



Servicing Allocation Policy GP-##

Governance Policy GP-	Section:
Issue Date:	Approval Date: Feb. 2012
Review Date: [2025]	Initiating Department: Community and Development Services / Public Works

Purpose:

To ensure that water and wastewater capacity is allocated to best meet the objectives of the Corporation of Norfolk County (the “County”) along with implementing Provincial, Official Plan, other applicable corporate policies and Council directions, in a manner that efficiently uses land and existing resources, as well as infrastructure and public service facilities, while reserving a buffer supply that will maintain safety for all County water and wastewater users.

In order to guarantee that demand and capacity can be properly linked and monitored to ensure sufficient supply along with future infrastructure planning, the County will ensure that allocation of municipal water and wastewater capacity shall be granted pursuant to this policy, as amended from time to time.

The intent of this Policy is to identify and confirm when servicing allocation is awarded through the development process and particularly how it will be determined when extensions are requested.

Scope

This Policy shall apply to any location that has or could have either municipal water or municipal wastewater servicing, specifically all lands within the Urban Areas of Norfolk. Should municipal services ever be extended to any Hamlet Areas or Resort Areas, this policy would also apply in those circumstances, notwithstanding that there may be site and/or service connection limitations imposed within those Areas or upon those specific service lines which may preclude or limit the ability to allocate service beyond those limitations.

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The lands may be subject to a development application (e.g. plan of subdivision or condominium, land use amendment, site plan, consent, etc), existing zoning, development agreement and/or subject to a zoning holding provision.

Definitions

“Approved in Principle” – For the purposes of servicing allocation, a development that has received draft plan of subdivision or condominium approval or site plan approval subject to conditions.

“Built-Up Area” – Land that is within the area delineated as the Built Boundary in the Norfolk Official Plan – Schedule B (Land Use), as amended.

“Committed” – For the purposes of servicing allocation, a development that has an executed development agreement registered on title that includes servicing allocation and construction commitments. This includes subdivision, condominium, consent, site plan agreements and any pre-servicing agreement.

“Hamlet Areas” – Locations as identified and described within the Norfolk Official Plan that are settlements that function as small clusters and are not on municipal water or wastewater services.

“Hydraulic Reserve Capacity” - The hydraulic reserve capacity is defined as the design capacity minus the actual existing recorded maximum day flow. The procedure for calculating and reporting uncommitted reserve capacity at sewage and water treatment plants refers to Ontario D-5-1 Guideline.

“Future Potential” – For the purposes of servicing allocation, land that is within the existing approved Urban settlement area but not within a pending, approved in principle or committed application.

“Front-Ending” - An agreement through the Development Charges Bylaw for the provision of infrastructure by a developer(s) in advance of the timing in the municipality’s capital budget.

“Pending” - For the purposes of servicing allocation, a development that is in the submission stage and not yet *Approved in Principle*.

“Resort Areas” - Locations as identified and described within the Norfolk Official Plan that are historically and primarily seasonal areas along the lakeshore and are not on municipal water or wastewater services.

“Servicing Allocation” – The amount of water or wastewater that is identified and reserved for a specific land development area, approved development application or

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intensification area as part of the *servicing capacity*. Such reservation is tracked as part of the County's servicing monitoring program and identified as allocated through development agreements and conditions.

"Servicing Capacity" – The amount of water or wastewater available or potentially available that can be accommodated and sustained at the municipal treatment plant and associated infrastructure system. The primary measure is firm capacity.

"Urban Areas" – Locations as identified and described within the Norfolk Official Plan that includes areas of existing and planned development that are or could be serviced by municipal water and/or wastewater infrastructure systems. These areas include Courtland, Delhi, Port Dover, Port Rowan, Simcoe and Waterford.

Policies

1.0 Goals

1. To ensure that servicing allocations for development proposals are only granted when adequate servicing capacity is available or will be available within 12 months.
2. To ensure that where capacity is allocated, it is used to facilitate development and not held as a commodity to raise the value of land.
3. To allocate any remaining capacity in a consistent, fair and objective manner to meet the interests of the County and manage its risks.
4. To establish regular servicing capacity monitoring and reporting mechanisms for Council and the community.
5. To implement a systematic program to add new water and sanitary sewer capacity through process improvements, repairs to collections systems, policy and regulatory approaches and major capital works.

2.0 Context

1. Norfolk County routinely applies a condition in the draft plan of subdivision, draft plan of condominium and conditional site plan agreements so that the 'approved in principle' servicing allocation will automatically lapse after three years, unless an extension of the approval is granted. This encourages a developer to secure the servicing allocation (beyond approved in principle) or lose it unless suitable justification can be provided about why an extension should be granted.
2. As a standard practice, Norfolk County should continue to apply a three-year automatic lapsing date to all new subdivision/vacant land condominium draft approvals and conditional site plans (as of Dec. 31st of the 3rd year). Further, in accordance with legislation, there would be conditions of approval requiring the

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developer to proceed with building permits within three years or subject to servicing allocation that is 'approved in principle' being withdrawn.

3.0 No Development Without Servicing Allocation

1. No residential development application will be given final development approval pursuant to the provisions of the *Planning Act* except in accordance with this policy.
2. As per the *Ontario Building Code*, building permit applications shall not be issued by the County for the development of buildings or structures on any lands referred to in Section 3.0 of this Policy unless full municipal water and sanitary sewer capacity is available and has been allocated to service the said lands or building or structure.
3. Any approval of an application for a zoning by-law amendment that will result in a development requiring a servicing allocation, may be given a Holding (H) provision that limits the use of the lands until servicing capacity is confirmed for the development.
4. Norfolk County may grant draft plan approval to plans of subdivision where either:
 - a) Servicing capacity is available , or
 - b) When a servicing agreement is in place to ensure that such capacity will be available to service the development within 12 months of granting the final approval.
5. Where site plan approval is applicable, any site plan agreement shall include provisions permitting the development to proceed once the County has confirmed that servicing is available and allocated to the development as committed.
6. Servicing capacity will be reserved for allocation to development within the existing Built-Up Area (infilling and intensification) in accordance with any targets and policies as identified in the Official Plan.

4.0 Exemptions

1. Notwithstanding Section 3.0 of this Policy, the following types of development may be exempt from requiring servicing allocation:
 - (a) Buildings located in rural settlement areas outside of the urban area in the County and not connected to municipal services;
 - (b) Agricultural buildings;
 - (c) New or expanded accessory buildings;
 - (d) New additions to residential buildings provided that new dwelling units are not created;
 - (e) The expansion of existing established uses on private servicing;

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- (f) Redevelopment or revitalization of existing development sites. In the case of a building or site being redeveloped, Council may consider the servicing used by the previous use to be automatically allocated to the proposed use. Should the redevelopment or revitalization proposal require increased allocation beyond the prior use, such additional demand will require capacity allocation per this policy; and;
- (g) Any other site specific exemptions granted through Council resolution.

5.0 Delegation

1. The General Manager, Public Works shall annually advise on available servicing capacity and the General Manager, Community and Development Services shall exercise the Allocation Policy as appropriate.

6.0 Application

1. The following outlines the process by which the General Manger of Community and Development Services designate will consider servicing allocation for any municipally serviced development:
2. For development proposals at the pre-consultation stage, comments are provided regarding the allocation policy and the potential servicing capacity in the immediate area should such information be readily available. Beyond servicing allocation, development proposals will need to address matters of water pressure and fire flow which are matters in addition to capacity. No status of servicing allocation is committed at this time.
3. For submitted development applications, the servicing allocation will be indicated as “pending” after the submission is deemed complete. Submissions will include service demand calculations. The proposal will be assessed by the County’s 3rd party modelling consultant to assess the systems’ ability to meet the requested demand and/or options (as outlined by the proposal) to improve the system to meet this demand. Comments are provided regarding potential servicing capacity in relation to the proposed development and the process for securing any future commitment. No commitment for servicing allocation is provided at this point.
4. Upon subdivision/condo draft approval or site plan approval with conditions, the servicing allocation will be indicated as “approved in principle”. Approval of Official Plan and Zoning Bylaw Amendments that have the effect of increasing the potential density, uses or servicing flows for lands will remain as “pending” until such time as there is a subsequent subdivision/condo draft approval or site plan approval with conditions. Conditions of approval will be included regarding servicing capacity allocations and timing.

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5. At the subdivision/condo or site plan agreement stage, the servicing allocation will be indicated as “committed”. NOTE: That in cases where the subdivision is Phased – the allocation deemed as ‘committed’ will pertain only to the Phase being approved and the remaining lands which remain only as Draft Approved will have its allocation remain as ‘approved in principle’. The remaining lands that only have Draft Approval continue to be subject to the lapsing period which was initially established at the time of the initial Draft Plan approval. For clarity – if a land parcel was draft approved on July 1, 2025, its lapsing period is December 31, 2028 (3 years). For these same lands, should a portion of the lands (Phase 1) be registered on July 1, 2026, the remaining lands will have its Draft Plan approval expire on January 1, 2029 (no change). The landowner would be required to secure an extension of Draft Plan approval to continue to secure their ‘approved in principle’ status with respect to allocation. Conditions will be included regarding specific servicing capacity allocation and timing for the development within the agreement.
6. Consent applications within the existing Built-Up Area will have servicing allocation in accordance with Section 3 (Policy 3.6) above as part of the reserve capacity for intensification. Consent applications outside the existing Built-Up Area will have servicing allocation in accordance with the same procedures as indicated in 5.2.1 to 5.2.3 above for subdivisions.
7. For the purpose of this policy, any allocation granted shall be tied to the land itself and the approved development application, and any timing of allocation contemplated shall not be affected by ownership changes, assignments of obligations by an owner, or agreements of purchase and sale.

7.0 Servicing Capacity Limitations

1. A limitation in the amount of servicing capacity may be relative to the expected amount of “committed” and “approved in principle” compared to treatment hydraulic reserve capacity as it relates to “pending” or future development.
2. In the event of a limitation in the amount of servicing capacity that may be available for a given Urban Area and there is *no* infrastructure project in an Adopted/Approved Capital Budget and Forecast that would have the effect of increasing capacity that is expected to be completed within three years, Norfolk County may recommend that development applications are premature. If there is a limitation and there is an infrastructure project in an Adopted/Approved Capital Budget and Forecast that would have the effect of increasing capacity that is expected to be completed within three years, Norfolk County may consider approving the development subject to conditions and a holding provision (H).
3. Norfolk County may consider proposals to “front end” an approved infrastructure project that has the effect of increasing capacity and in such circumstances may

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proceed with development approvals subject to conditions and a holding provision (H) as appropriate and subject to the approval of any “front-ending” agreement by Norfolk County Council.

4. In circumstances where there are limitations, e.g. more “pending” or future development proposals than potential available capacity (e.g., “competing requests”) or as otherwise deemed necessary by the General Manager of Community and Development Services, the following criteria will be considered by a review team that includes engineering, infrastructure and planning staff, when granting *servicing allocation*:
 - a) Intensification - Applications that are within the existing Built-Up Area and currently zoned for the development shall utilize the intensification reserve amount first.
 - b) Efficiency & Ease of Servicing - This criterion is aimed at determining which developments are more easily and economically serviced with water mains, sanitary sewers and storm sewers. Connection to existing municipal services without the need to extend or improve those services, or without the need to pump and convey to a gravity system, is preferred and rated more favorably. Development parcels that are next for logical servicing extensions would have a medium valuation and developments that would essentially be “leapfrogging” other parcels may be lowest valuation.
 - c) Engineering Approvals - This criterion is intended to assess how much engineering design and review has already been undertaken by the proponent and the County. In addition, the proposals are also assessed based on how recent the work has been undertaken as design standards change and environmental quality control has become more stringent. Projects that have been the subject of recent review and are nearer to final approval by County staff are more favorably considered. It should be noted that this criterion will depend upon County Staff, the developer and developer's engineer(s) working expeditiously to finalize drawings and agreements to meet the recommended allocation timelines.
 - d) Affordable Housing – Developments that include and have a commitment within an agreement for providing housing units that will meet the provincial and municipal definition of “affordable” for a specified time period of a minimum 20 years shall have preference. The amount and degree of “affordable” housing would take higher preference (e.g. a development that includes 100% of the units as “affordable” would receive higher evaluation than a development that includes 10% of the units).
 - e) Major Employment – Developments that include a new, expansion or renovation of an industrial, commercial, or institutional use that is expected to provide new

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permanent employment of over 100 jobs, with skilled jobs as the preference. The higher the amount of expected employment would take higher preference (e.g. a development that is expected to have over 500 jobs would receive a higher evaluation than a development for 100 jobs).

- f) Mix of Use and/or Densities - Greater preference is given to developments that include a range of land uses of both residential and non-residential. Also, greater preference is given to developments that includes higher density development (4 stories and above) where appropriate as it provides a more efficient use of land.
 - g) Water Usage/Conservation (Sustainable Development)- The degree of water usage or potential daily demand for the development would be a factor combined or mitigated with any on-site conservation demand management, inflow and infiltration reduction, and water reuse practices. Generally, low water usage is equivalent to approximately <math><25\text{ m}^3/\text{d}</math>, medium at 25-100 $\text{m}^3/\text{d}</math> and heavy at $>100\text{m}^3/\text{d}</math>.$$
 - h) Complete Communities – Development locations that are part of a larger community or master plan area, that involve later stages of development that would help complete the neighborhood or provide other uses that would help with a complete community and are the logical and next priority for servicing.
 - i) Positive or Neutral Impact on the County - Proposals that provide benefit to the County and have a positive or neutral financial impact on the County in terms of infrastructure requirements, capital planning and property assessment are favored.
 - j) Front Ending - The Development Charges Act provides an opportunity for a municipality and a developer to enter into an agreement that will eventually provide the developer with a means of being reimbursed for upsizing infrastructure to meet the proposed increased servicing needs. . Reimbursement would be obtained from property owners within an identified benefiting area when those lands are developed in future. In addition, some proponents have arrangements to upsized infrastructure without the benefit of a development charges- related reimbursement plan that will nonetheless facilitate future growth. Proposals that include construction of services within the development that would be of benefit to adjacent or nearby lands through front ending or obvious upsizing are rated more favorably.
5. Should there be constraints on the available servicing capacity; the County and Applicant will consider the option of phasing the development. Such phasing will be cognizant of servicing constraints, while allowing some development to proceed at a rate close to expected population projections. Phasing may include

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providing allocations only to certain phases of an individual development plan; thus allowing for multiple development sites to proceed.

8.0 Expiration of Servicing Allocation (“Use it or Lose it”)

1. It is the intent of this policy that should services be allocated pursuant to this policy, it is expected that the development proponent will use such allocation within a reasonable time period, and should the development proponent not use such allocation within the requisite time, the allocation may be lost and reassigned to other developments.
2. The timeframe for allocation shall follow any legislated and policy requirements and shall be embedded into development agreements which have a timeframe of 3 years to year end.
3. Further, servicing capacity shall be reserved for a period of three years from the time of “committed” until the time of the first building permit (not including model homes) as a condition of development.
4. In the event that a development proponent does not use all or a portion of their servicing allocation within the requisite timeframe, the County may rescind the allocation.
5. A development proponent may provide a written request to extend their draft approval, development agreement and allocation at least six months prior to the expiration. Once a request to extend an approval, agreement and allocation is received, the County will assess whether the request is justified based on the development proponent’s explanation as to why the allocation has not been utilized.
6. On-going and multi-phased developments that demonstrate reasonable, steady and consistent progress and activity shall not lose their servicing allocation. Progress and activity may be demonstrated to the municipality by activities such as:
 - approval of servicing designs,
 - approvals from review agencies,
 - execution of pre-servicing agreements with the municipality, construction of services
 - registration of phased plans of subdivisions, condominiums or site plans and
 - building permits within phases of the development
7. Notwithstanding the procedures outlined above, where deemed necessary, action regarding allocation of servicing capacity may be initiated by the County at its discretion at any time.

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9.0 Monitoring

1. The servicing allocations and any required prioritization would form part of the annual Servicing Monitoring Report.

Communication

This policy shall be available to development industry stakeholders and public via the County's website and other communication tools.

Evaluation

This policy shall be reviewed by staff as part of the preparation of each Annual Servicing Monitoring Report for any amendments that may be required. A more fulsome review and update may be conducted to coincide with any new or updated Integrated Sustainability (Servicing) Master Plan or Official Plan Review processes.

Legislative Reporting Requirements

N/A