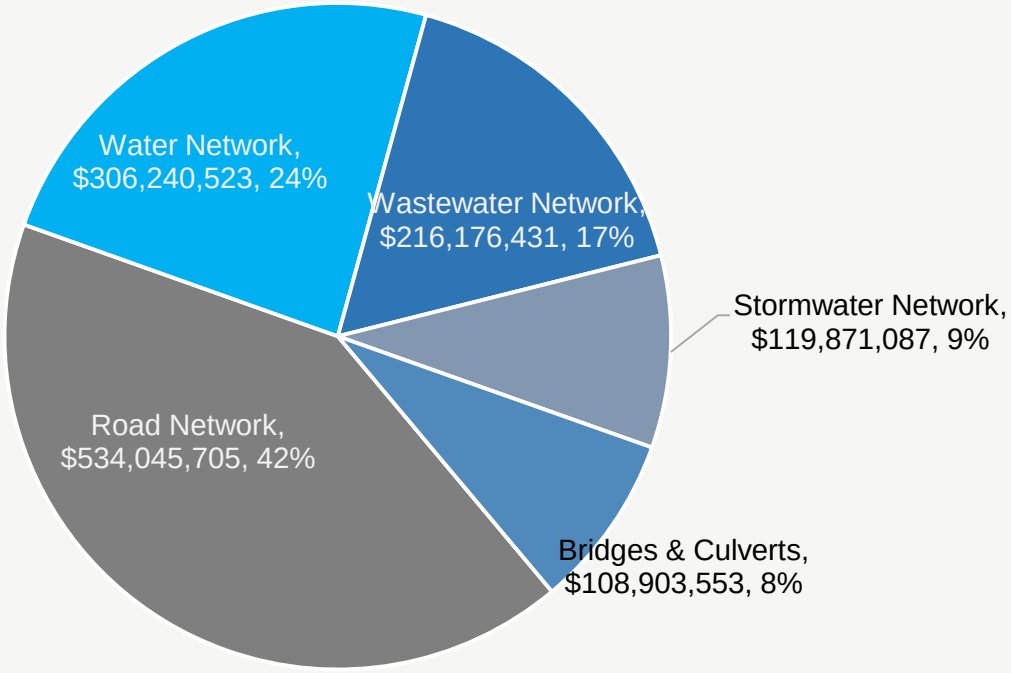
Requirement	2019	2022	2024	2025
Asset Management Policy	●		●	
Asset Management Plans		●	●	●
State of infrastructure for core assets		●		
State of infrastructure for all assets			●	●
Current levels of service for core assets		●		
Current levels of service for all assets			●	
Proposed levels of service for all assets				●
Lifecycle costs associated with current levels of service		●	●	
Lifecycle costs associated with proposed levels of service				●
Growth impacts		●	●	●
Financial strategy				●

Today's Focus: AMP 2022 for Core Assets

- Core Assets include roads, bridges & structural culverts, water distribution and treatment infrastructure, wastewater conveyance and treatment infrastructure, and stormwater management assets.
- Analysis was limited to existing infrastructure, and do not account for capacity upgrades or new assets resulting from growth-related demands.

Asset Valuation

- The current replacement cost of all core infrastructure analyzed in this AMP totaled $1.3 billion.
- Several approaches were used to establish replacement cost estimates.

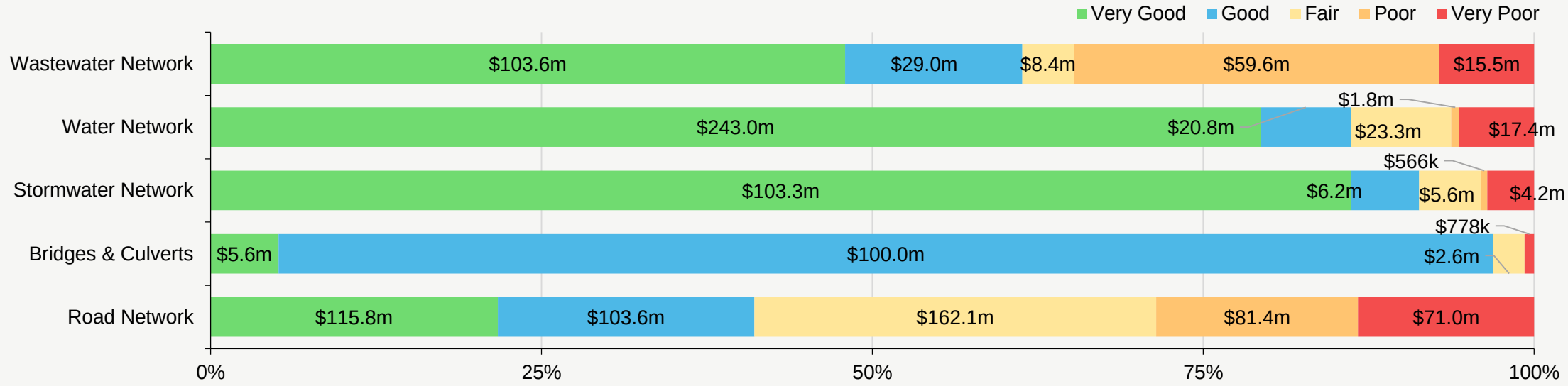


Total Current Replacement Cost

$1,285,237,300

Asset Condition

- 80% of the Municipality's infrastructure portfolio is in fair or better condition, with the remaining 20% in poor or worse condition
- Field condition data was available for only 50% of assets, based on replacement cost. For all remaining assets, age was used to approximate their condition.
- Age can provide misleading approximations of an asset's actual, physical condition.



Funding for Assets

- All assets require some reinvestment annually – either allocations to reserves for future spending or actual spending on projects in the current year
- Typically, these reinvestment levels—or "average annual capital requirements"—are substantial and much higher than most municipalities can achieve. However, they are useful benchmarks.
- Annual requirements are based on the replacement cost and serviceable life of individual assets.
- When annual funding available for infrastructure is less than the average annual requirements, it creates annual funding shortfalls, or 'infrastructure deficits'.

Funding for Assets

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- Typically, these reinvestment levels—or “average annual capital requirements”—are substantial and much higher than most municipalities can achieve. However, they are useful benchmarks.
- Annual requirements are based on the replacement cost and serviceable life of individual assets.
- When annual funding available for infrastructure is less than the average annual requirements, it creates annual funding shortfalls, or ‘infrastructure deficits’.

Funding for Assets

- On average, $24.3 million is required each year to remain current with capital replacement needs for the Municipality's existing core asset portfolio.
- Average annual funding available totals $15.5 million for core assets. As a result, the Municipality is funding 64% of its annual capital requirements. This creates a total annual funding deficit of $8.8 million.

Asset Category	Annual Capital Requirements	Average Annual Funding Available	Annual Infrastructure Deficit	Funding Level
Road Network	$14,861,377	$10,527,489	$4,333,888	71%
Bridges & Culverts	$1,497,524	$208,425	$1,289,099	14%
Stormwater Network	$1,365,319	$438,018	$927,302	32%
Water Network	$3,386,853	$2,831,682	$555,172	84%
Wastewater Network	$3,188,736	$1,477,102	$1,137,574	46%
Total	**$24,299,810**	**$15,482,715**	**$8,817,095**	**64%**

Funding for Assets

- Addressing annual infrastructure funding shortfalls is a difficult and long-term endeavour for municipalities.
- Considering the Municipality's current funding position, it will require many years to reach full funding for current assets.
- Short phase-in periods to meet these funding targets may place too high a burden on taxpayers too quickly, whereas a phase-in period beyond 20 years may see a continued deterioration of infrastructure, leading to larger backlogs.
    - To close annual deficits for tax-funded assets, we recommend the Municipality review feasibility of implementing a 3.4% annual increase in revenues over a 5-year phase-in period.
    - Similarly, water rate revenues would need to increase at 1.2% to achieve full-funding over a 5-year phase-in period. For wastewater, a 10-year phase-in is recommended, requiring a 2.3% increase in rate revenues annually to close annual funding gaps.

Building an Asset Management Program

- Although additional revenue may be necessary to support proactive asset management activities, it is one of several important instruments in building a good asset management program. Other critical steps include:
  - Building a strong data management and governance framework
  - Incorporating risk models to help prioritize investments
  - Building a deep understanding of how the Lakeshore community is evolving to determine infrastructure requirements and appropriate levels of service

Building an Asset Management Program

- Building an maintaining an asset management program is time consuming and may require additional staff. Municipalities across Ontario and Canada are increasing their staff capacity through full-time asset management coordinators and managers. The rationale is strong.
    - Even before detailed componentization, Lakeshore's current asset register contains more than 13,000 unique asset records.
    - Each asset may have, at minimum, 15 attributes or data fields—producing a total of **195,000** data points that must be maintained. However, assets can have dozens of attributes, which can substantially increase the volume of data that requires management.
    - Once major facilities and buildings are componentized, the amount of data will further multiply.

Next Steps

- Pivot to phase two of the engagement and begin developing a long-term asset management strategy or framework. The strategy will:
  - evaluate the ‘current state’ of Lakeshore’s asset management program
  - help identify business process gaps and uncover hidden problems
  - address data management and governance
  - provide a long-term path for elevating Lakeshore’s asset management maturity

Municipality of Lakeshore

Minutes of the Regular Council Meeting

Tuesday, September 13, 2022, 5:00 PM
Electronically hosted from Town Hall, 419 Notre Dame Street, Belle River

Members Present:	Mayor Tom Bain, Deputy Mayor Tracey Bailey, Councillor Steven Wilder, Councillor Len Janisse, Councillor Kelsey Santarossa, Councillor John Kerr, Councillor Kirk Walstedt, Councillor Linda McKinlay
Staff Present:	Chief Administrative Officer Truper McBride, Corporate Leader - Chief Financial Officer Justin Rousseau, Corporate Leader - Growth & Sustainability Tammie Ryall, Corporate Leader - Operations Krystal Kalbol, Corporate Leader - Strategic & Legal Affairs Kristen Newman, Division Leader - Building Morris Harding, Division Leader - Capital Projects Wayne Ormshaw, Division Leader - Civic Affairs Brianna Coughlin, Division Leader - Community Planning Aaron Hair, Division Leader - Roads, Parks & Facilities Jeff Wilson, Fire Chief Don Williamson, Planner I Ian Search, IT Technical Analyst Matthew Mancina

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1. Call to Order

Mayor Bain called the meeting to order at 5:07 PM in Council Chambers. All other members of Council participated in the meeting through video conferencing technology from remote locations.

2. Closed Session

326-09-2022
Moved By Councillor Walstedt
Seconded By Councillor Santarossa

Council move into closed session in Council Chambers at 5:07 PM in accordance with:

a. Paragraph 239(2)(e), (f) and (k) of the *Municipal Act, 2001* to discuss litigation affecting the municipality, advice that is subject to solicitor-client privilege and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf

of the municipality regarding Ontario Land Tribunal Appeal of Zoning By-law Amendment ZBA-30-2021 (2730 County Road 42).

b. Paragraph 239(2)(c) of the *Municipal Act, 2001* to discuss a proposed or pending acquisition or disposition of land by the municipality, relating to Amy Croft Drive.

Carried Unanimously

3. Return to Open Session

Council returned to open session at 6:07 PM.

4. Land Acknowledgement

5. Moment of Reflection

6. Disclosures of Pecuniary Interest

7. Recognitions

8. Public Meetings under the *Planning Act*

Mayor Bain opened the public meeting at 6:14 PM.

The Planner provided a PowerPoint presentation as overview of the application and recommendation of Administration.

There were no delegations registered to speak at the public meeting.

The public meeting concluded at 6:20 PM.

1. Zoning By-law Amendment (ZBA-11-2022) – 6405 Main Street Comber

327-09-2022
Moved By Councillor Walstedt
Seconded By Councillor McKinlay

Approve Zoning By-law Amendment Application ZBA-11-2022 (By-law 82-2022, Lakeshore By-law 2-2012), to permit a Library as an additional permitted use, and to permit a minimum of six parking spaces for a Library, at 6405 Main Street (Comber) as shown on the Appendix A – Key Map, as presented at the September 13, 2022, Council meeting.

Carried Unanimously

9. Public Presentations

10. Delegations

1. Puce Road, Major Street and Lilydale Avenue Drainage Improvements

Tony Peralta of N.J. Peralta Engineering was present electronically and provided an overview of the Drainage report.

328-09-2022
Moved By Councillor Janisse
Seconded By Councillor Walstedt

Approve the Preliminary Engineer's report for the Puce Road, Major Street and Lilydale Avenue Drainage Improvements and instruct N.J. Peralta Engineering to prepare a full Engineer's report in accordance with section 10(5) of the *Drainage Act*, as presented at the September 13, 2022 Council meeting.

Carried Unanimously

2. Integrity Commissioner - Report on Activities January 1 to June 30 2022

329-09-2022
Moved By Councillor Santarossa
Seconded By Councillor Kerr

Receive the report for information.

Carried Unanimously

11. Completion of Unfinished Business

1. Zoning By-law Amendment Application ZBA-4-2022, John Thomas and Ruth Ann Fuerth

330-09-2022
Moved By Councillor Walstedt
Seconded By Councillor Janisse

Defer Zoning By-law Amendment Application ZBA-4-2022 (Bylaw 75-2022) to remove the Holding Symbol (h6) from the subject lands (indicated on the Key Plan, Appendix A) for two years or earlier to allow a drainage outlet to be created under the *Drainage Act* to accommodate the provisional consent as presented at the September 13, 2022 Council meeting.

Carried Unanimously

10. Delegations

3. Dedication of Parkland By-law Report

Daryl Abbs of Watson & Associates Economists Ltd. was present electronically and provided a PowerPoint presentation as overview of the matter.

Mayor Bain called a recess at 8:31 PM and reconvened the meeting at 8:49 PM.

331-09-2022
Moved By Deputy Mayor Bailey
Seconded By Councillor McKinlay

Defer the new draft Parkland Dedication By-law to the next term of Council and direct Administration to prepare the necessary by-laws to renew the current Parkland Dedication By-law for the next Council meeting.

In Favour (4): Deputy Mayor Bailey, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (4): Mayor Bain, Councillor Wilder, Councillor Janisse, and Councillor Santarossa

Lost

332-09-2022
Moved By Councillor Santarossa
Seconded By Councillor Kerr

Defer the draft Parkland Dedication By-law Report to the next meeting of Council with a recommendation for a phased in approach to achieve the payment in lieu options.

In Favour (5): Deputy Mayor Bailey, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (3): Mayor Bain, Councillor Wilder, and Councillor Janisse

Carried

11. Completion of Unfinished Business

2. Giorgi Subdivision (347 Renaud Line) Zoning By-law Amendment Application ZBA-28-2021 and Draft Plan of Subdivision Public Meeting – Revised Report

333-09-2022
Moved By Councillor Santarossa
Seconded By Deputy Mayor Bailey

Approve Zoning By-law Amendment Application ZBA-28-2021 (By-law 64-2022), to Lakeshore Zoning By-law 2-2012, as amended), to rezone 347 Renaud Line Road, legally described as Part of Lot 4, Concession East of Puce River, designated as Parts 2 and 3 on Plan 12R22568, Lakeshore, subject to a Right-of-Way over Part 3 on Plan 12R22568 as in R375899, being all of the Property Identifier Number 75005-1536(LT), indicated as the "Subject Lands" on the Key Map, Appendix 1 from "Residential – Low Density (R1)(h4) Zone" to "Residential – Medium Density (R2)(h4)" zone;

Direct Administration to notify the County of Essex that the Municipality of Lakeshore supports the draft plan approval for the Giorgi Subdivision Development as described in the report "Giorgi Subdivision (347 Renaud Line) Zoning By-law Amendment Application ZBA-28-2021 and Draft Plan of Subdivision Public Meeting – Revised Report" presented at the September 13, 2022 Council Meeting; and,

Direct Administration to forward any comments from the public meeting to the County of Essex.

In Favour (7): Mayor Bain, Deputy Mayor Bailey, Councillor Janisse, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (1): Councillor Wilder

Carried

12. Consent Agenda

334-09-2022
Moved By Councillor McKinlay
Seconded By Councillor Santarossa

Support the resolution of the Town of Wasaga Beach opposing the *Strong Mayors, Building Homes Act.*

Carried Unanimously

335-09-2022
Moved By Councillor Santarossa
Seconded By Councillor McKinlay

Approve minutes of the previous meetings and receive correspondence as listed on the Consent Agenda.

1. July 6, 2022 Special Council Meeting Minutes
2. August 9, 2022 Regular Council Meeting Minutes
3. Town of Wasaga Beach - Strong Mayors, Building Homes Act
4. Municipality of Shuniah - Keira's Law

Carried Unanimously

13. Reports for Information

336-09-2022
Moved By Councillor Santarossa
Seconded By Councillor McKinlay

Receive the Reports for Information as listed on the agenda.

1. Drainage Board meeting June 29, 2022
2. Drainage Board minutes July 4, 2022
3. 2022 Quarter 2 (June 2022) Variance Report

In Favour (7): Mayor Bain, Deputy Mayor Bailey, Councillor Janisse, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (1): Councillor Wilder

Carried

14. Reports for Direction

1. Tender Award – Comber Library Renovations

337-09-2022
Moved By Councillor McKinlay
Seconded By Councillor Walstedt

Award the tender for the Comber Library Renovations to RC White Ltd in the amount of $137,121.60 including applicable HST, as presented at the September 13, 2022 Council meeting.

In Favour (7): Mayor Bain, Deputy Mayor Bailey, Councillor Wilder, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (1): Councillor Janisse

Carried

21. Consideration of By-laws

338-09-2022
Moved By Councillor Walstedt
Seconded By Councillor McKinlay

By-law 64-2022 be read and passed in open session on September 13, 2022.

In Favour (7): Mayor Bain, Deputy Mayor Bailey, Councillor Janisse, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (1): Councillor Wilder

Carried

339-09-2022
Moved By Councillor McKinlay
Seconded By Councillor Walstedt

By-law 79-2022 be read a first and second time and provisionally adopted; and

By-laws 76-2022, 77-2022, 82-2022 and 83-2022 be read and passed in open session on September 13, 2022.

Carried Unanimously

1. By-law 64-2022, Being a By-law to amend By-law 2- 2012, Zoning By-law for the Municipality of Lakeshore (ZBA-28-2021)

2. **By-law 76-2022, Being a By-law to Confirm Proceedings of Council for July 6 and July 12, 2022**

3. **By-law 77-2022, Being a By-law to Adopt a Municipal Services Corporation Asset Transfer Policy**

4. **By-law 79-2022, Being a By-law for the Bridge over the Malden Road Drain in the Municipality of Lakeshore in the County of Essex**

5. **By-law 82-2022, Being a By-law to amend By-law 2-2012, Zoning By-law for the Municipality of Lakeshore (ZBA-11-2022)**

6. **By-law 83-2022, Being a By-law to Confirm the Proceedings of the August 9, 2022 Council Meeting**

7. **By-law 81-2022, Being a by-law to provide for the dedication of parkland or the payment in lieu thereof as a condition of development or redevelopment**

340-09-2022
Moved By Councillor Wilder
Seconded By Councillor Santarossa

Extend the meeting past the 9:30 PM deadline.

In Favour (5): Mayor Bain, Deputy Mayor Bailey, Councillor Wilder, Councillor Janisse, and Councillor Santarossa

Opposed (3): Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Carried

14. Reports for Direction

2. **Sanitary Treatment Capacity Update - Comber & Stoney Point Lagoon Systems**

341-09-2022
Moved By Deputy Mayor Bailey
Seconded By Councillor McKinlay

Receive this report for information; and

Direct Administration to work with the Ministry of the Environment, Conservation and Parks and the County of Essex to find a solution to address the lack of sewage capacity as described in the report presented at the September 13, 2022 Council meeting.

Carried Unanimously

15. Announcements by Mayor

16. Reports from County Council Representatives

17. Report from Closed Session

18. Notices of Motion

1. Councillor Janisse - Bill 124

342-09-2022
Moved By Councillor Janisse
Seconded By Councillor Santarossa

Whereas Ontario is experiencing a health human resources crisis with chronic shortages of nurses and health-care professionals in hospitals, clinical settings, long-term care, home care, and all health care environments; and

Whereas Ontario has the lowest RN-to-population of any province in Canada, and would need to hire 22,000 new nurses to reach the average RN staffing ratio in Canada; and

Whereas burnout and overwork are exacerbating the underlying health human resources crisis and driving nurses and other health-care professionals to leave the sector at an unprecedented rate; and

Whereas Bill 124 unfairly suppresses the wages of nurses and health-care professionals and limits their ability to negotiate freely, and further contributes to the culture of disrespect that is contributing to the staffing crisis. Further, as Bill 124 limits wage increases to a maximum of 1% per year despite growing inflation nurses have effectively seen their wages cut during the COVID-19 pandemic.

Now Therefore Be It Resolved that the Municipality of Lakeshore calls on the Ontario government to recognize the severity of the health human resources crisis in Ontario and take urgent action to recruit and retain skilled, experienced nurses and health-care professionals; and further

That the Municipality of Lakeshore calls on the Ontario government to repeal Bill 124, legislation that suppresses the wages of nurses and health-care professionals and prevents collective bargaining to keep up with inflation; and further

That a copy of this Resolution be sent to:

- The Premier of Ontario, the Ontario Minister of Health, and the Ontario Minister of Long-Term Care
- The Leader of the Official Opposition, the Opposition Critic for Health, and the Opposition Critic for Long-Term Care
- All Members of Provincial Parliament representing constituencies in Lakeshore
- The Association of Municipalities of Ontario (AMO) requesting they share with all their member municipalities.

Carried Unanimously

2. Councillor Walstedt - Rat Abatement Service

343-09-2022
Moved By Councillor Walstedt
Seconded By Councillor McKinlay

That Council direct Administration to develop a business case to assess the value of introducing a Rat Abatement Service, to include proposed levels of service, cost and resourcing required to support delivery.

In Favour (7): Mayor Bain, Deputy Mayor Bailey, Councillor Janisse, Councillor Santarossa, Councillor Kerr, Councillor Walstedt, and Councillor McKinlay

Opposed (1): Councillor Wilder

Carried

3. Councillor Santarossa - Bill 124

Councillor Santarossa withdrew the notice of motion.

19. Question Period

22. Adjournment

344-09-2022
Moved By Councillor McKinlay
Seconded By Councillor Santarossa

Council adjourn its meeting at 10:00 PM.

Carried Unanimously

_____
Tom Bain
Mayor

_____
Kristen Newman
Clerk

September 13, 2022 **Resolution No.** 202/2022

THE CORPORATION OF THE TOWNSHIP OF MCGARRY
P.O. BOX 99
VIRGINIATOWN, ON. P0K 1X0

MOVED BY Bonita Culhane

SECONDED BY L. Caza

Whereas across municipal councils in Ontario there have been appalling instances of misogyny and hatred; and

Whereas the powers of the Office of the Integrity Commissioner do not include the ability to recommend expulsion of councillors;

Now Therefore Be It Resolved That the Council of Township of McGarry direct staff to send a letter to the Ministry of Municipal Affairs and Housing with copies being sent to the federal government, provincial government, Association of Municipalities, requesting the Ministry:

1. Study the merits of allowing the recall of municipal councillors under carefully prescribed circumstances, including displays of hatred, misogyny and all forms of discrimination; and

2. Facilitate strengthened and ongoing orientation and training sessions for Councils, local boards, and committees"

Defeated _____ / **Carried** Matt Reimer
Mayor **Mayor**

Recorded Vote **Requested by** _____

	YES	**NO**
Mayor Matt Reimer	____	____
Councillor Wendy K. Weller	____	____
Councillor Louanne Caza	____	____
Councillior Bonita Culhane	____	____
Councillor Annie Toupin-Keft	____	____

Jamie Eckenswiller, Deputy Clerk
City of Owen Sound
808 2nd Ave East
Owen Sound ON N4K 2H4

Telephone: (519) 376-4440 ext. 1235
Facsimile: (519) 371-0511
E-mail: jeckenswiller@owensound.ca
Website: www.owensound.ca

owen sound
where you *want* to live

August 25, 2022

Honourable Michael Kerzner
Solicitor General
George Drew Building 18th Floor, 25 Grosvenor St.
Toronto ON M7A 1Y6

Via Email

Dear Solicitor General:

Re: Changes to the Amber Alert System

City Council, at its meeting held on July 25, 2022, considered the above-noted matter and passed Resolution No. R-220725-010 as follows:

> **"THAT in consideration of correspondence listed as Items 5.a and 5.b on the July 25, 2022 Information Package respecting the Draven Alert, City Council directs staff to send a letter to the Ministry of the Solicitor General, Commissioner of the Ontario Provincial Police, Premier of Ontario, all Ontario municipalities, and the Association of Municipalities of Ontario (AMO) requesting that changes be made to the Amber Alert system to alert the public of missing vulnerable children who have not been abducted, but are at high risk of danger, injury, or death."**

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Jamie Eckenswiller, AMP (he/him)
Deputy Clerk
City of Owen Sound

cc. Thomas Carrique, Ontario Provincial Police Commissioner
Hon. Doug Ford, Premier of Ontario
Association of Municipalities of Ontario
All Ontario Municipalities

Municipality of Lakeshore – Report to Council

Growth & Sustainability

Community Planning

To: Mayor & Members of Council

From: Aaron Hair, MCIP, RPP, Division Leader – Community Planning

Date: August 29, 2022

Subject: River Ridge - Request for Draft Plan of Subdivision Extension, 37-T-97010

Recommendation

Direct Administration to advise the County of Essex that Lakeshore supports extending draft plan approval for the River Ridge Subdivision (File No. 37-T-97010) for a three-year period (from October 20, 2022 to October 20, 2025); with the condition that the plan of subdivision shall not permit direct access onto Oakwood Avenue, all as presented at the September 27, 2022 Regular Council Meeting.

Background

1156756 Ontario Ltd. filed an application for approval of a Plan of Subdivision in February 1998 to the Ministry of Municipal Affairs and Housing. As directed by the Ministry, the municipality held its regulatory public meeting to receive public input and forwarded the information to the Ministry to assist in its decision-making process regarding the subdivision application.

On August 20, 1999 the River Ridge Subdivision received draft plan approval by the Ministry of Municipal Affairs Housing for a three year period in order to facilitate the development of the lands located north of the Canadian Pacific Railway tracks, south of Chelsea Park, between East Puce River Road (County Road # 25) and Renaud Line Road (Attachment 1 – Key Map).

The draft plan included 1154 single detached dwellings, 176 semi-detached dwellings, a medium density block, blocks for parkland, stormwater management, commercial uses, institutional uses and future right-of-ways. Various draft amendments dated October 20, 2004, October 11, 2005, April 4, 2006 and September 24, 2010 have made changes to either the draft plan and / or draft conditions of approval.

Council subsequently gave approval for registration of Phase 1 in the River Ridge Subdivision in 2000, and since this time 7 phases have been approved. Phase 7B is in the process of being completed, which brings the developed lots to 701, to date.

The remainder of the subdivision retains the draft approval status. Draft approval lapses on October 20, 2022. The County of Essex as the approval authority has requested Council endorsement of the extension of draft approval.

Comments

This residential development will ultimately be serviced by the Denis St. Pierre Water Pollution Control Plant located on Rourke Line, and the Oakwood Sanitary Agreement allocates treatment capacity at the Plant until March 2023.

As a result of the need to expand the Denis St. Pierre Water Pollution Control Plant, and the overall size and scope of the subdivision, the developer has requested an extension to the Draft Plan Approval for the remainder of the subdivision (Attachment 2).

It is recommended that the County extend the draft approval status. Administration has reviewed the existing conditions of draft approval and have requested that a condition be added that there be no direct frontage on to Oakwood Avenue.

After draft approval has been extended, it is recommended that the County, Lakeshore and the developer review the other conditions dealing with servicing. The County may, if warranted, amend other conditions at any time prior to final approval.

To provide further details, these other servicing matters include (Attachment 3):

1) Sanitary allocation in the Oakwood trunk based on the Sanitary Sewer Trunk Agreement;
2) Increase in traffic that may have a negative impact on the neighbourhood as well as the residents. Moreover, the traffic report from 2008 did not consider the full build out east of Renaud Line and requires updating; and
3) Residential lots fronting Oakwood Avenue, including direct driveway access impacting safety (direct driveway access on a Collector Road), sanitary servicing (a secondary sanitary sewer would have to be constructed to connect the homes to the existing service on Oakwood) and storm servicing (storm sewer does not extend far enough to service lots).

Comments 1 and 2 should be addressed after draft approval has been extended. Administration will advise the County to review the conditions in cooperation with Lakeshore and the Developer. Comment 3 is to be addressed immediately, as per the Recommendation section of this report, by requesting the County to insert a condition of draft approval that there be no direct frontage on to Oakwood Avenue.

Others Consulted

The County of Essex
Dillon Consulting (on behalf of the owner, Coco Group)

Conclusion

Based on the foregoing, Administration supports the recommendation in this report, which supports the extension of draft approval, and to include a condition that there be no direct frontage on to Oakwood Avenue. Further, that Council direct Administration to forward the resolution of support to the County of Essex.

Financial Impacts

None.

Attachments:

Appendix 1: Key Map
Appendix 2: Developer Request
Appendix 3: Engineering Comments

Report Approval Details

Document Title:	River Ridge Request to Extend Draft Approval.docx
Attachments:	- Attachment 1 - Key Map.pdf - Attachment 2 - Developer Request.pdf - Attachment 3 - Engineering Comments.pdf
Final Approval Date:	Sep 22, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Aaron Hair

Submitted by Tammie Ryall

Approved by Krystal Kalbol, Justin Rousseau and Truper McBride

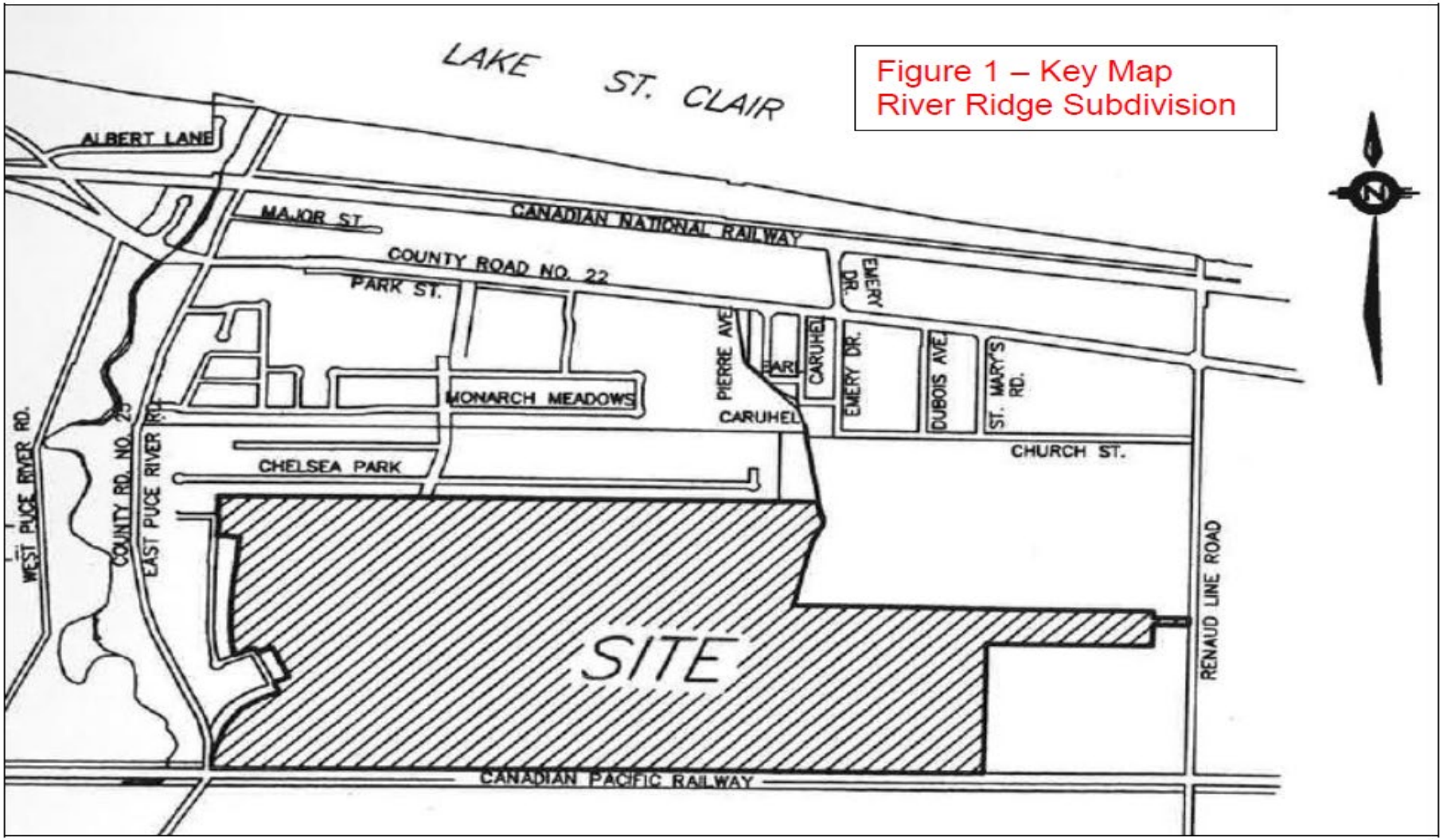

Figure 1 – Key Map
River Ridge Subdivision

DILLON
CONSULTING

3200 Deziel Drive
Suite 608
Windsor, Ontario
Canada
N8W 5K8
Telephone
519.948.5000
Fax
519.948.5054

June 2, 2022

VIA EMAIL ONLY

Municipality of Lakeshore
419 Notre Dame Street
Belle River, ON
N0R 1A0

Attention: Aaron Hair, RPP, MCIP, Planner II
Division Leader of Community Planning

Draft Plan of Subdivision Extension
River Ridge Development
37-T-97010
Municipality of Lakeshore

On behalf of our client, Coco Group, we are requesting the extension of the existing Draft Plan of Subdivision for an additional three (3) years.

As discussed, it is our opinion that the extension is required and warranted due to the following:

- Given the overall size and scope of the subdivision, it could not be built out in the 3 year planned timeline; and
- New development plans to service future phases have been delayed awaiting the availability of sanitary sewer capacity (anticipated July 2023).

We note that the Draft Plan of Subdivision approval will lapse on October 20, 2022 and request that the item appear before Council for a Council Resolution in favour of extension and County approval prior to the aforementioned date.

Should you have any questions, feel free to contact the undersigned at your convenience.

Yours sincerely,

DILLON CONSULTING LIMITED

Karl Tanner, MCIP, RPP
Partner
KDT:jrb

Our File: 21-1668

Encl.
cc: Jenny Coco, MBA – Coco Group
Rebecca Belanger – County of Essex

Date: September 19, 2022

From: Sydnee Rivest, CET, Engineering Technologist - Development

To: Aaron Hair, RPP, Division Leader - Community Planning

Re: 37-T-97010 – Request for Draft Plan of Subdivision Extension, Municipality of Lakeshore

1156756 Ontario Limited has requested an extension of the draft plan approval for River Ridge Subdivision until September 2025 (3-year extension). Engineering & Infrastructure Division is in support of the extension with an understanding that the conditions of the draft plan approval be reviewed and modified as required. Based on a review of the existing conditions of the draft plan approval, Engineering & Infrastructure Division offers the following:

Sanitary Allocation

Based on the request for the extension of the draft plan approval, the Sanitary Sewer Trunk Agreement was reviewed to confirm sanitary capacity reservation for these lands. The agreement confirms that the Oakwood Trunk Sanitary Sewer was designed to include the reservation of sanitary treatment/conveyance capacity for the River Ridge lands for 1157 units. Currently, there are 667 units serviced and constructed.

The existing draft plan approval currently conflicts with this agreement as it includes: 1154 single detached dwellings, 176 semi-detached dwellings; a medium density block, blocks for parkland, stormwater management, commercial uses, institutional uses, and future rights-of-ways.

Although there is capacity currently within the Oakwood trunk sewer to continue to accommodate the 1157 units. The extension of the River Ridge draft plan approval raises a significant capacity concern in that the request for the additional development outlined in the draft plan approval exceeds the allocation reflected in the Agreement.

The effect of the River Ridge Subdivision continuing to develop at a higher density than was planned for when the Oakwood trunk sewer was designed and the agreement was entered into (2003) is that we can anticipate an eventual lack of sanitary capacity within this area, such that at some time (before all lands are fully developed), further development may have to await the installation of additional sanitary capacity through

either upgrades to the Oakwood trunk sewer and/or the installation of a further sanitary line.

For this reason, the Developer may consider modification of the draft plan approval to align with the allocated sanitary capacity as identified in the Sanitary Sewer Trunk Agreement.

Stormwater

The Stormwater Management Report for the River Ridge Subdivision was completed and approved in 2005. Engineering & Infrastructure Division is aligned with the County of Essex's recommendation that if 1156756 Ontario Limited comes forward with any density modifications to the River Ridge Subdivision, the Stormwater Management Report will need to be updated.

Frontage on Oakwood Avenue

We have reviewed the Puce Secondary Plan Transportation Study (completed January 2006) and have outlined our comments related to allowing direct driveway access onto Oakwood Avenue from Renaud Line to St. Anne's Drive.

The intent of the Puce Secondary Transportation Study was to assist in providing guidance for development of the Emeryville Secondary Plan from a transportation perspective. It is understood that the Secondary Plan was never adopted, however the findings of the transportation study were reviewed and approved by Engineering & Infrastructure at the time and are used as a tool for development of these lands.

Section 7 on page 8 & 9 in the above-noted study states:

"It should be noted that lots fronting on Oakwood Avenue are not being proposed. Currently, a parcel of undeveloped land directly north of Oakwood Avenue is shown on the proposed plan east of the Fourth Concession Drain. It is our understanding that this parcel of land will be developed with frontage on the local road network to the north. We support this planning concept as it is anticipated that the traffic volumes on Oakwood Drive may result in private driveway access issues and ongoing resident complaints for the Town"

Engineering & Infrastructure Division's stance on direct driveway access remains consistent with the Puce Secondary Plan Transportation Study.

Transportation Study & Traffic Counts

Outstanding items in the Puce Secondary Plan Transportation Study exist that have not been addressed to date through development of the lands are further noted below for future phases:

Relative traffic counts in the IBI report (from 2006) did not consider full build out east of Renaud Line and its impact on AADT east-west on Oakwood, therefore, potentially understating the volumes of traffic along this portion of Oakwood Avenue. This needs to be updated to reflect current traffic volumes and it is recommended that the study be updated. It is not anticipated that based on updated traffic volumes related to this area the comments related to access on Oakwood Avenue will change

The report identifies the need for pedestrian crossings on Oakwood Avenue to facilitate active transportation to and from the existing schools. Permanent pedestrian crossing locations have not been formalized and implemented.

Conditions

If the Developer does not choose to modify the draft plan approval indicated in the "Sanitary Allocation" section of the memo, the following conditions need to be applied:

1. Any requests for additional units beyond 1157 does not have capacity in the existing Oakwood Trunk system. Further development will require additional servicing and/or upgrading of the existing sanitary system.
2. That prior to final approval of each subsequent phase, the Municipality shall confirm that sewage treatment & conveyance capacity and water supply capacity is available for all lots in the proposed development.
3. Reassess the stormwater management report to address the changes in density that have been or will be made throughout the River Ridge development to comply with 2018 Windsor-Essex Region Stormwater Management Standards Manual.
4. There shall be no direct driveway access onto Oakwood Avenue.
5. An updated traffic report is required to be completed that incorporates the outstanding conditions of the existing traffic report that have not been implemented to date.

If you have any questions or require additional information, please contact the undersigned.

Sydnee Rivest

Sydnee Rivest, CET

Engineering Technologist - Development

Approved by Krystal Kalbol, P.Eng, Corporate Leader - Operations

Municipality of Lakeshore – Report to Council

Strategic & Legal Affairs

Civic Affairs

To:	Mayor & Members of Council
From:	Brianna Coughlin, Division Leader – Civic Affairs
Date:	September 6, 2022
Subject:	2023 Council Meeting Schedule

Recommendation

Approve the 2023 schedule of Regular Council Meetings, as described in the report presented at the September 27, 2022 Council meeting.

Background

Section 3.2(b) of the Procedural By-law requires the Clerk to present a list of dates for all Regular Council Meetings in the subsequent year for Council's approval. This section also states that meetings shall be held the second and fourth Tuesday of every month throughout the year, with the exception of July and August.

Section 3.2(c) states that in the event that the day designated for holding a Regular Council meeting falls on a public or civic holiday, or on a day when the Town Hall is closed for business, Council shall meet at the designated hour on the first day following which is not a public or civic holiday or another Council meeting is scheduled.

In 2020, Council approved the recommendation by Administration that should a meeting fall on or directly following a holiday, it be moved to an alternate week. This allows sufficient time for delegates to register as per Section 7.11(a) of the Procedural By-law, as well as allowing greater efficiency in meeting preparations. Where possible, Administration has pursued the same for the 2023 schedule.

Comments

A proposed schedule of meetings for 2023 is attached as Appendix A.

One meeting has been scheduled for the summer months of July and August as permitted by the Procedural By-law. One meeting has also been scheduled for the month of December in accordance with past practice.

The 2023 Budget deliberations have been scheduled for two days in January 2023 and these meetings have been included on the calendar. The 2024 Budget deliberations have been scheduled for November 27-29, 2023.

Administration has included five conferences on the calendar as per past practice and scheduled around those conferences accordingly. However, it should be noted that the location or dates of these conferences are subject to change due to the COVID-19 pandemic.

March Break for local schools has been added to the calendar, as Council members or Administration may be away or have additional child care needs during that time.

Due to holidays or the above-noted restrictions, the months of January, March, April, May and November contain meetings that are not on the second and fourth Tuesdays of the month. The meetings have been spaced to ensure there are not consecutive weekly meetings, with the exception of a regular Council meeting and the 2024 Budget deliberations at the end of November.

It is noted that the County of Essex meetings dates have not been included, as these dates have not been finalized. However, these meetings are typically scheduled for Wednesday evenings and do not interfere with any dates identified on the proposed scheduled for Lakeshore meetings.

Financial Impacts

Estimated expenses for the proposed Council meetings have been included in the 2023 Budget.

Attachments

Appendix A – 2023 Council Meeting calendar

Report Approval Details

Document Title:	2023 Council Meeting Schedule.docx
Attachments:	- 2023 Council Meeting calendar.pdf
Final Approval Date:	Sep 20, 2022

This report and all of its attachments were approved and signed as outlined below:

Prepared by Brianna Coughlin

Submitted by Kristen Newman

Approved by Justin Rousseau and Truper McBride

2023 Council Meeting Schedule

January

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August

Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Regular Meeting Dates
Council Meetings

Special Dates
Office Closed
2023 Budget Meetings
2024 Budget Meetings
March Break for schools

Conferences
ROMA – January 22 – 24
OGRA – April 16 – 19
OSUM – May 3 – 5
FCM – May 25 – 28
AMO – August 20 – 23

Notice of Motion submitted by Councillor McKinlay regarding Greenhouses

Whereas the Municipality of Lakeshore has received a study related to Greenhouses prepared by Storey Samways Planning Ltd. (SSPL);

and Whereas the Municipality of Lakeshore has consulted with the residents of Lakeshore;

and Whereas residents by large majority have expressed opposition to Greenhouses in Lakeshore;

and Whereas the Municipality of Lakeshore has inadequate infrastructure, related to traffic and water, to accommodate the Greenhouse Industry.

and Whereas the Municipality of Lakeshore has insufficient resources to accommodate and enforce regulatory compliance required;

and Whereas the Municipality of Lakeshore lacks the frontline expertise to assess the potential impacts of Greenhouses on the environment

and Whereas the Greenhouse Industry contributes to light and air pollution seriously impacting our environmental footprint

and Whereas the Municipality of Lakeshore has no mechanism to change the Provincial legislation and reclassify Commercial green housing to industrial use;

Therefore, be it resolved that the Municipality of Lakeshore opposes large commercial Greenhouses in rural areas;

And be it further resolved that the Municipality requests that large commercial greenhouses are reclassified as industrial use.

Municipality of Lakeshore

By-law 88-2022

Being a By-law to Confirm the Proceedings of the Council of the Municipality of Lakeshore

Whereas in accordance with the *Municipal Act 2001*, S.O. 2001, c. 25, municipalities are given powers and duties in accordance with this Act and many other Acts for purposes which include providing the services and other things that a municipality considers are necessary or desirable for the municipality;

And whereas in accordance with said Act, the powers of a municipality shall be exercised by its Council;

And whereas municipal powers, including a municipality's capacity, rights, powers and privileges shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

And whereas it is deemed expedient that the proceedings of the Council of the Municipality of Lakeshore at these sessions be confirmed and adopted by By-law.

Now therefore the Council of the Municipality of Lakeshore enacts as follows:

1. The actions of the Council of the Municipality of Lakeshore in respect of all recommendations in reports of Committees, all motions and resolutions and all other actions passed and taken by the Council of the Municipality of Lakeshore, documents and transactions entered into during the September 13, 2022 session of Council be adopted and confirmed as if the same were expressly embodied in this By-law.

2. The Mayor or the Deputy Mayor together with the Clerk are authorized and directed to execute all documents necessary to the action taken by this Council as described in paragraph 1 of this By-law and to affix the Seal of the Municipality of Lakeshore to all documents referred to in said paragraph 1 above.

Read and passed in an open session on September 27, 2022.

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Mayor
Tom Bain

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Kristen Newman
Clerk

Municipality of Lakeshore

By-law 89-2022

Being a By-law to Provide for the Dedication of Parkland or the Payment of Cash in Lieu Thereof as a Condition of Development or Redevelopment

Whereas section 42 of the *Planning Act* provides that, as a condition of the development or redevelopment of land, the council of a local municipality may, by bylaw, require that land in an amount not exceeding, in the case of land proposed for Development or Redevelopment for Commercial or Industrial purposes 2 per cent, and in all other cases 5 per cent, be conveyed to the municipality for park or other public recreational purposes;

And whereas section 51.1 of the *Planning Act* provides that an approval authority may impose, as a condition of the approval of a plan of subdivision, that land be conveyed to the local municipality for park or other public recreational purposes, such land not to exceed, in the case of a subdivision proposed for Commercial or Industrial purposes 2 per cent, and in all other cases 5 per cent;

And whereas section 53 of the *Planning Act* provides that section 51.1 of the *Planning Act* also applies to the granting of consents;

And whereas in the case of land proposed for Development or Redevelopment for residential purposes, a municipality may require that such land be conveyed at the rate of up to one hectare for each 300 Dwelling Units, provided that the municipality has specific policies dealing with the provision of lands for park or other public recreational purposes, and the use of this alternative requirement is included within its Official Plan;

And whereas the Municipality of Lakeshore has such specific policies dealing with the provision land to be conveyed at the rate of up to one hectare for each 300 Dwelling Units;

And whereas the Council of the Municipality of Lakeshore wishes to use the provisions of the Planning Act for the purposes of acquiring and providing parkland for the use and enjoyment of the residents of the Municipality of Lakeshore;

Now therefore the Council of the Municipality of Lakeshore hereby enacts as follows:

Definitions

1. In this by- law:

a) "Agricultural Uses" has the same meaning as in Lakeshore’s Comprehensive Zoning By- law.

b) “Board of Education” has the same meaning as " board", as defined in the *Education Act*, R. S.O. 1990, c. E.2;

c) “CIL” means cash- in- lieu of parkland otherwise required to be conveyed;

d) “Commercial” means the use of land, buildings, or structures for a use which is not industrial, and which are used in connection with:

   i. the selling of commodities to the general public; or
   ii. the supply of services to the general public; or
   iii. office or administrative facilities.

e) “Council” means the Council for the Municipality of Lakeshore;

f) “Development” means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of substantially increasing the size or usability thereof;

g) “Dwelling Unit” means one or more habitable rooms each of which is accessible from the others and which function as an independent and separate housekeeping unit in which separate kitchen and sanitary facilities are provided for the use of the occupants, with a private entrance from outside the building or from a common hallway or stairway inside the building;

h) “Gross Floor Area” has the same meaning as in Lakeshore’s Development Charges By-law;

i) “Industrial” means the use of land, buildings, or structures in connection with:

   i. manufacturing, producing, or processing of raw goods;
   ii. warehousing or bulk storage of goods;
   iii. a distribution centre;
   iv. a truck terminal; or
   v. research or development in connection with manufacturing, producing or processing of raw goods;

and includes office uses and the sale of commodities to the general public where such office or retail uses are ancillary to an industrial use, but does not include a building used exclusively for office or administrative purposes unless it is attached to an industrial building or structure as defined above, and does not include a retail warehouse;

j) “Institutional” means the use of land, buildings, or structures for hospitals, correctional institutions and associated facilities, municipal facilities, elementary and secondary schools, colleges, universities, places of worship and ancillary uses, military and cultural buildings, daycare centres, residential care facilities for more than ten persons and long term care centres;

k) “Lakeshore” means the Municipality of Lakeshore;

l) “Mixed Use” means the physical integration of two or more of the following uses within a building or structure or separate buildings or structures on the lands proposed for Development or Redevelopment: Commercial; Industrial; Institutional; Residential; or any other use not noted herein;

m) “Net Area of the Lands” means the total area of the lands being Developed or Redeveloped, less the area of any lands to be conveyed gratuitously to Lakeshore, the County of Essex, the Essex Region Conservation Authority or the Lower Thames Region Conservation Authority, pursuant to an approval or provisional consent issued in accordance with the Planning Act, in support of natural heritage systems, including but not limited to wetlands, valley and watercourse corridors, tableland woodlands and other environmentally sensitive lands as determined by Lakeshore;

n) “Official Plan” means the Lakeshore Official Plan;

o) “Planning Act” means the *Planning Act*, R.S.O. 1990, c.P.13;

p) “Redevelopment” means the removal of a building or structure from land and the further Development of the land or, the expansion or renovation of a building or structure which results in a change in the character or density of the use in connection therewith;

q) “Residential” means the use of land, buildings, or structures for human habitation;

r) “Rural Area” means those areas designated as not being within a settlement area by the Official Plan;

s) “Temporary Building or Structure” means a building or structure constructed or erected or placed on land for a continuous period not exceeding eight (8) months, or an addition or alteration to a building or structure that has the effect of increasing the total floor area thereof for a continuous period not exceeding eight (8) months;

t) “Urban Area” means those areas designated as being within a settlement area by the Official Plan;

Conveyance of Land for Park Purposes

2. As a condition of Development or Redevelopment of land pursuant to the *Planning Act*, Lakeshore shall require the conveyance of land for park purposes as follows:

a) In the case of lands proposed for Residential uses, at a rate of five per cent (5%) of the land being Developed or Redeveloped, or one (1) hectare for each three hundred (300) Dwelling Units proposed, whichever is greater;

b) In the case of lands proposed for Commercial, Industrial or Institutional uses, land in the amount of two per cent (2%) of the land to be Developed or Redeveloped;

c) In the case of lands proposed for Development or Redevelopment for a use other than those referred to in subsections 2(a) and 2(b) of this bylaw, land in the amount of five per cent (5%) of the land to be Developed or Redeveloped;

d) In the case of a Mixed Use Development or Redevelopment, land in the aggregate, calculated as follows:

i. the Residential component, if any as determined by Lakeshore, of the lands being Developed or Redeveloped, shall require the conveyance of land as determined in accordance with subsection 2(a) of this bylaw; plus
ii. the Commercial, Industrial, or Institutional component of the lands being Developed or Redeveloped, if any as determined by Lakeshore, shall require the conveyance of land as determined in accordance with subsection 2(b) of this by -law; plus
iii. the component of the lands proposed for any use other than Residential, Commercial, Industrial or Institutional, if any as determined by Lakeshore, shall require the conveyance of land as determined in accordance with subsection 2(c) of this by -law.

Location of Conveyance and Condition of Title

3. The location and configuration of land required to be conveyed pursuant to this by-law shall be as determined by Lakeshore and all such lands shall be free of all encumbrances, including but not limited to such easements which Lakeshore, in its sole and absolute discretion, is not prepared to accept and shall be free of any contamination, including but not limited to any toxic, noxious or dangerous contaminants, and shall otherwise be in a condition satisfactory to Lakeshore.

4. The conveyance of any valleyland or watercourse corridors, woodlands, natural heritage system lands and associated buffers, easements, vista blocks and storm water management ponds, as defined in the Official Plan or any secondary plan adopted under the Official Plan, shall not be considered a conveyance of land for park purposes pursuant to the requirements of section 2 of this by-law.

Timing of Conveyance

5. Where land is required to be conveyed in accordance with section 2 of this by-law, the lands shall be conveyed as follows:

a) In the case of Development or Redevelopment to be approved pursuant to sections 51.1 or 53 of the *Planning Act*, the conveyance of land may be required as a condition of approval, and said lands shall be conveyed to Lakeshore either prior to or immediately upon registration of the plan of subdivision or upon the consent being given, as determined by Lakeshore;

b) In the case of Development or Redevelopment where land has not been conveyed or has not been required pursuant to sections 51.1 or 53 of the *Planning Act*, Lakeshore shall require the conveyance of land as a condition of Development or Redevelopment prior to the building permit issuance in accordance with section 42 of the *Planning Act.*

Cash-in-Lieu of Parkland

6. In lieu of requiring the conveyances referred to in section 2 of this by-law, Lakeshore may require the payment of cash to the value of the lands otherwise required to be conveyed, calculated in accordance with the following:

a) Where the payment of CIL has been required as a condition of an approval or consent pursuant to sections 51.1 of 53 of the *Planning Act*, CIL shall be calculated as follows:
   i. Residential uses in an Urban Area - $1,200 per lot;
   ii. Residential uses in a Rural Area - $600 per lot;
   iii. Agricultural uses (ed farm split) - $600 per lot.

b) For Residential Development or Redevelopment CIL shall be calculated as follows:

   i. Residential uses in an Urban Area - $1,200 per lot; and
   ii. Residential uses in a Rural Area - $600 per lot.

Timing of CIL Payment

7. CIL shall be paid as follows:

a) For Development or Redevelopment where the payment of CIL is required as a condition of an approval or consent pursuant to either sections 51.1 of 53 of the *Planning Act*, CIL shall be paid prior to registration of the plan of subdivision or prior to the consent being given, as the case may be;

b) For Development or Redevelopment where the payment of CIL is not required pursuant to sections 51.1 or 53 of the *Planning Act*, CIL shall be paid on a per lot basis prior to the issuance of a building permit for such lot in respect of the Development or Redevelopment in accordance with section 42 of the *Planning Act*.

Credits for Previous Conveyances

8. Notwithstanding sections 2 and 6 of this by-law, if land has been conveyed or is required to be conveyed to Lakeshore for park or other public recreational purposes or CIL has been received by Lakeshore or is owing to it pursuant to a condition imposed pursuant to sections 42, 51.1 or 53 of the Planning Act, no additional conveyance or payment in respect of the lands subject to the earlier conveyance or payment will be required by Lakeshore in respect of subsequent Development or Redevelopment unless:

a) There is a change in the proposed Development or Redevelopment which would increase the density of the development; or

b) Land originally proposed for Development or Redevelopment for Commercial, Industrial, or Institutional uses is now proposed for Development or Redevelopment for other uses.

9. Where there is a claim for previous conveyance or CIL payment, it is the applicant's/owner's responsibility to provide suitable evidence of such previous conveyance or CIL payment, to Lakeshore's satisfaction.

10. Land or CIL required to be conveyed or paid to Lakeshore for park or other public recreational purposes pursuant to sections 2 or 6 of this by-law shall be reduced by the amount of land or CIL previously received by Lakeshore pursuant to sections 42, 51.1 or 53 of the Planning Act in respect of the lands being Developed or Redeveloped.

Limits of the Lands to be Developed or Redeveloped

11. For the purposes of calculating the land conveyance or CIL requirements of sections 2 or 6 of this by-law, the following shall be used as the area of the lands being Developed or Redeveloped:

a) For Development or Redevelopment of land which does not occur pursuant to section 51 or 53 of the *Planning Act*, the Net Area of the Lands denoted within the plan or drawings;

b) For Development or Redevelopment of land which occurs pursuant to section 51 of the *Planning* Act, and for which the conveyance of land or the payment of CIL is required as a condition of approval, the Net Area of the Lands denoted within the approved draft plan of subdivision;

c) For Development or Redevelopment of land which occurs pursuant to section 53 of the *Planning* Act, and for which the conveyance of land or the payment of CIL is required as a condition of approval, the Net Area of the Lands to be severed pursuant to the consent;

d) In all other cases, the area of the lands to be Developed or Redeveloped shall be determined by Lakeshore in accordance with the *Planning Act*, and the Net Area of the Lands as determined by Lakeshore shall be used for the purposes of calculating land conveyance or CIL requirements pursuant to sections 2 or 6 of this by-law.

Phased Development

12. Notwithstanding sections 5 and 7 of this by-law, for Development or Redevelopment for which approvals are issued in phases, Lakeshore shall calculate and require the conveyance of land for park purposes or the payment of CIL, in accordance with the provisions of sections 2 and 6 of this by-law, on a phase by phase basis.

Parkland Conveyance Agreements

13. Nothing in this by-law shall limit Lakeshore's ability to enter into a parkland conveyance agreement with one or more landowners for the purposes of assembling parkland. Parkland conveyance agreements entered into by Lakeshore shall include provisions for the conveyance of land for park purposes or CIL, the calculation of which shall be as provided in this by-law.

Exemptions

14. This by-law shall not apply to any of the following:

a) Development or Redevelopment of land, buildings or structures owned by and used for the purposes of Lakeshore;

b) Development or Redevelopment of land, buildings or structures owned by and used for the purposes of a Board of Education;

c) The replacement of any building that is a direct result of destruction due to accidental fire or other accidental cause provided that no intensification or change of use is proposed, including but not limited to an increase in total Dwelling Unit count or Gross Floor Area;

d) The enlargement of an existing Dwelling Unit provided that the enlargement does not result in additional Dwelling Units;

e) The enlargement of an existing Commercial, Industrial, or Institutional building or structure if the Gross Floor Area is enlarged by 50% or less. The area of the existing building or structure shall be calculated by reference to the first building permit which was issued in respect of the building or structure for which the exemption is sought;

f) A Temporary Building or Structure; or

g) Where the total CIL payable for Development or Redevelopment is less than $100.

General

15. If a court of competent jurisdiction should declare any section or part of a section of this by-law to be invalid, such section or part of a section shall not be construed as having persuaded or influenced Council to pass the remainder of the by-law and it is hereby declared that the remainder of the by-law shall be valid and shall remain in force.

16. The headings in this by-law are for convenience only and do not form part of this by-law.

17. This by-law shall be referred to as the “Parkland Dedication By-law”.

18. By-law 42-2014 and any amendments to the by-law are repealed. Policies made prior the adoption of By-law 42-2014 respecting conveyance of land for park purposes and payment in lieu of conveyance of land for park purposes are rescinded.

19. This By-law comes into force upon passage.

Read and passed in open session on September 27, 2022.

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Mayor

Tom Bain

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Clerk
Kristen Newman