



# **Addendum #1 to the August 23, 2024, Development Charges Background Study**

City of Port Colborne

October 11, 2024

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# List of Acronyms and Abbreviations

<b>Acronym</b>	<b>Full Description of Acronym</b>
D.C.	Development Charges
D.C.A.	Development Charges Act
Sq.ft.	Square Feet



# 1. Introduction

Commensurate with the provisions of the Development Charges Act, 1997, as amended (D.C.A.), the City has undertaken a Development Charges (D.C.) Background Study and released the study in accordance with the D.C.A. The following provides a summary of the key dates in the development charge by-law process:

- May 1, 2024 – Stakeholder Meeting
- August 23, 2024 – Release of the D.C. Background Study and draft by-law
- September 24, 2024 – Public Meeting of Council
- October 11, 2024 – Addendum #1 to August 23, 2024, report released
- October 22, 2024 – Council considers adoption of Background Study, as amended and passage of D.C. By-law

This addendum report is to revise an error in the gross expenditures and sources of revenue summary for costs to be incurred over the life of the by-law. The error does not impact the D.C. rates.

This refinement will form part of the D.C. background study provided prior to by-law adoption.

## 2. Discussion

This section of the addendum report provides an explanation for the above-noted refinement.

### 2.1 Revisions to the D.C. Background Study

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The D.C. background study has been revised to update the amounts related to the costs to be incurred over the life of the by-law. This summary table in the August 23, 2024, background study was incorrect as it did not include the post-period benefit deductions for water and wastewater capital services, therefore the total net residential and non-residential capital costs were overstated. This summary table is to meet the criteria set out in section 8(1) of O.Reg. 82/98 to the Act and has no impact on the calculated D.C. charges. Table 1 provides the amended expenditure and revenue sources over the life of the by-law.

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**Table 1**  
**Gross Expenditure and Sources of Revenue Summary for Costs to be Incurred over the Life of the By-law**

Service/Class	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source			Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing	Other Funding		Residential	Non-Residential
1. Wastewater Services 1.1 Sewers	85,879,218	-	7,813,664	-	55,180,259	17,850,531	5,034,765
2. Water Services 2.1 Distribution systems	43,557,080	-	9,441,620	-	22,429,128	9,115,339	2,570,993
3. Services Related to a Highway 3.1 Roads and Related	15,475,119	-	3,617,786	-	7,892,321	3,092,709	872,303
4. Public Works (Facilities and Fleet) 4.1 Public Works (Facilities and Fleet)	5,127,302	-	-	-	1,941,978	2,484,553	700,771
5. Fire Protection Services 5.1 Fire facilities, vehicles & equipment	12,655,000	-	2,200,000	-	6,807,600	2,844,972	802,428
6. Parks and Recreation Services Park development, amenities, trails, vehicles and equipment, and recreation facilities	45,260,000	-	4,987,500	-	31,367,500	8,459,750	445,250
7. Library Services 7.1 Library facilities & materials	1,165,311	-	-	-	-	1,107,046	58,266
8. Growth Studies 8.1 Growth Studies	5,115,000	82,500	2,848,800	-	-	1,703,286	480,414
<b>Total Expenditures &amp; Revenues</b>	<b>\$214,234,031</b>	<b>\$82,500</b>	<b>\$30,909,369</b>	<b>\$0</b>	<b>\$125,618,786</b>	<b>\$46,658,185</b>	<b>\$10,965,190</b>



## 2.2 Changes to the D.C. Calculations

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The D.C. calculations have not been revised based on the change noted above.

## 2.3 Updates to the D.C. Background Study

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Based upon the above, the following revisions are made to the pages within the background study (new pages are appended to this report):

Page Reference	Description of Revisions
ES page v	Updated Table ES-2 and subsequent writeup to reflect the summary of expenditures anticipated over the life of the by-law.
1-2	Revised Figure 1-1 to include the release of the addendum report #1.
6-5	Updated Table 6-4.
7-8 and 7-9	Updated wording to include “as amended” for the approval of the capital listing and D.C. Background Study recommendations.
F-4 and F-5	Revised the Asset Management amounts and updated the Asset Management table based on the changes noted above.
Appendix G	Updated the draft by-law to include wording referencing the addendum report.

## 2.4 Refinements to the Draft D.C. By-law

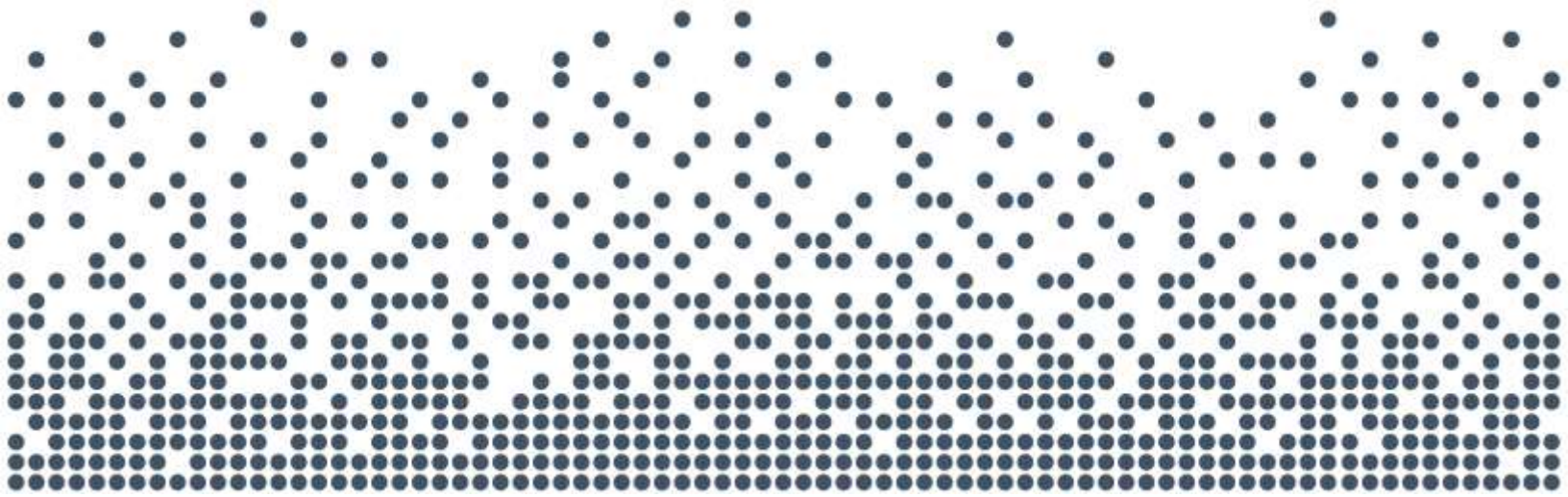
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The draft by-law provided in Appendix G to the August 23, 2024, D.C. background study has been amended to reference this addendum report.

The revised draft by-law with all refinements is included in the amending pages to this addendum report.

## 3. Process for the Adoption of the Development Charges By-law

Sections 1 & 2 provide for a summary of the revisions to the City’s D.C. Background Study. If Council is satisfied with the above changes to the Background Study, this Addendum Report will be considered for approval by Council.



# Amended Pages





Table ES-2  
Summary of Expenditures Anticipated Over the Life of the By-law

Summary of Expenditures Anticipated Over the Life of the By-law	Expenditure Amount
Total gross expenditures planned over the next ten years	\$214,234,031
Less: Benefit to existing development	\$30,909,369
Less: Post planning period benefit	\$125,618,786
Less: Other Deductions	\$82,500
Less: Grants, subsidies and other contributions	\$0
<b>Net costs to be recovered from development charges</b>	<b>\$57,623,375</b>

This suggests that for the non-D.C. cost over the ten-year D.C. by-law (benefit to existing development, and grants, subsidies and other contributions), \$30.99 million (or an annual amount of \$3.10 million) will need to be contributed from taxes and rates, or other sources. With respect to the post period benefit amount of \$125.62 million, it will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the City plans to spend \$214.23 million over the life of the by-law, of which \$57.62 million (27%) is recoverable from D.C.s. Of this net amount, \$46.66 million is recoverable from residential development and \$10.97 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

10. Considerations by Council – The background study represents the service needs arising from residential and non-residential growth over the forecast periods.

The following services are calculated based on an urban 12-year forecast:

- Water Services; and
- Wastewater Services.

The following services are calculated based on a City-wide 12-year forecast:

- Services Related to a Highway – Roads and Related;
- Public Works (Facilities and Fleet);





## 1.2 Summary of the Process

The public meeting required under section 12 of the D.C.A. has been scheduled for September 24, 2024. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology, and the proposed modifications to the City's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on August 23, 2024.

The process to be followed in finalizing the report and recommendations includes:

- consideration of responses received prior to, at, or immediately following the public meeting; and
- finalization of the report and Council consideration of the by-law subsequent to the public meeting.

Figure 1-1 outlines the study process to date and the proposed schedule to be followed with respect to the D.C. by-law adoption process.

Figure 1-1  
Schedule of Key D.C. Process Dates for the City of Port Colborne

Schedule of Study Milestone	Dates
1. Data collection, staff review, engineering work, D.C. calculations and policy work	September 2023 to June 2024
2. Stakeholder Meeting	May 1, 2024
3. Public release of final D.C. Background study and proposed by-law	August 23, 2024
4. Public meeting advertisement placed in newspaper(s)	September 3, 2024
5. Public meeting of Council	September 24, 2024
6. Public release of addendum #1 to the D.C. Background study	October 11, 2024
7. Council considers adoption of background study and passage of by-law	October 22, 2024
8. Newspaper notice given of by-law passage	By 20 days after passage
9. Last day for by-law appeal	40 days after passage
10. City makes pamphlet available (where by-law not appealed)	By 60 days after in force date



Table 6-4  
City of Port Colborne  
Gross Expenditure and Sources of Revenue Summary for Costs to be Incurred over the  
Life of the By-law

Service/Class	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source			Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing	Other Funding		Residential	Non-Residential
1. Wastewater Services							
1.1 Sewers	85,879,218	-	7,813,664	-	55,180,259	17,850,531	5,034,765
2. Water Services							
2.1 Distribution systems	43,557,080	-	9,441,620	-	22,429,128	9,115,339	2,570,993
3. Services Related to a Highway							
3.1 Roads and Related	15,475,119	-	3,617,786	-	7,892,321	3,092,709	872,303
4. Public Works (Facilities and Fleet)							
4.1 Public Works (Facilities and Fleet)	5,127,302	-	-	-	1,941,978	2,484,553	700,771
5. Fire Protection Services							
5.1 Fire facilities, vehicles & equipment	12,655,000	-	2,200,000	-	6,807,600	2,844,972	802,428
6. Parks and Recreation Services							
Park development, amenities, trails, vehicles and equipment, and recreation facilities	45,260,000	-	4,987,500	-	31,367,500	8,459,750	445,250
7. Library Services							
7.1 Library facilities & materials	1,165,311	-	-	-	-	1,107,046	58,266
8. Growth Studies							
8.1 Growth Studies	5,115,000	82,500	2,848,800	-	-	1,703,286	480,414
<b>Total Expenditures &amp; Revenues</b>	<b>\$214,234,031</b>	<b>\$82,500</b>	<b>\$30,909,369</b>	<b>\$0</b>	<b>\$125,618,786</b>	<b>\$46,658,185</b>	<b>\$10,965,190</b>



(which is 75% built out) and this was funded with some revenues from Areas B and C, moving to an area-rating approach would see Area A contribute no funds to the costs of services in Areas B and C. The D.C.s would be lower in Area A (as all services are now funded) and higher in Areas B and C. As well, funding shortfalls may then potentially encourage the municipality to provide less services to Areas B and C due to reduced revenue.

3. Many services provided (roads, parks and recreation facilities, etc.) are not restricted to one specific area and are often used by all residents. For example, arenas located in different parts of the City will be used by residents from all areas depending on the programming of the facility (i.e., a public skate is available each night, but at a different arena; hence usage of any one facility at any given time is based on programming availability).

For the reasons noted above, it is recommended that Council calculate the charges on a uniform City-wide basis for all services except for water and wastewater, which are to be calculated on an urban area-specific basis.

## 7.5 Other Recommendations

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### **It is recommended that Council:**

“Whenever appropriate, request that grants, subsidies and other contributions be clearly designated by the donor as being to the benefit of existing development or new development, as applicable;”

“Adopt the assumptions contained herein as an ‘anticipation’ with respect to capital grants, subsidies and other contributions;”

“Continue the D.C. approach to calculate the charges on a uniform City-wide basis for all non-water and wastewater services, and on an urban-area basis for water and wastewater services;”

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated August 23, 2024, as amended, subject to further annual review during the capital budget process;”



“Approve the D.C.s Background Study dated August 23, 2024, as amended by Addendum #1 dated October 11, 2024;”

“Determine that no further public meeting is required;” and

“Approve the D.C. By-law as set out in Appendix G”.



made a concerted effort to integrate the A.M.P. with financial planning and municipal budgeting and are making full use of all available infrastructure financing tools.

Commensurate with the above, the City prepared an A.M.P. in 2022 for its existing assets; however, it did not take into account future growth-related assets for all services included in the D.C. calculations. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2024 \$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all capital costs included in the D.C.-eligible capital costs are not included in the City's A.M.P., the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects that will require financing from municipal financial resources (i.e., taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2024 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are approximately \$24.99 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are approximately \$7.33 million. This amount, totalled with the existing operating revenues of approximately \$49.59 million, provides annual revenues of approximately \$56.92 million by the end of the period.



6. In consideration of the above, the capital plan is deemed to be financially sustainable.

City of Port Colborne  
Asset Management – Future Expenditures and Associated Revenues  
2024\$

<b>Asset Management - Future Expenditures and Associated Revenues</b>	<b>2036 (Total)</b>
<b>Expenditures (Annualized)</b>	
Annual Debt Payment on Non-Growth Related Capital <sup>1</sup>	2,531,271
Annual Debt Payment on Post Period Capital <sup>2</sup>	9,732,708
<b>Lifecycle:</b>	
Annual Lifecycle - Municipal-wide Services	11,123,470
Incremental Operating Costs (for D.C. Services)	1,597,856
<b>Total Expenditures</b>	<b>24,985,305</b>
<b>Revenue (Annualized)</b>	
Total Existing Revenue <sup>3</sup>	\$49,593,916
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$7,328,280
<b>Total Revenues</b>	<b>\$56,922,196</b>

<sup>1</sup> Non-Growth Related component of Projects

<sup>2</sup> Interim Debt Financing for Post Period Benefit

<sup>3</sup> As per Sch. 10 of FIR



# Appendix G

## Proposed D.C. By-Law





# Appendix G: Proposed D.C. By-law

By-law Number \_\_\_\_\_

- of -

## The Corporation of the City of Port Colborne

Being a by-law of the Corporation of the City of Port Colborne with respect to development charges.

**WHEREAS** section 2(1) of the *Development Charges Act, 1997* (hereinafter called "the Act") enables the Council of a municipality to pass by-laws for the imposition of development charges against land located in the municipality for increased capital costs required because of the need for services arising from development in the area to which the by-law applies;

**AND WHEREAS** the Council of the Corporation of the City of Port Colborne (hereinafter called "the Council"), at its public meeting of September 24, 2024, approved a report dated August 23, 2024 entitled "City of Port Colborne, 2024 Development Charge Background Study", which report was prepared by Watson & Associates Economists Ltd., as amended October 11, 2024;

**AND WHEREAS** the Council has given Notice in accordance with Section 12 of the *Development Charges Act, 1997* of its development charge proposal and held a public meeting on September 24, 2024;

**AND WHEREAS** the Council has heard all persons who applied to be heard in objection to, or in support of, the development charge proposal at such public meeting;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF PORT COLBORNE HEREBY** enacts as follows:

1. In this by-law,

### **DEFINITIONS**



“Act” means the Development Charges Act, as amended, or any successor thereof;

“accessory use” means where used to describe a use, building, or structure that the use, building or structure is naturally and normally incidental, subordinate in purpose of floor area or both, and exclusively devoted to a principal use, building or structure;

“affordable residential unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1 of the Act.

“agricultural use” means use or intended use for bona fide farming purposes:

- a) including (but not limited to):
  - i) cultivation of crops whether on open land or in greenhouses, including (but not limited to) fruit, vegetables, grains, field crops, sod trees, shrubs, flowers, and ornamental plants;
  - ii) raising of animals, including (but not limited to) cattle, horses, pigs, poultry, livestock, fish; and
  - iii) animal husbandry, dairying, equestrian activities, horticultural, fallowing, pasturing, and market gardening;
- b) but excluding:
  - i) winery activities;
  - ii) retail sales activities; and
  - iii) cannabis production facilities.

“apartment unit” means any residential unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the residential units are connected by an interior corridor, and includes a stacked townhouse;

“attainable residential unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1 of the Act.



“back-to-back townhouse dwelling” means a building containing more than two dwelling units separated vertically by a common wall, including a rear common wall, that do not have rear yards;

“bedroom” means a habitable room larger than seven square metres, including a den, study or other similar area, but does not include a bathroom, living room, dining room or kitchen;

“benefiting area” means an area defined by map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;

“board of education” has the same meaning as set out in the Education Act, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“Building Code Act” means the Building Code Act, S.O. 1992, as amended, or any successor thereof;

“cannabis” means a cannabis plant, including the phytocannabinoids produced by or found in such a plant regardless of whether that part has been processed or not and any substance or mixture of substances that contains or has in it and part of such a plant and any substance that is identical to a phytocannabinoid produced by or found in such a plant regardless of how the substance was obtained. Marihuana shall have the same definition.

“cannabis production facility” means a facility structure for the cultivation, processing, packaging and shipping where cannabis is produced by a federally licensed producer and can be for the production of medical or recreational cannabis.

“capital cost” shall have the same meaning as described in Section 5 of the *Development Charges Act, 1997*, as amended.

“City” means the Corporation of the City of Port Colborne;

“class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the Development Charges Act.



“commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or agricultural uses, and does not include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Council of the City;

“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 increasing the size of usability thereof, and includes redevelopment;

“development charge” means a charge imposed with respect to this by-law;

“dwelling unit” means any part of a building or structure used, designed or intended to be used as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;

“existing” means the number, use and size that existed as of the date this by-law passed;

“farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;

“gross floor area” means:

(1) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of part walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and

(2) in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside



surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:

- (1) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
- (2) loading facilities above or below grade; and
- (3) a part of the building or structure below grade that is used for the parking or motor vehicles or for storage and other accessory use;

“industrial” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly or raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

“institutional development” means development of a building or structure that meets the criteria set out in section 11.1(2) of O.Reg. 82/98 to the Act;

“interest rate” means the annual rate of interest as set out in section 26.3 of the Act;

“Local Board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the City of Port Colborne or any part of parts thereof;

“local services” means those services, facilities or things which are under the jurisdiction of the City and are related to a plan of subdivision or within the area to



which the plan relates in respect of the lands under Sections 41, 51 or 53 of the Planning Act, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;

“multiple dwellings” means all dwellings other than single-detached, semi-detached and apartment unit dwellings;

“non-profit housing development” means Development of a building or structure that meets the criteria set out in section 4.2 of the Act.

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“Official Plan” means the Official Plan adopted for the City, as amended and approved;

“owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

“park model trailer” means is a recreational unit that meets the following criteria:

- (i) It is built on a single chassis mounted on wheels;
- (ii) It is designed to facilitate relocation from time to time;
- (iii) It is designed as living quarters for seasonal camping and may be connected to those utilities necessary for operation of installed fixtures and appliances; and
- (iv) It has a gross floor area, including lofts, not exceeding 50m<sup>2</sup> (538ft<sup>2</sup>) when in the set-up mode, and has a width greater than 2.6m (8.5ft) in the transit mode.

“place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the Assessment Act, R.S.O. 1990, Chap. A.31, as amended, or any successor thereof;

“rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;



“regulation” means any regulation made pursuant to the Act;

“rental housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

“residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more dwelling units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more dwelling units. This also includes a dwelling unit on land that is used for an agricultural use;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling unit has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;

“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential units are not connected by an interior corridor;

“service” means a service designated in Schedule “A” to this by-law, and  
“services” shall have a corresponding meaning;

“servicing agreement” means an agreement between a landowner and the City relative to the provision of municipal service to specified land within the City;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“special care facilities” means lands, buildings or structures used or designed or intended for uses for the purpose of providing supervision, nursing care or medical treatment, which do not comprise dwelling units, that are licensed, approved or supervised under any special or general statute, and excludes the special care/special dwelling portions of the building;





“special care/special dwelling” includes a park model trailer, and the residential portion of special care facilities containing rooms or suites of rooms designed or intended to be used for sleeping and living accommodation that have a common entrance from street level:

- i. Where the occupants have the right to use in common, halls, stairs, yards, common rooms and accessory buildings;
- ii. Which may or may not have exclusive sanitary and/or culinary facilities;
- iii. That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements; and
- iv. Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services may be provided at various levels.

“stacked townhouse dwelling” means a building containing two or more dwelling units where each dwelling unit is separated horizontally and/or vertically from another dwelling unit by a common wall or floor.

## **2. DESIGNATION OF SERVICES**

2.1 The categories of services for which development charges are imposed under this by-law are as follows:

- (1) Services Related to a Highway;
- (2) Public Works (Facilities and Fleet);
- (3) Fire Protection Services;
- (4) Parks and Recreation Services;
- (5) Library Services;
- (6) Growth Studies;
- (7) Wastewater Services; and



(8) Water Services.

2.2 The components of the services designated in Section 2.1 are described in Schedule A.

### **3. APPLICATION OF BY-LAW RULES**

3.1. Development charges shall be payable in the amounts set out in this by-law where:

(1) the lands are located in the area described in Section 3.2; and

(2) the development of the lands requires any of the approvals set out in Subsection 3.4(1).

#### **Area to Which By-law Applies**

3.2. Subject to Section 3.3, this by-law applies to all lands in the City of Port Colborne whether or not the land or use thereof is exempt from taxation under s.13 or the Assessment Act.

3.3 Notwithstanding Clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:

(1) the City or a local board thereof;

(2) a board of education;

(3) the Corporation of the Region of Niagara or a local board thereof; or

(4) Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

#### **Approvals for Development**



- 3.4 (1) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- (1) the passing of a zoning by-law or of an amendment to a zoning by-law under Section 34 of the Planning Act;
  - (2) the approval of a minor variance under Section 45 of the Planning Act;
  - (3) a conveyance of land to which a by-law passed under subsection 50(7) of the Planning Act applies;
  - (4) the approval of a plan of subdivision under Section 51 of the Planning Act;
  - (5) a consent under Section 53 of the Planning Act;
  - (6) the approval of a description under Section 50 of the Condominium Act, R.S.O. 1990, Chap. C.26, as amended, or any successor thereof; or
  - (7) the issuing of a permit under the Building Code Act in relation to a building or structure.

(2) No more than one development charge for each service designated in Subsection 2.1 shall be imposed upon any lands, buildings or structure to which this by-law applies even though two or more of the actions described in Subsection 3.4(1) are required before the lands, buildings or structures can be developed.

(3) Despite Subsection 3.4(2), if two or more of the actions described in Subsection 3.4(1) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

### **Exemptions**

- 3.5 Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to:
- (1) an enlargement to an existing dwelling unit;



(2) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary structure to the existing residential building;

3.6 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to the creation of any of the following in existing houses:

- a) A second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit.
- b) A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.
- c) One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.

3.7 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to the creation of any of the following in new residential buildings:

- a) A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house, semi-detached house or rowhouse cumulatively will contain no more than one residential unit
- b) A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units



- c) One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units

3.8 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to non-profit residential development;

3.9 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to affordable residential units required pursuant to section 34 and 16(4) of the Planning Act (Inclusionary Zoning);

3.10 Notwithstanding subsections 3.2 and 3.4, the following shall be exempt from Development Charges as per Section 4.1 of the Act:

- i. Affordable Residential Units:
  - i. Affordable Residential Owned Units;
  - ii. Affordable Residential Rental Units;
- ii. Attainable Residential Units.

3.11 Notwithstanding any other provision of this By-law, the Development Charges payable for Residential Developments, where the Dwelling Units are intended as Rental Housing, will be reduced based on the number of bedrooms in each Dwelling Unit in accordance with section 26.2(1.1) of the Development Charges Act, as follows:

- i Three (3) or more Bedrooms – 25% reduction;
- ii Two (2) Bedrooms – 20% reduction; and
- iii Fewer than two (2) Bedrooms – 15% reduction.

3.12 Exemption for Industrial Development:

3.12.1 Notwithstanding any other provision of this by-law, no development charge is payable with respect to an enlargement of the gross floor area of an existing industrial building where the gross floor area is enlarged by 50 percent or less.



3.12.2 If a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable in respect of the enlargement is determined in accordance with the following:

(i) Subject to subsection 3.12.2 (iii), if the gross floor area is enlarged by 50 per cent or less of the lesser of:

(A) the gross floor area of the existing industrial building, or

(B) the gross floor area of the existing industrial building before the first enlargement for which:

(i) an exemption from the payment of development charges was granted, or

(ii) a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid, pursuant to Section 4 of the Act and this subsection, the amount of the development charge in respect of the enlargement is zero;

(ii) Subject to subsection 3.12.2 (iii), if the gross floor area is enlarged by more than 50 per cent or less of the lesser of:

(A) the gross floor area of the existing industrial building, or

(B) the gross floor area of the existing industrial building before the first enlargement for which:

(i) an exemption from the payment of development charges was granted, or

(ii) a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid, pursuant to Section 4 of the Act and this subsection, the amount of the development charge in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:



(A) determine the amount by which the enlargement exceeds 50 per cent of the gross floor area before the first enlargement, and

(B) divide the amount determined under subsection (A) by the amount of the enlargement

(iii) For the purposes of calculating the extent to which the gross floor area of an existing industrial building is enlarged in subsection 3.12.2 (ii), the cumulative gross floor area of any previous enlargements for which:

(A) An exemption from the payment of development charges was granted, or

(B) A lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid, pursuant to Section 4 of the Act and this subsection, shall be added to the calculation of the gross floor area of the proposed enlargement.

(iv) For the purposes of this subsection, the enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility.

3.13 For the purpose of Section 3.12 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

#### 3.14 **Other Exemptions:**

Notwithstanding the provision of this by-law, development charges shall not be imposed with respect to:

(1) Non-residential farm buildings for the purpose of an agricultural use except for any building constructed to accommodate an On-Farm Business which shall be considered to be an industrial building;

(2) Industrial development shall be exempt from payment of development charges on any square footage of gross floor area constructed over 5,000 square feet; and





(3) Partial exemption for certain Community Improvement Plan areas based upon specific policies approved by Council.

## **Amount of Charges**

### **Residential**

3.15 The development charges set out in Schedule B shall be imposed on residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed use building or structure, on the residential uses in the mixed use building or structure, according to the type of residential unit, and calculated with respect to each of the services according to the type of residential use.

### **Non-Residential**

3.16 The development charges described in Schedule B to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed use building or structure, on the non-residential uses in the mixed use building or structure, and calculated with respect to each of the services according to the total floor area of the non-residential use.

## **Reduction of Development Charges for Redevelopment**

3.17 Despite any other provisions of this by-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 12 months prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

(1) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under Subsection 3.15 by the number, according to type, of dwelling units that have been demolished or will be demolished or converted to another principal use; and



(2) in the case of a non-residential building or structure or, in the case of mixed-use building or structure, the non-residential uses in the mixed use building or structure, an amount calculated by multiplying the applicable development charges under Subsection 3.16, by the gross floor area that has been or will be demolished or converted to another principal use; provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

### **Timing of Payment of Development Charges**

- 3.18 Development charges imposed under this by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.
- 3.19 Notwithstanding subsection 3.18, development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of first occupancy certificate issued, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 3.20 Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within 18 months of building permit issuance, the development charges under section 3 of this by-law shall be calculated on the rates set out in Schedule "B" on the date of the receipt of a complete planning application, including interest. Where both planning applications apply development charges under section 3 of this by-law shall be calculated on the rates payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest (calculated in accordance with section 26.3 of the Act).
- 3.21 Despite Section 3.18 and 3.19, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with Section 27 of the Act.



#### **4. PAYMENT BY SERVICES**

- 4.1 Despite the payment required under Subsections 3.15 and 3.16, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service to which a development charge relates under this by-law

#### **5. INDEXING**

- 5.1 Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, on the anniversary date of the by-law, in accordance with the prescribed index in the Act.

#### **6. SCHEDULES**

- 6.1 The following schedules shall form part of this by-law:

Schedule A - Components of Services Designated in Section 2.1

Schedule B - Schedule of Development Charges

Schedule C1 - Map of East Waterfront Community Improvement Plan

Schedule C2 - Map of Downtown Community Improvement Plan

Schedule C3 - Map of Olde Humberstone Community Improvement Plan

#### **7. CONFLICTS**

- 7.1 Where the City and an owner or former owner have entered into an agreement with respect to land within the area to which this by-law applies, and a conflict exists between the provisions of this by-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.

- 7.2 Notwithstanding Section 7.1, where a development which is the subject of an agreement to which Section 7.1 applies, is subsequently the subject of one or more of the actions described in Subsection 3.4(1), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this by-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.



**8. SEVERABILITY**

8.1 If, for any reason, any provision of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all of the remainder of this by-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

**9. DATE BY-LAW IN FORCE**

9.1 This by-law shall come into effect at 12:01 AM on October 23, 2024.

**10. DATE BY-LAW EXPIRES**

10.1 This by-law shall expire at 12:01 AM on October 23, 2034 unless it is repealed by Council at an earlier date.

**11. EXISTING BY-LAW REPEALED**

11.1 By-law No. 6733/97/19 is hereby repealed as of the date and time of this by-law coming into effect.

**12. SHORT TITLE**

This by-law may be cited as the "Port Colborne City-wide Development Charge Bylaw."

**READ** a first and second time, this 22 day of October, 2024.

**READ** a third time and finally passed in Council, this 22 day of October, 2024.

**THE CORPORATION OF THE CITY OF PORT  
COLBORNE**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk



**BY-LAW NUMBER \_\_\_\_\_**

**SCHEDULE "A"**

**DESIGNATED MUNICIPAL SERVICE UNDER THIS BY-LAW**

City-Wide Services

**Services Related to a Highway**

Roads

Bridges, Culverts & Structures

Sidewalks and Active Transportation

Traffic Signals & Streetlights

**Public Works Facilities and Fleet**

Public Works Facilities

Public Works Vehicles & Equipment

**Fire Protection Services**

Fire Facilities

Fire Vehicles & Equipment

Small Equipment and Gear

**Parks & Recreation Services**

Parkland Development

Parkland Amenities

Parkland Trails

Recreation Facilities

Parks & Recreation Vehicles and Equipment

**Library Services**

Library Facilities

Library Collection Materials

**Growth Studies**

Urban Area Services

**Wastewater Services**

**Water Services**



SCHEDULE "B"

TO BY-LAW \_\_\_\_\_ OF CITY OF PORT COLBORNE

SCHEDULE OF DEVELOPMENT CHARGES

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services/Class of Service:</b>						
Services Related to a Highway	2,328	1,803	1,630	1,078	893	1.12
Public Works (Facilities and Fleet)	2,444	1,893	1,711	1,131	937	1.17
Fire Protection Services	1,709	1,324	1,197	791	655	0.82
Parks and Recreation Services	5,018	3,886	3,514	2,323	1,924	0.45
Library Services	663	513	464	307	254	0.06
Growth Studies	1,101	853	771	510	422	0.53
<b>Total Municipal Wide Services/Class of Service</b>	<b>13,263</b>	<b>10,272</b>	<b>9,287</b>	<b>6,140</b>	<b>5,085</b>	<b>4.15</b>
<b>Urban Services</b>						
Wastewater Services	11,453	8,870	8,020	5,301	4,391	5.24
Water Services	5,813	4,502	4,071	2,691	2,229	2.66
<b>Total Urban Services</b>	<b>17,266</b>	<b>13,372</b>	<b>12,091</b>	<b>7,992</b>	<b>6,620</b>	<b>7.90</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>13,263</b>	<b>10,272</b>	<b>9,287</b>	<b>6,140</b>	<b>5,085</b>	<b>4.15</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>30,529</b>	<b>23,644</b>	<b>21,378</b>	<b>14,132</b>	<b>11,705</b>	<b>12.05</b>



## SCHEDULE "C1"

### MAP OF EAST WATERFRONT COMMUNITY IMPROVEMENT PLAN







## SCHEDULE "C2"

### MAP OF DOWNTOWN COMMUNITY IMPROVEMENT PLAN





## SCHEDULE "C3"

### MAP OF OLDE HUMBERSTONE COMMUNITY IMPROVEMENT PLAN

