

# The Corporation of the Town of The Blue Mountains

## By-Law Number 2025 –

Being a By-law to Manage the Allocation of Municipal Water Supply and Sewage Capacity

Whereas Section 11 of the *Municipal Act*, 2001, S.O.2001, c.25 (hereinafter referred to as the “Act”) authorizes The Corporation of the Town of The Blue Mountains (hereinafter the “Town”) to pass by-laws respecting public utilities;

And Whereas sub-section 86.1(1) of the Act permits municipality to adopt a policy providing for the allocation of water supply and sewage capacity;

And Whereas there are policies in section D1.5 of the Town’s Official Plan which provides direction in the monitoring of servicing capacity and regard for competing demands for servicing capacity;

And Whereas the Town’s water and sewage supply and distribution system has limited capacity available for allocation to new development;

And Whereas the Council of the Town wishes to manage the reserved capacity of the water and sewage supply and distribution system in a sustainable and logical manner;

Now therefore Council of The Corporation of the Town of The Blue Mountains enacts as follows:

1. In order to properly manage the Town’s uncommitted reserve capacity of its sewage treatment system and water supply system, protect the health and safety of the public , and in order to ensure that servicing capacity can be provided to those projects that provide the greatest benefit to the Municipality and that are most likely to proceed in the immediate future, The Corporation of the Town of The Blue Mountains hereby adopts the "Water and Sewage Allocation Policy" as set out in Schedule "A-1" and “Water and Sewage Allocation Policy Evaluation Framework” as set out in Schedule “B-1” which are attached hereto and which form part of this By-law.
2. In accordance with Section 86.1(3) of the Act, the administration of the policy is hereby delegated to the Director of Planning and Building Services, with all decisions made by the Director to be final.
3. This By-law shall take effect on the date of passing.
4. Schedule "A-1" and Schedule “B-1” constitutes part of this By-law.

And Further that this By-law shall come into force and take effect upon the enactment thereof.  
Enacted and passed this \_\_\_\_ day of \_\_\_\_\_, 2025

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Andrea Matrosovs, Mayor

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Corrina Giles, Town Clerk

# Town of The Blue Mountains

## Schedule A-1

### By-law No. 2025-\_\_\_\_\_

#### Water and Sewage Allocation Policy

##### 1. Policy Statement

The Corporation of the Town of The Blue Mountains (“the Town”) is currently facing challenges in reconciling the demands of various development projects and the interests of developers regarding water and wastewater servicing. In response to these challenges, the Town must adhere to the directives set forth by the Province and the County, emphasizing the need for economic and efficient service provision.

In alignment with these directives, this Water and Sewage Allocation Policy, (the “Policy”) has been prepared to address the escalating pressures on water and sewage infrastructure and to ensure the prioritization of projects while considering:

- complete communities and best planning practices;
- limiting sprawl and associated maintenance costs;
- community benefit, affordable housing and sustainability; and,
- supporting the growth of the community’s population and economy.

In essence, this policy serves as a strategic guide for the Town to facilitate accountable, and prudent decision-making in the face of increasing and competing development pressures, and available capacity. The policy framework serves as a systematic, objective, measurable, and effective tool to assess and evaluate development applications consistently.

By implementing this Policy, the Town aims to strike a delicate balance between accommodating competing developments within existing infrastructure constraints or planned project capacities and, safeguarding the Town’s long-term provision of water and sewage capacity, while advancing and considering community objectives. This proactive approach is not only complementary to the existing development controls but also promotes transparency and fairness in the decision-making process for development applications. While the Town may not always face constraints with respect to water and sewage capacity, the establishment of a thoughtful and objective allocation framework demonstrates that the Town is committed to fostering a resilient and efficient approach to water and sewage capacity.

Moreover, the allocation framework outlined in this Policy is designed to consider various factors, such as:

- environmental impact;
- infrastructure capacity; and
- community needs.

By incorporating these considerations into the evaluation process, the Town endeavors to make informed decisions that prioritize responsible and sustainable growth.

On June 6, 2024, Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*, received Royal Assent. This Act introduced an amendment (86.1) to the *Municipal Act* which enables municipalities to adopt policies that allow for a system for tracking the water supply and sewage capacity available to support approved developments, through the establishment of allocation criteria. This policy conforms to this amendment.

##### 2. Purpose

This Policy aims to provide a clear and cohesive set of guidelines that will govern the equitable evaluation and allocation of resources to meet the evolving needs of the Town in the most beneficial manner possible.

### 3. Definitions

#### **Additional Residential Units or ARU**

An additional residential unit within an existing primary detached, semi-detached or row dwelling or commercial/institutional building or within a structure that is detached and accessory to a primary detached, semi-detached or row dwelling or commercial/institutional building.

#### **Affordable Housing**

Residential housing products that meet the definition of “affordable” based on applicable policy such as the Provincial Policy Statement (PPS) as well as criteria and parameters described in the Town of The Blue Mountains Housing Needs Assessment, 2023.

#### **Allocated/Allocation**

The action of apportioning water/sewage capacity in the Town's existing treatment plants, sewers, pumping stations, booster stations and other water and sewage infrastructure.

#### **Allocation Policy**

The policy adopted by Town Council to provide guidance, direction, and procedures to allocate water and sewage capacity.

#### **Development Agreement**

A legally binding contract between a municipality and a developer that outlines the terms and conditions for the development of a parcel of land. This includes but is not limited to pre-servicing agreements (basic services), Development Charge Front-Ending Agreements, Development Charge Credit Agreements, subdivision agreements, and site plan agreements.

#### **Equivalent Residential Unit or “ERU”**

The conversion of water and/or sewage reserve capacity into a unit of measurement for the purposes of the allocation of uncommitted hydraulic reserve capacity.

#### **Uncommitted Water and/or Sewage Reserve Capacity**

This capacity is determined through subtracting any committed water and sewage allocation, including through draft approved and registered plans and site plan approvals, plus a safety factor and any capacity reserved for government projects, projects that do not require a *Planning Act* application or the treatment of hauled sewage if applicable, from the existing water and/or sewage reserve capacity.

#### **Water and/or Sewage Reserve Capacity**

The design capacity of the existing Town of The Blue Mountains water and/or sewage treatment plants, minus the actual existing recorded maximum day demand of water (for water) and the actual existing recorded annual average day sewage flow (for sewage).

### 4. Measuring the Allocation Capacity

The Town’s Engineering Division in consultation with the Water and Wastewater Division shall be responsible for identifying the Water and/or Sewage Reserve Capacity available for allocation as well as converting the amount of Uncommitted Water and/or Sewage Reserve Capacity to ERUs. Capacities are to be based on design flows as calculated per the Town Engineering Standards.

The Town may request a report from a qualified professional engineer confirming the maximum demand and ERUs for site-specific mixed-use, industrial, commercial, and institutional proposals.

### 5. Development Applications

This Policy applies to the following developments throughout the whole of the Town:

- a) Any development where an extension and/or provision of new main line water supply and/or sewage collection infrastructure is required (i.e. excludes simple

service connections where development application does not represent an increase to the designed sewage flow generation or water demand identified for that property during the design of the main line or as otherwise accommodated in higher level planning reports);

- b) The creation of any number of new lots or units through a Plan of Subdivision or Vacant Land Condominium Description; or by way of a Consent application that exceeds 11 or more ERU units.
- c) Any development requiring Site Plan Control approval that exceeds 11 or more ERU units.

## 6. Development Exclusions

This Policy does not apply to the following:

- a) The addition of up to two (2) additional residential units on a lot which is in compliance with applicable zoning regulations.
- b) Changes from one permitted use to another permitted use provided the applicable zoning requirements are met;
- c) The construction of a patio, deck, porch, boathouse, dock, shoreline structure, accessory building or structure with no water or sewage connection to the Town system, temporary building, or structure, or interior or exterior renovation to an existing building or structure;
- d) The repair, re-build or restoration of a legally existing building or structure, or part thereof, provided that the building or structure continues to be used for the same purpose;
- e) Minor adjustments to site plan agreements and subdivision/condominium/site plan amendments that do not meet the criteria of Section 8; and
- f) The development of existing vacant lots where no approval under the *Planning Act* is required.

## 7. Procedures & Criteria

The following apply to the applicable development applications:

- a) Allocation of water and sewer capacity (“allocation”) shall be determined on a criteria basis. Each development requesting allocation will be evaluated in accordance with the Evaluation Framework (**Schedule B-1**).
- b) Based on available ERU units set aside for allocation, those development applications that score the highest during the intake period review will receive allocation.
- c) If developments score the same, the Town may request supplemental information from applicants to make a decision.
- d) If not granted allocation, the Town will notify the applicant and outline the reasons for the decision to support resubmission in the next intake period.
- e) Allocation requests are to be made through the completion of the relevant form and will be considered by staff annually or at the discretion of the Director of Planning and Building Services, subject to available water and sewage capacity.
- f) Mixed-use developments will be categorized as either residential or non-residential on a case-by-case basis.
- g) Staff will evaluate each application for development in conjunction with the relevant and submitted materials and applicable reports provided through a Request for a Development Agreement Form and against the criteria identified in **Schedule B-1**.

The Town may retain an independent consultant to help assist in the review of development applications and supporting studies using **Schedule B-1**.

## 8. Existing Approvals

All lands subject to existing Draft Approved Plans of Subdivision, Consents, Site Plans or Vacant Land Condominium, but have not been subject to a Development Agreement confirming Allocation prior to the implementation of this policy, will be subject to the requirements in this policy.

## **9. Review Cycle**

Town staff will create development tracking tables to oversee allocated capacity and provide annual reports to Council. Through ongoing monitoring and assessment, potential adjustments to this policy will be evaluated in the best interest of the Town and the public. If Council deems that necessary amendments are required, excluding clerical or technical changes, based on monitoring outcomes, these modifications will be undertaken in a transparent fashion, involving consultations with both the development community and the public. A thorough review of this policy will be conducted within eighteen (18) months of Council approval to ensure its continued effectiveness.

## **10. Timing, Expiration of Allocation, Reallocation, & Non-Compliance**

If capacity is allocated, the substantial works as set out in the Development Agreement must be completed within a year of the date of execution of the Development Agreement with the Town. If the works are not complete and/or other terms of the Development Agreement have not been met, allocation may be withdrawn, at the Town's sole and unfettered discretion.

An extension may be granted for one (1) additional year, which can be granted at the discretion of the Director of Planning and Building Services based on the following criteria:

- Unforeseen circumstances which have caused delays in carrying out the works;
- New legislation, regulations, policies and/or by-laws have not precluded construction of the approved works and would not significantly impact the development's viability.

Reallocation of water and sewerage capacity for those developments that have had their allocation withdrawn will be subject to the requirements of Section 7 of this Policy.

## **11. References and Related Policies**

The following is a list highlighting key plans and reports that may be relevant to the Water and Sewage Allocation Policy.

- Town of The Blue Mountains Official Plan (June 2016)
- Town of The Blue Mountains Housing Needs Assessment (November 2023)
- Town of The Blue Mountains Corporate Strategic Plan 2020 – 2024
- Town of The Blue Mountains 2021-2025 Economic Development Strategy
- Town of The Blue Mountains Community Improvement Plan: Town Wide Revitalization (January 2021)
- Town of The Blue Mountains Community Design Guidelines (2012)
- Town of The Blue Mountains Integrated Community Sustainability Plan (2022)
- Town of The Blue Mountains Transportation Master Plan (2022)

**Town of The Blue Mountains**

**Schedule B-1**

**By-law No. 2025-\_\_\_\_\_**

**Water and Sewage Allocation Policy Evaluation Framework**

See framework on the following pages

Category	Sub-Category	Relevance	Residential Max	Non-Residential Max	Point Rationale
1. Land Efficiency and Feasibility	1.1 Subject lands are within the Settlement Area or Secondary Plan Area	Yes / No	2	2	2 point if development meets targets, 0 If not
	1.2 Development is in close proximity to existing servicing infrastructure	Compliance Level	3	3	3 points if development meets targets (subsequent phase of approved development), 0 If not
	1.3 Development follows to Official Plan density targets	Yes / No	1	1	1 point if development meets targets, 0 If not
	1.4 Mixed-use development	Yes / No	1	1	1 point if development is mixed-use, 0 if not
	<b>Total Points</b>		<b>7</b>	<b>7</b>	
2. Overall Sustainability	2.1 Development integrates water, wastewater and/or stormwater efficiency and flow reduction technology	Compliance Level	3	3	Town staff to determine compliance level based on technologies proposed. Up to 3 points.
	2.2 Development achieves energy conservation certification (determined by Town)	Compliance Level	3	3	Town staff to determine compliance through development integration of LEED, Energy Star, BOMA BEST, EnerGuide, etc. Up to 3 points.
	2.3 Green building techniques and standards	Compliance Level	3	3	Town staff to determine compliance through development integration of high performance insulation, sustainable materials, green roofs/walls, solar/passive solar designs, green stormwater design, etc. Up to 3 points

Category	Sub-Category	Relevance	Residential Max	Non-Residential Max	Point Rationale
	2.4 Surrounding environment conservation including, but not limited to, tree canopy enhancement and on-site tree preservation.	Compliance Level	3	3	Town staff to determine compliance through development's commitment to environmental conservation such as tree canopy enhancement, tree preservation on site, greenspace dedication, etc. Up to 3 points
	<b>Total Points</b>		<b>12</b>	<b>12</b>	
3. Economic	3.1 New Jobs created	Compliance	0	5	1 point per 5 jobs (up to 5 points)
	3.2 Development follows goals from the Economic Development Strategy	Compliance Level	0	3	Town staff to determine compliance through development's commitment to economic development goals (financial and economic prosperity, community wellbeing, environmental resiliency). Up to 3 points
	3.3 Development Contributes to emerging and high growth industries	Compliance Level	0	3	Town staff to determine compliance through development integrating industries such as technology, advanced manufacturing, natural resources, entertainment and media, agribusiness, cleantech, life sciences. Up to 3 points.
	<b>Total Points</b>		<b>0</b>	<b>11</b>	
4. Housing / Affordability	4.1 Development includes affordable housing units as defined in the Policy.	Compliance Level	10	0	1 point per 5% of units dedicated to affordable/attainable housing (up to 10 points).
	4.2 Development includes rental housing units	Yes / No	5	0	1 point per 5% of units dedicated to rental units (up to 5 points).



Category	Sub-Category	Relevance	Residential Max	Non-Residential Max	Point Rationale
	4.3 Development includes specialty housing (senior, community, special-needs)	Yes / No	1	0	1 point if yes, 0 if no.
	4.4 Development includes a mix of housing types with one type comprising no less than 10% of total units (for example: single-detached, semi-detached, townhouses, apartments)	Compliance Level	5	0	1 point per housing type comprising no less than 10% of total units. Up to 5 points.
<b>Total Points</b>			<b>21</b>	<b>0</b>	
5. Community Considerations	5.1 Development integrates aspects of the Community Design Guidelines	Compliance Level	3	3	Community Design Guideline Characteristics are integrated with 1 point per design characteristic integrated (up to 3 points).
	5.2 Development is subject to a Development Charge Front-Ending or Credit Agreement as defined in the Development Charges Act, 1997	Yes/No	10	10	Agreement has been executed involving works that would otherwise require the Town to complete (10 points if yes, 0 if no)
	5.3 Development improves the state of required infrastructure (road connections, transit stations etc.)	Compliance Level	3	3	Town staff to determine compliance level based on development's inclusion of the completion, upgrade or construction of required key infrastructure (up to 3 points).

Category	Sub-Category	Relevance	Residential Max	Non-Residential Max	Point Rationale
	5.4 Development includes community beneficial facilities (parks, recreational amenities, active transit systems, etc. Hospitals, LTC Facilities, Employment, Campus of Care, projects identified in the Housing Needs Assessment report.)	Compliance Level	4	4	Town staff to determine compliance level based on development inclusion of the completion, upgrade or reconstruction of active transportation infrastructure and networks, park improvements, new park construction. (up to 4 points).
	<b>Total Points</b>		<b>20</b>	<b>20</b>	
<b>Overall Points</b>			<b>60</b>	<b>50</b>	
<b>Points Available</b>			<b>60</b>	<b>50</b>	