

DC Task Force Issue Tracker

Item #7 - Alignment of Growth-Related Capital Costs and Revenue

Context:

The City's Growth Management Strategy (GMS) provides for the allocation of Designated Growth Areas and staging of growth in Lindsay. The GMS sets out where and how growth will be directed to a horizon year of 2051.

The City has also completed a Water and Wastewater Servicing and Capacity Master Plan, Transportation Master Plan Update to support growth areas identified in the GMS in Lindsay.

The updated DC calculation addresses funding for the infrastructure works and funding and recommends the DC rate to generate revenue for recovery of costs.

Issue:

Figure 8-9 of the GMS has forecasted that the land area needed in Lindsay to support residential and employment growth to 2051 is 235 Ha.

The Province has approved MZOs for 565 Ha in Lindsay for residential development.

As a result of the requirement to include the MZO lands within the Designated Growth Areas in Lindsay, there is a surplus of land equating to 329 Ha.

The Water and Wastewater Servicing and Capacity Master Plan and Transportation Master Plan Update have identified works required to support the development within the Designated Growth Areas, including the surplus lands. Given that services are planned to support areas for growth beyond the 2051 horizon, and, full build-out of the Designated Growth Areas may not be needed will not be within that timeframe, and therefore expected DC revenue to support the payment of those services required for development of those lands may not be realized until after 2051:

1. Will there be a gap in DC revenue timing relative to the projected population growth and development timing outlined in the GMS,
2. If there is, how will the City support the funding of those services?
3. Is the funding of services that benefit lands beyond the 2051 horizon being unfairly apportioned to lands that are otherwise within the 2051 growth horizon?

Research Findings:

Under the Province's 2024 Provincial Planning Statement, municipalities create or update an Official Plan, they must provide land to accommodate forecasted needs over a time horizon of at least 20 years but no more than 30 years, guided by provincial projections. The City's GMS appears to conform with this requirement.

The 2024 PPS also states that planning for infrastructure, public service facilities, strategic growth areas, and employment lands may extend **beyond** this 20–30-year horizon.

The PPS also states that planning for infrastructure and services shall be coordinated and integrated with land use planning and growth management so that they:

- a) Are financially viable over their life cycle
- b) Leverage capacity of development proposals, where appropriate, and
- c) Are available to meet current and projected needs.

It is generally accepted that planning for infrastructure and services for assets that are deemed service multiple generations, such as major transit and water/wastewater systems is prudent given the level of effort required to get such facilities built. In the City's case, major water and wastewater treatment plants should be designed to suit geographic service areas, not "arbitrary" population counts

The 2024 PPS also states that public service facilities, should be planned and co-located with one another, along with parks and open space where appropriate, to promote cost effectiveness and facilitate design integration etc. In the City's case, opportunities to co-locate police, fire and EMS, headquarters should be reviewed.

The City has funded municipal works previously and utilized Section 391 of the Municipal Act to recover costs. The costs/benefit of utilizing this tool, and any other funding tools, should be explored.

Proposed Recommendations:

1. The draft DC calculations provided by Watson on June 23, 2025, loads the payment of the full cost of infrastructure and services to support the Designated Growth Areas in Lindsay for payment within a 2051 horizon. Given that the GMS identifies that a portion of the Designated Growth Areas in Lindsay is surplus beyond, staff should review if the proposed financial framework to service those lands is fair and appropriate.
2. That staff comment on the findings of the current Treasurers Statement regarding existing DC reserve funds and how current surpluses and deficits will be utilized/funded to support new capital projects.
3. Staff to report on any other financial tools and mechanisms to fund the capital costs identified in the Watson analysis as part of the public and Council's review of the upcoming DC Background Study, so that the full suite of funding sources for future capital works can be reviewed and understood. As part of that review,

staff to prepare, for Council approval, a Capital Plan that shows how the implementation of the works identified in the Capital Needs forecast will be funded. The Capital Plan should be updated on an annual basis together with the Treasurers DC Reserve Fund Report.

4. Staff and Council should review the viability of consolidating police, fire and EMS headquarters to take advantage of potential cost efficiencies in land and building design and construction.