



# Staff Report

## Planning & Development Services

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**Report To:** COW-Operations\_Planning\_and\_Development\_Services  
**Meeting Date:** August 27, 2024  
**Report Number:** PDS.24.081  
**Title:** Allocation Policy – Follow-Up to the May 14th Public Meeting  
**Prepared by:** Adam Smith, Director of Planning & Development Services

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### A. Recommendations

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THAT Council receive Staff Report PDS.24.081, entitled “Allocation Policy – Follow-Up to the May 14<sup>th</sup> Public Meeting”;

AND THAT Council enact a by-law implementing a Water and Sewage Allocation Policy for the purpose of allocating water and wastewater services to new developments;

AND THAT Council approve the transitional provisions for the purpose of implementing the Water and Sewage Allocation Policy in a fair and transparent manner;

AND THAT Council direct staff to review the by-law 18 months following its enactment and recommend further revisions to the Water and Sewage Allocation Policy and associated Evaluation Framework.

### B. Overview

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This report serves as the follow-up report to the May 14<sup>th</sup> 2024 Public Meeting regarding a proposed Water and Sewage Allocation Policy for the Town of The Blue Mountains. Since the Public Meeting a second engagement session with the Georgian Triangle Development Institute has occurred and both the proposed by-law and policy had undergone a legal review by the Town’s solicitor.

### C. Background

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The intent of the Water and Sewer Allocation Policy is to ensure that future uncommitted hydraulic reserve capacity in the Town’s water and wastewater treatment and conveyance system is allocated in a sustainable and transparent manner to those projects that provide the greatest benefit to the Town.

Currently, allocation is granted on a “first come, first serve” basis and the Town does not have a mechanism in place to ensure the allocation can be granted in a manner reflective of community priorities. To do so, staff in conjunction with WSP have prepared a policy and

evaluation framework that staff can apply during the course of planning review and when a development is positioned to execute an agreement to commence construction.

Another objective of the initiative is to act as a communication tool for the Town in clarifying for the development community and the public, that as a finite resource, water and wastewater services are managed in a way that is sustainable and supports the delivery of strategic goals such as attainable and affordable housing.

In developing the Policy and Evaluation Framework a fulsome engagement process was conducted inclusive of two meetings with the Georgian Triangle Development Institute (GTDI) and a Public Meeting. Attached to this report is a summary of the responses from these engagements including staff responses to the comments/questions expressed.

The by-law coincides with the recently enacted Bill 185: Cutting Red Tape to Build More Homes Act in which new provisions under the Municipal Act have been added specific to the allocation of municipal water and sewage which entails the following:

- A municipality may, by by-law, adopt a policy providing for the allocation of water supply and sewage capacity, which may include the following:
  - A system for tracking the water supply and sewage capacity available to support approved developments.
  - The criteria used to determine,
    - the circumstances for when allocation of water supply and sewage capacity is assigned to an approved development,
    - the circumstances for when the allocation of water supply and sewage capacity is withdrawn, and
    - the circumstances for when an approved development, after having its allocation of water supply and sewage capacity withdrawn, may be reallocated water supply and sewage capacity.
- The policy set out in the by-law applies to the entire municipality or applies differently to different geographic areas within the municipality.
- If a municipality has passed a by-law, the administration of the policy must be assigned to an officer, employee or agent of the municipality, and any decision made by that person under the policy must be final.

## **D. Analysis**

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An important consideration in the development of the Water and Sewage Allocation Policy is that it be reflective of the strategic interests of the Town and prioritize those projects that offer the highest community benefit. To do so, WSP in conjunction with Town staff have aligned the evaluation criteria with plans and studies of the Town such as the Official Plan. While the Policy is not regulated by the Planning Act, its application will be throughout the planning and development process. This includes being incorporated into the conditions of approval and identified during the course of pre-consultation on relevant applications to ensure developments are aligned with the evaluation criteria at the conceptual stage.

Based on feedback from other municipalities that have approved similar policies, staff understand that implementation of the policy is a system-based change that will require resources and standard operating procedures. For Council's benefit, a synopsis of the practice of reviewing water and sewage allocation requests is provided below:

1. Staff identify timing for an annual or bi-annual intake window to review allocation requests. Deadlines for receipt of completed Request for Development Agreement Forms are also identified. Press release issued and circulated to stakeholders including GTDI.
2. Request for Development Agreement Form is sent to proponent based on decision by Engineering Reviewer as to whether the project is eligible for AFC stamp.
3. Engineering Reviewer in conjunction with the assigned Planner review the completed form for completeness. Focus of the review is ensuring all relevant draft plan conditions and/or planning requirements have been met and the Allocation Policy Framework has been populated.
4. Form is approved by both the Manager of Engineering and Manager of Community Planning prior to being submitted to the Interdepartmental Review Committee (IRC) for evaluation.
5. Forms are evaluated by the IRC with a recommendation to be submitted to the Director for a decision.
6. Decision(s) is rendered by the Director with communications issued to the proponent that allocation is granted and a development agreement can be prepared.
7. Unsuccessful proponents are advised that allocation has not been granted and advised to resubmit for the following intake.

As illustrated in the attached feedback from GTDI, the development industry does have concerns regarding implementation of the Water and Sewage Allocation Policy. These concerns primarily relate to the Policy distorting the planning review process regulated by the Planning Act and the Town's Official Plan. Further, there were concerns regarding the statutory authority to enact the by-law. In response to these concerns, staff have undertaken a legal review of the by-law and policy to ensure feasibility and reduce the potential for the challenge on the basis of ambiguity.

Another theme to the discussions with the industry pertained to efficiency in development review. This included the application of the scoring system in application review and the challenge with existing review timelines. While the existing land-use policy regime (PPS, Planning Act, Official Plan, Zoning By-law) will continue to have primacy during planning review, staff intend on encouraging completion of the evaluation framework during the course of submission to reduce risk for applicants given the length of time between planning approval and execution of a development agreement. This will also serve to create a more efficient review process at the time in which the review committee considers the allocation request.

Transition clauses are recommended for the purpose of implementation of the Policy with certain developments subject to the previous allocation review regime based on the following criteria:

- The development is subject to an existing development agreement or the agreement is anticipated to be executed which can be defined as having engineering drawings Approved for Construction (AFC);
- The development is proposing works in which application of the Water and Sewage Allocation Policy may create delays that negatively impact the municipality or create legal risk for the municipality;

Alongside mitigating risk, the transitional clauses provide staff flexibility in establishing the allocation intake window. This window will be based on an assessment by a third-party consultant and specific to catchment areas. Importantly, the applicability of the Policy is entirely based on available allocation in the respective catchments. For example, based on the present constraints at the Mill Street Pumping Station, developments within Thornbury will be unable to receive allocation until necessary upgrades at the station are nearing completion.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

## **F. Environmental Impacts**

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The natural environment has been factored into the composition of the evaluation framework for the Policy. Staff will be seeking to ensure submissions under the Policy address prospective environmental impacts.

## **G. Financial Impacts**

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In 2025, implementation of the allocation policy will be brought forward as a budgeted expense that will primarily involve obtaining consultant support to verify conveyance and treatment capacity for intake windows.

## **H. In Consultation With**

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Alan Pacheco, Director of Operations  
Corrina Giles, Town Clerk  
Shawn Postma, Manager of Community Planning  
Brian Worsley, Manager of Development Engineering  
Tim Murawsky, Chief Building Official/Manager of Building Services  
Allison Kershaw, Manager of Water and Wastewater

## **I. Public Engagement**

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The topic of this Staff Report has been the subject of a Public Meeting and/or Public Information Centre which took place on **May 14<sup>th</sup> 2024**. Those who provided comments at the Public Meeting and/or Public Information Centre, including anyone who has asked to receive notice regarding this matter, has been provided notice of this Staff Report. Any comments regarding this report should be submitted to Adam Smith, [directorplanningdevelopment@thebluemountains.ca](mailto:directorplanningdevelopment@thebluemountains.ca)

## **J. Attached**

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1. GTDI Engagement Session #1 Minutes
2. GTDI Engagement Session #2 Minutes
3. May 14<sup>th</sup> Public Meeting Summary
4. Water and Sewage Allocation Policy Evaluation Framework
5. Water and Sewage Allocation By-law

Respectfully submitted,

Adam Smith  
Director of Planning & Development Services

For more information, please contact:  
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**Report Approval Details**

Document Title:	PDS.24.081 Allocation Policy - Follow-Up to the May 14th Public Meeting.docx
Attachments:	- PDS-24-081-Attachment-1.pdf - PDS-24-081-Attachment-2.pdf - PDS-24-081-Attachment-3.pdf - PDS-24-081-Attachment- 4.pdf - PDS-24-081-Attachment-5.pdf
Final Approval Date:	Aug 16, 2024

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

**No Signature - Task assigned to Shawn Postma was completed by delegate Adam Smith**

**Shawn Postma - Aug 16, 2024 - 12:03 PM**

**Adam Smith - Aug 16, 2024 - 12:03 PM**