

**City of Port Colborne
Special Council Meeting 24-19
Minutes**

Date: August 26, 2019

Time: 7:00 p.m.

Place: Council Chambers, Municipal Offices, 66 Charlotte Street, Port Colborne

Members Present: M. Bagu, Councillor
E. Beauregard, Councillor
G. Bruno, Councillor
R. Bodner, Councillor
F. Danch, Councillor
A. Desmarais, Councillor
D. Kalailieff, Councillor
W. Steele, Mayor (presiding officer)

Staff Present: T. Cartwright, Fire Chief
B. Garrett, Director of Corporate Services
A. LaPointe, Manager of Legislative Services/City Clerk
C. Lee, Director of Engineering & Operations
S. Luey, Chief Administrative Officer
H. Mahon, Planning Technician/Clerk (minutes)
C. McIntosh, Deputy Clerk
T. Rogers, Acting Director Planning & Development

Also in attendance were interested citizens, members of the news media and WeeStreem.

1. Call to Order:

Mayor Steele called the meeting to order.

2. National Anthem:

Those in attendance stood for O Canada.

3. Confirmation of Agenda:

No. 149 Moved by Councillor R. Bodner
Seconded by Councillor M. Bagu

That the agenda dated August 26, 2019 be confirmed, as circulated or as amended.

CARRIED.

4. Disclosures of Interest:

Nil.

5. Public Hearing Under the Development Charges Act:

- (a) Planning and Development Department, Planning Division, Report 2019-132, Subject: Public Hearing Report – Background Study and Development Charges By-law Update

(i) PURPOSE OF MEETING

Todd Rogers advised that the purpose of this meeting, pursuant to the provisions of Section 12 of the *Development Charges Act*, R.S.O., 1997 is being held to present and obtain public input on the City's proposed Development Charges By-law and underlying background study. The *Development Charges Act* requires municipalities to update their Development Charge By-law every 5 years, including a background study and creation of a new by-law.

(ii) METHOD OF NOTICE

Mr. Rogers advised that Notice of the Public Meeting was administered in accordance with Section 12 of the Development Charges Act R.S.O. 1997.

The Notice of Public Meeting was posted on the City's website and appeared in The Leader on July 25, 2019.

(iii) EXPLANATION OF PROCEDURE TO BE FOLLOWED

Mr. Rogers advised that the procedure to be followed this evening will be to present Department of Planning & Development Report 2019-132, to receive questions of clarification from Council to the applicant or Planning Staff, to open the meeting to the public for comments and questions, to announce the requirements under the Development Charges Act for written notice of passage of the proposed Background Study and Development Charges By-law update, and to provide a brief explanation of future meetings regarding the application.

(iv) PRESENTATION OF BACKGROUND STUDY AND DEVELOPMENT CHARGES

Mr. Rogers introduced Byron Tan, consultant from Watson and Associates Economists Ltd. to provide the Background Study and Development Charges presentation.

Mr. Tan outlined the purpose for the public meeting, format, the study process and timelines through a powerpoint presentation. He noted that the purpose of the development charges is to recover the capital costs associated with residential and non-residential growth within a municipality. Mr. Tan also outlined the limitations on services and provided the methodology for identification applicable to the development charges. Mr. Tan noted the impact of Bill 73 on Port Colborne. He then advised of both mandatory and discretionary exemptions as well as local service policies. He briefly described the relationship between the need to service growth vs. funding and provided a growth forecast and services summary. Mr. Tan also provided illustrated Charts on the current and calculated development charges as well as comparisons between residential and non-residential charges. Mr. Tan then spoke on Bill 108: "More Homes, More Choice: Ontario's Housing Supply Action Plan" and provided a brief overview of the changes to the Development Charges Act. Mr. Tan advised that the next step is the passage of the By-law, which is scheduled for September 23, 2019.

(v) QUESTIONS OF CLARIFICATION TO PLANNING CONSULTANTS

Following Mr. Tan's presentation, Mr. Rogers asked Council if there were any questions of clarification to the consultant.

Councillor Bruno questioned Mr. Tan on whether development charges would pertain to the Vale Centre. He questioned how the development charges review affects paid debentures. Mr. Tan spoke of Bill 73 and recommended that Council consider development charges to benefit certain areas such as for water/wastewater/storm rather than for a recreational centre.

Councillor Bruno also questioned Mr. Tan on how the development charges can affect affordable housing. Mr. Tan noted that development charges can be provided for any residential class. Council could choose to exempt certain areas if desired. Exemptions can be done anytime during the 5 year period through a by-law amendment if needed. There was a brief discussion concerning the waiving and phasing in of development charges. Mr. Tan noted that this could be done at Council's discretion such as by 20% over a 5 year period. It was further noted that the by-law amendment could be done internally by staff.

Councillor Beauregard questioned Mr. Tan on how the designated areas were determined. Mr. Tan advised that this had been done in co-ordination with Planning staff who provided the mapping areas. Councillor Beauregard questioned how it would affect development charges if the growth forecast is incorrect. Mr. Tan responded that if that were the case then the development charges should be revisited. Councillor Beauregard noted

that it appears that municipalities with development charges show more growth and questioned whether municipalities without development charges are losing out. Mr. Tan responded that high growth areas could be due to other factors such as proximity to highway corridors or greater hubs. Housing prices could also be a factor. There is not a direct correlation between development charges and growth factor.

Councillor Kalailieff questioned Mr. Tan on whether the costs of development charges revert back to the ratepayers if not covered by developers. She noted that some developers profit off the sale of the land without having to absorb the development charges. Mr. Tan advised that the development charges are carried forward to whoever develops the land. Discussion commenced on new builds and infills. Mr. Tan advised that development charges pertain to city-wide areas such as CIP areas and not specific infills. Council could look into this further but it would require some rationale.

(vi) ORAL PRESENTATIONS AND/OR QUESTIONS BY PUBLIC

Before opening the meeting to the public Mr. Rogers read the following cautionary statements:

“If a person or public body does not make oral submissions at a public meeting or make written submissions to the City of Port Colborne before a decision on the proposed Background Study and Development Charges By-law Update is passed by Council, the person or public body is not entitled to appeal the decision of the City of Port Colborne Council to the Local Planning Appeal Tribunal.”

And;

“If a person or public body does not make oral submissions at a public meeting, or make written submission to the City of Port Colborne before a decision on the proposed Background study and Development Charges By-law Update is passed by Council, the person or public body may not be added as a party to the hearing of an appeal before the Local Planning Appeal Tribunal unless, in the opinion of the Tribunal, there is reasonable grounds to do so.”

Mr. Rogers also advised for any interested members of the public that there is a sign-in sheet to request future notices regarding this application.

At this time Mr. Rogers invited any members of the public who wish to speak to the applications to do so.

Heather McDougall of 5474 Firelane 22 addressed Council. Ms. McDougall questioned whether the development charges would affect the water/wastewater services for the Rural areas. Mr. Tan advised that this would not be included.

(vii) ANNOUNCEMENT RESPECTING WRITTEN NOTICE OF

Mr. Rogers advised that if anyone wishes "to be notified of the approval of the Background Study and Development Charges By-law Update they must make a written request to the clerk. Only those persons and public bodies that give the clerk a written request for the notice of the adoption and passing of a Background Study and Development Charges By-law Update will be given notice."

(ix) EXPLANATION OF FUTURE MEETINGS -

Mr. Rogers advised that this concludes the public hearing under the Development Charges Act. The proposed Background Study and Development Charges By-law Update will be placed on Council's agenda at a future meeting.

6. Adjournment:

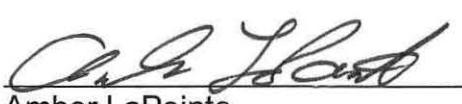
No. 150

Moved by Councillor F. Danch
Seconded by Councillor R. Bodner

That the Council meeting be adjourned at approximately 7:50 p.m.
CARRIED.



William C. Steele
Mayor



Amber LaPointe
City Clerk

Minutes prepared by the Department of Planning and Development.

/hm



City of Port Colborne

Development Charges Public Meeting

August 26, 2019



Public Meeting Purpose

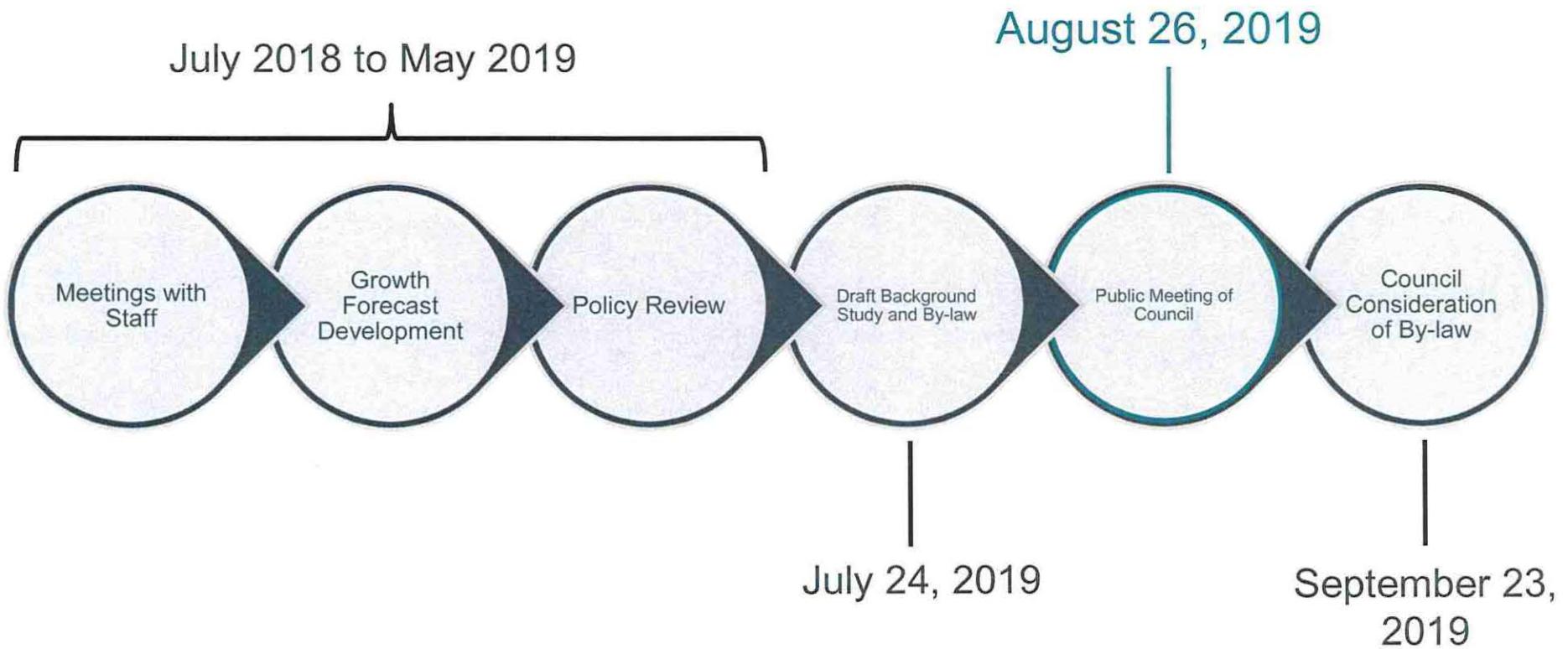
- The public meeting is to provide for a review of the D.C. proposal and to receive public input on the proposed policies and charges
- The meeting is a mandatory requirement under the Development Charges Act (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage



Format for Public Meeting

- D.C.A. Public Meeting
 - Opening remarks
 - Presentation of the proposed policies and charges
 - Presentations by the Public
 - Questions from Council
 - Conclude Public Meeting

Study Process & Timelines



Development Charges



Purpose:

- To recover the capital costs associated with residential and non-residential growth within a municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (i.e. internal roads, sewers, watermains, roads, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose these charges via the Development Charges Act (D.C.A.)

Limitations on Services



- Some forms of capital and some services can not be included in the D.C.A.. For example:
 - Headquarters for the General Administration of the Municipality
 - Arts, Culture, Museums and Entertainment Facilities
 - Tourism Facilities
 - Provision of a Hospital
 - Parkland Acquisition
 - Vehicles & Equipment with an average life of <7 years
 - Waste Management Services (non-waste diversion related)



Methodology

1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs
4. Deduct:
 - i. Grants, subsidies and other contributions
 - ii. Benefit to existing development
 - iii. Statutory 10% deduction (soft services)
 - iv. Amounts in excess of 10-year historical service calculation
 - v. D.C. Reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to calculate the D.C.

Impact of Bill 73 (Smart Growth for our Communities Act, 2015) on Port Colborne



- Consider impact of “no additional levies” in development process and on Local Service Policy
- Annual reporting requirements to conform to the new required format
- Ensure the background study is available at least 60 days prior to by-law passage
- Need to consider Area Rating as part of the Background Study (but not mandatory to impose)
 - Currently the City imposes water and wastewater services on an urban area basis.



Exemptions

Mandatory Exemptions

- For industrial building expansions (may expand by 50% with no D.C.)
- May add up to 2 apartments for a single as long as size of home doesn't double
- Add one additional unit in medium & high density buildings
- Upper/Lower Tier Governments and School Boards

Discretionary Exemptions

- Reduce in part or whole D.C. for types of development or classes of development (e.g. industrial or churches)
- May phase-in over time
- Redevelopment credits to recognize what is being replaced on site (not specific in the Act but provided by case law)



Port Colborne's Discretionary Exemptions Contained in D.C. By-law

- Non-residential farm buildings;
- Downtown core areas;
- Industrial development – exemption on any square footage of gross floor area over 5,000 sq.ft.;
- Residential development within the Sherkston Secondary Plan Area – partial exemption requiring the payment of only the road and fire components of the charge;
- Brownfield properties – partial exemption of up to 70% under the City's Brownfield Community Improvement Plan; and
- Partial exemption for certain Community Improvement Plan areas based upon specific policies approved by Council.

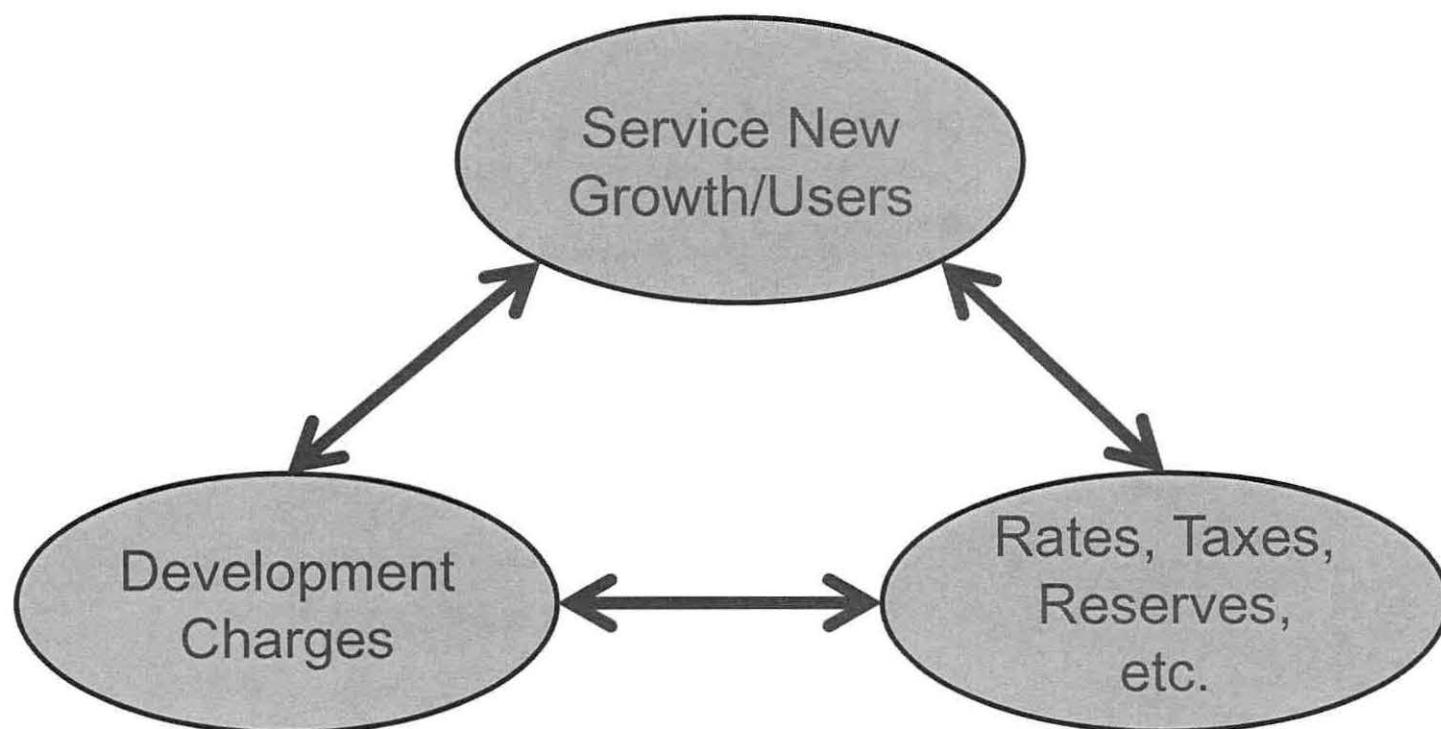


Local Service Policies

- Subdivision Agreement Conditions - the Act broadens the coverage of such agreements to include “local services related to a plan of subdivision or within the area to which the plan relates”, rather than simply local services within a plan of subdivision, as under the old Act.
- This suggests the need for a D.C. Background study to provide a local service policy
- Further, due to Bill 73, “no additional levies” clause, a Local Service Policy is required to be developed and approved by Council, through the D.C. study process, to clearly define what developers would be required to do as part of their development agreements versus what would be included in the D.C.
- Items to consider are collector & arterial roads, intersection improvements & traffic signals, streetlights & sidewalks, Bike Routes/Bike Lanes/Bike Paths/Multi-Use Trails/Naturalized Walkways, Noise Abatement Measures, Land dedications/easements, Water, Wastewater, Stormwater, and Park requirements.

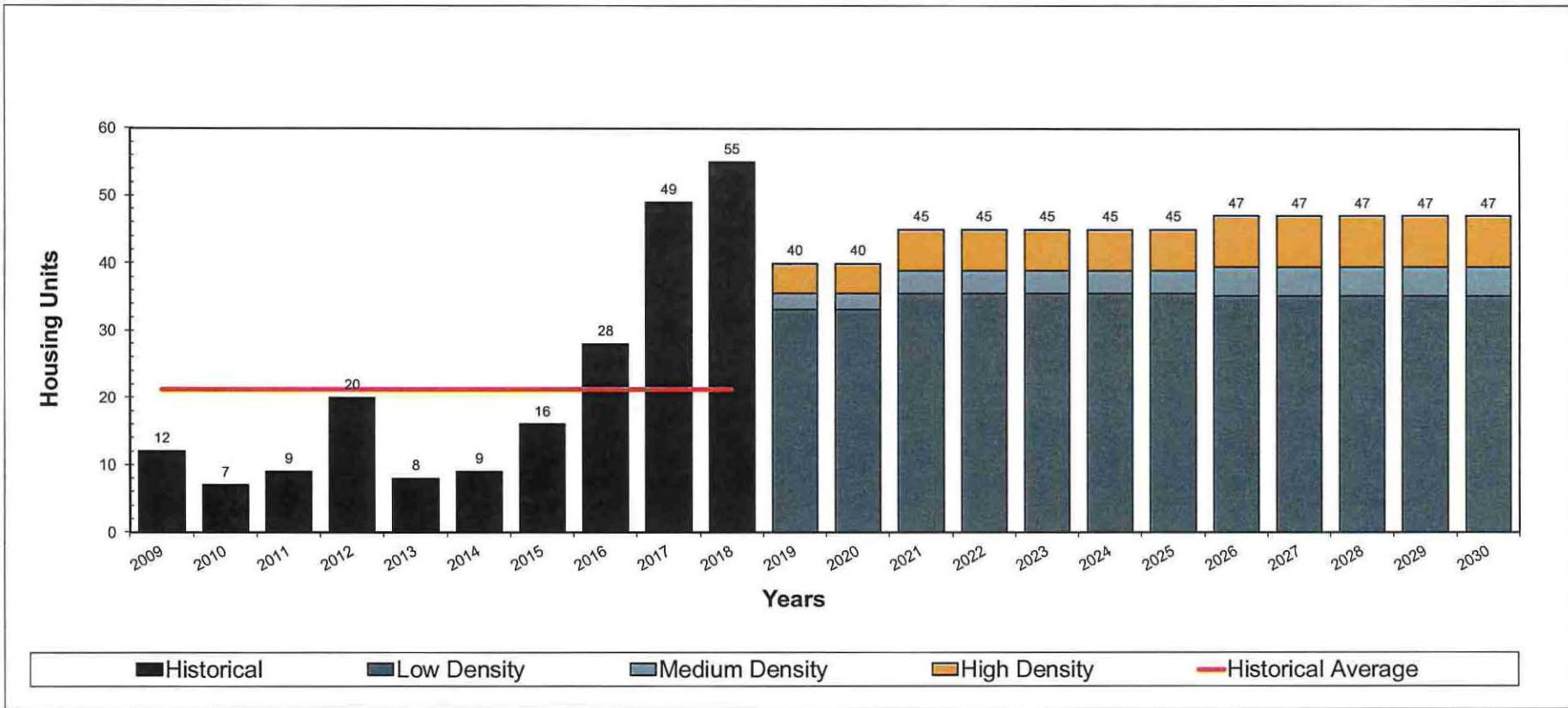


Relationship Between Needs to Service Growth vs. Funding





Growth Forecast



Source: Historical housing activity derived from City of Port Colborne Planning and Development Department, 2009 to 2018.

1. Growth forecast represents calendar year.



Growth Forecast Summary

Measure	10 Year	2031 Forecast	Urban 2031 Forecast 2019-Urban 2031
	2019-2028	2019-2031	
(Net) Population Increase	842	1,032	874
Residential Unit Increase	446	540	423
Non-Residential Gross Floor Area Increase (ft ²)	326,900	387,000	369,400

Source: Watson & Associates Economists Ltd. Forecast 2019



Summary of Services Considered

City-wide:

- Services Related to a Highway
- Fire Protection Services
- Outdoor Recreation Services
- Indoor Recreation Services
- Library Services
- Engineering Related Studies
- Community Based Studies

Urban-area Services:

- Wastewater Services
- Water Services

Current D.C. Rates (from the D.C. by-law - unindexed)



Service	Residential				Non-Residential
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Apartments with < 2 Bedrooms	per sq.ft.
City-Wide Services					
Services Related to a Highway	1,710	1,131	1,087	733	0.98
Fire Protection Services	267	177	170	115	0.15
Outdoor Recreation Services	1,530	1,012	972	656	0.09
Indoor Recreation Services	1,500	992	953	644	0.09
Library Services	535	354	340	230	0.03
Administration	275	182	175	118	0.18
Subtotal City-Wide	5,817	3,848	3,697	2,496	1.52
Urban Services					
Wastewater Services	556	368	353	239	0.33
Water Services	2,214	1,464	1,407	950	1.31
Subtotal Urban Services	2,770	1,832	1,760	1,189	1.64
Total	8,587	5,680	5,457	3,685	3.16

Note: Development Charges are currently being deferred



Calculated D.C. Rates

Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)	
City-Wide Services:							
Services Related to a Highway	2,160	1,595	1,557	952	862	1.10	
Fire Protection Services	155	114	112	68	62	0.08	
Outdoor Recreation Services	305	225	220	134	122	0.02	
Indoor Recreation Services	2,999	2,214	2,162	1,322	1,197	0.21	
Library Services	163	120	118	72	65	0.01	
Engineering Related Studies	267	197	192	118	107	0.13	
Community Based Studies	89	66	64	39	36	0.04	
Total City-Wide Services	6,138	4,531	4,425	2,705	2,451	1.59	
Urban Services							
Wastewater Services	1,593	1,176	1,149	702	636	0.76	
Water Services	3,688	2,723	2,659	1,626	1,472	1.75	
Total Urban Services	5,281	3,899	3,808	2,328	2,108	2.51	
GRAND TOTAL CITY-WIDE	6,138	4,531	4,425	2,705	2,451	1.59	
GRAND TOTAL CITY-WIDE + URBAN SERVICES	11,419	8,430	8,233	5,033	4,559	4.10	

D.C. Comparison - Residential



Residential (Single Detached) Comparison

Service	Current (Assuming Indexed to 2019)	Calculated
City-Wide Services:		
Services Related to a Highway	1,973	2,160
Fire Protection Services	308	155
Outdoor Recreation Services	1,766	305
Indoor Recreation Services	1,731	2,999
Library Services	617	163
Engineering Related Studies	317	267
Community Based Studies		89
Total City-Wide Services	6,713	6,138
Urban Services:		
Wastewater Services	642	1,593
Water Services	2,555	3,688
Total Urban Services	3,197	5,281
Grand Total	9,910	11,419

D.C. Comparison – Non-Residential



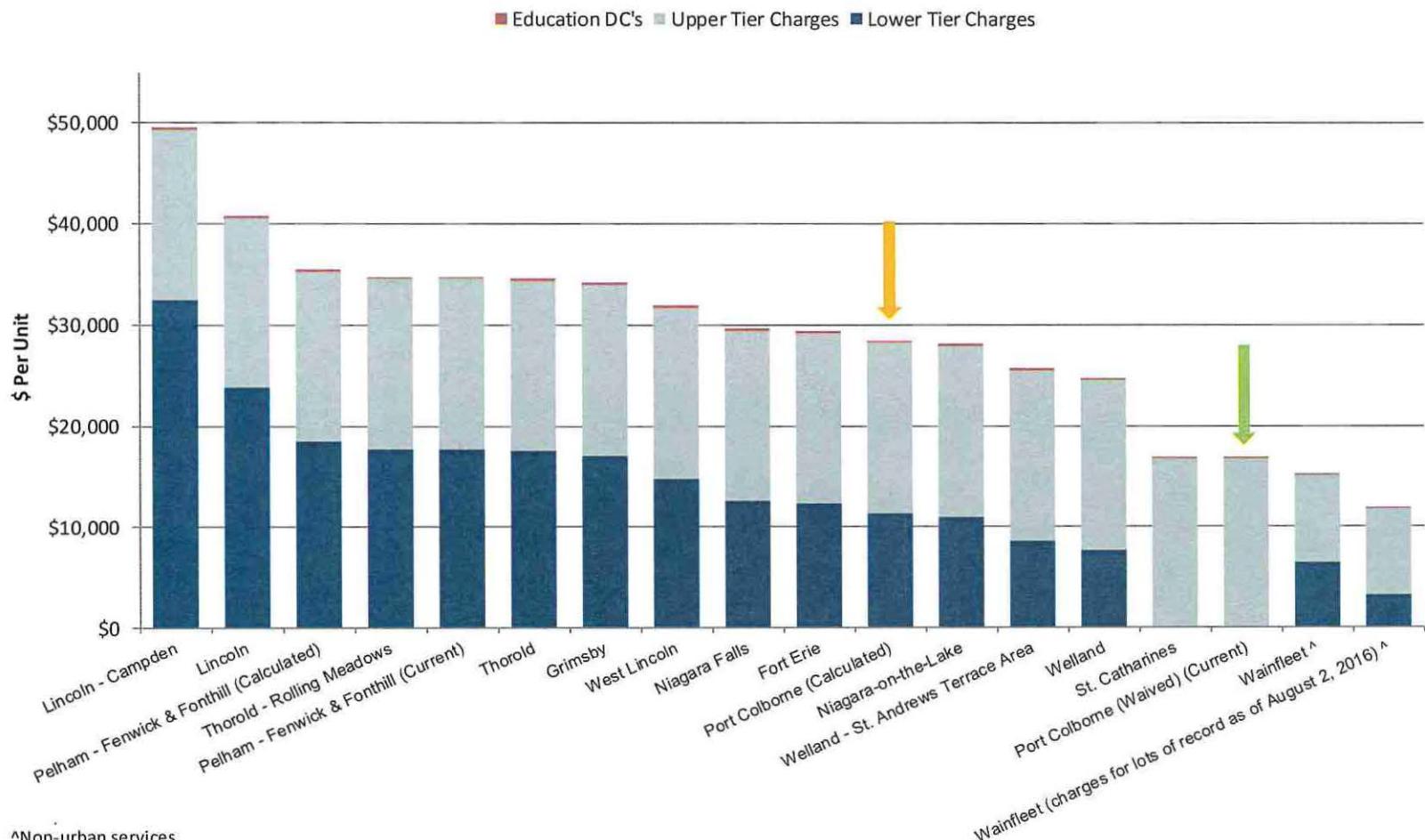
Non-Residential (per sq.ft.) Comparison

Service	Current (Assuming Indexed to 2019)	Calculated
City-Wide Services:		
Services Related to a Highway	1.13	1.10
Fire Protection Services	0.17	0.08
Outdoor Recreation Services	0.10	0.02
Indoor Recreation Services	0.10	0.21
Library Services	0.03	0.01
Engineering Related Studies	0.21	0.13
Community Based Studies		0.04
Total City-Wide Services	1.75	1.59
Urban Services:		
Wastewater Services	0.38	0.76
Water Services	1.51	1.75
Total Urban Services	1.89	2.51
Grand Total	3.65	4.10



Residential (per single-detached unit) Development Charges Comparison

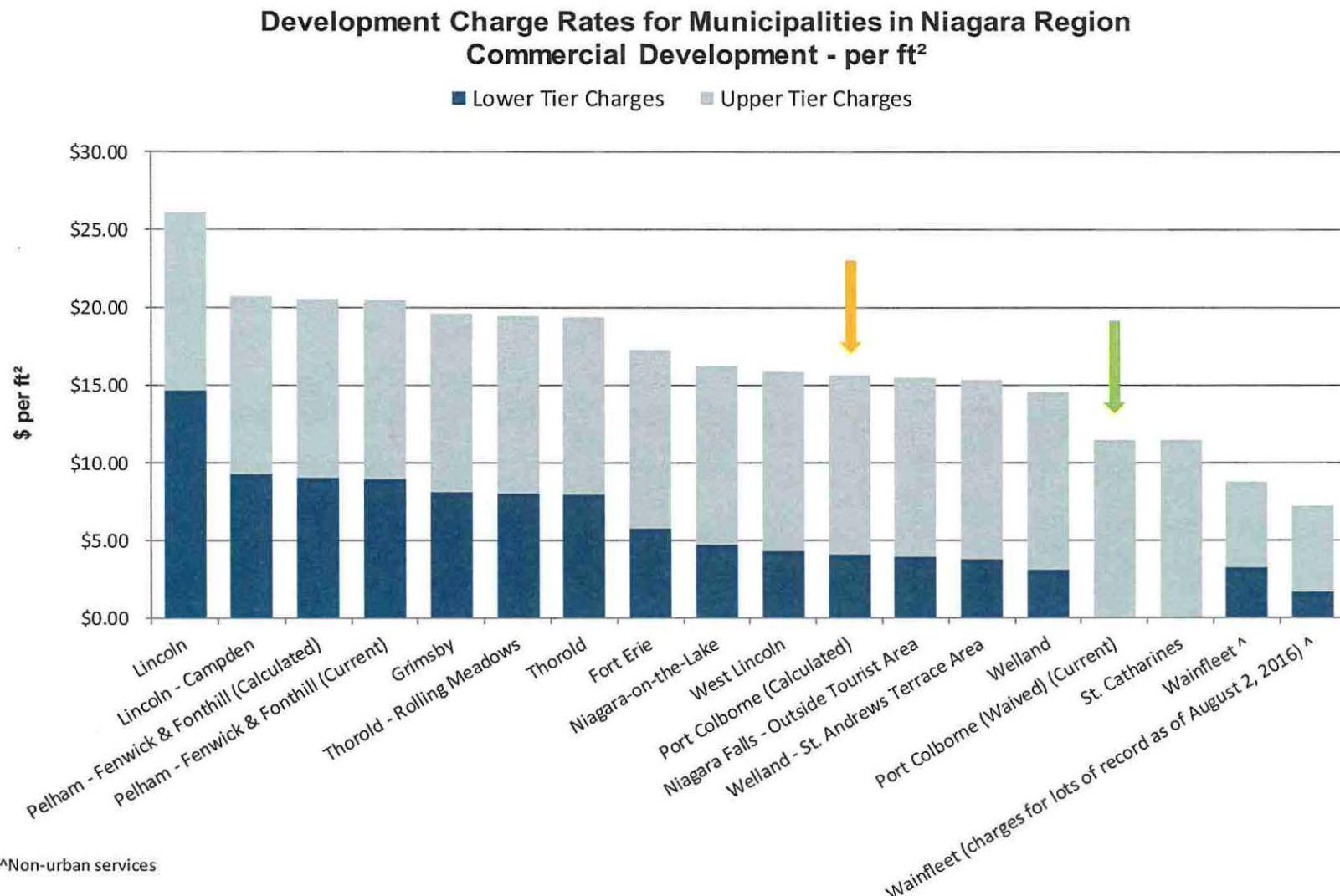
**Development Charge Rates for Municipalities in Niagara Region
Single Detached & Semi Detached Dwelling**



[^]Non-urban services



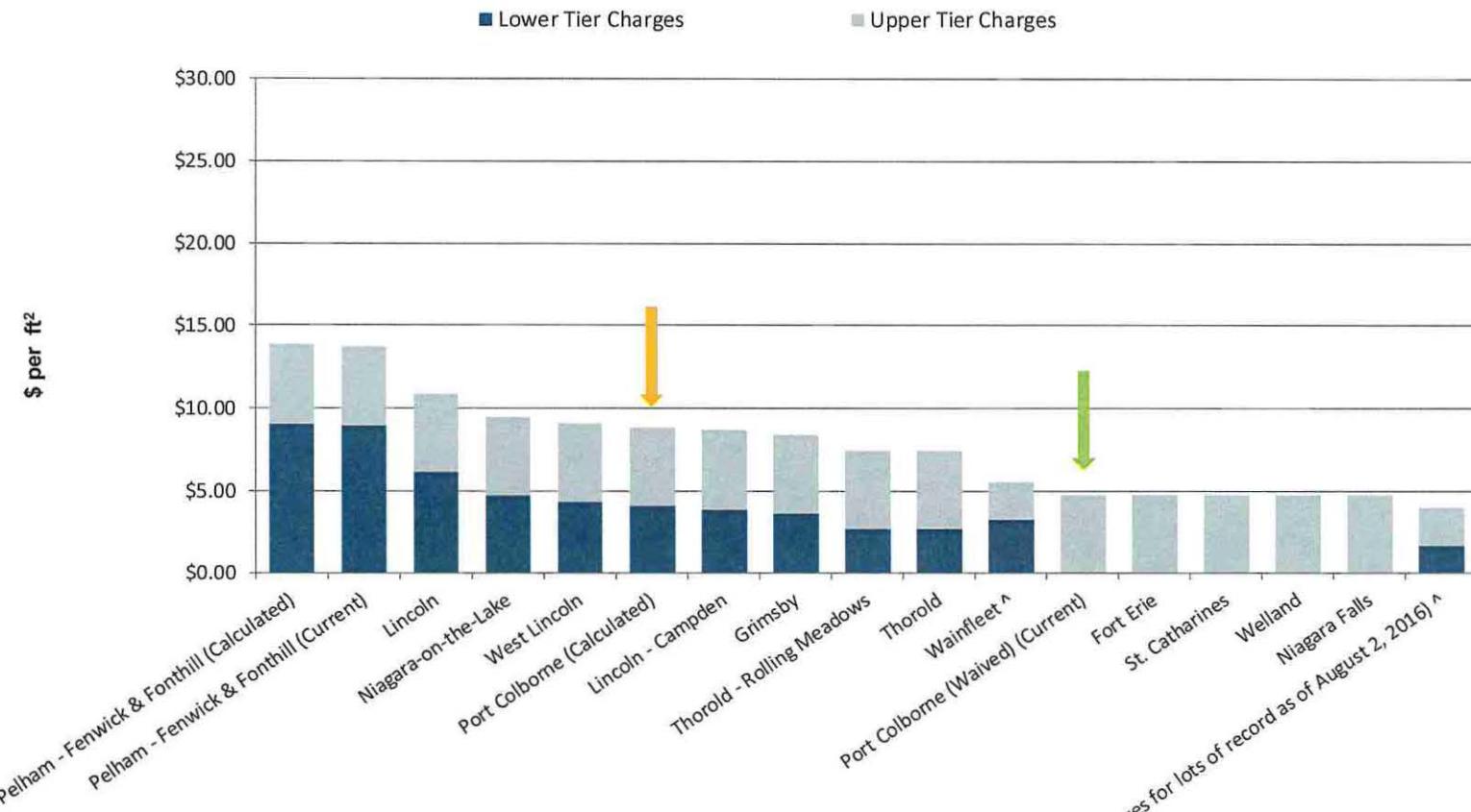
Non-Residential – Commercial (per sq.ft.) Development Charges Comparison





Non-Residential – Industrial (per sq.ft.) Development Charges Comparison

Development Charge Rates for Municipalities in Niagara Region
Industrial Development - per ft²



[^]Non-urban services

The Region of Niagara provides a grant program for industrial D.C.s

Wainfleet (charges for lots of record as of August 2, 2016) ^

Bill 108: “More Homes, More Choice: Ontario's Housing Supply Action Plan”



The following provides a brief overview of the proposed changes to the Development Charges Act (known as of June 6, 2019):

- Changes to eligible services
 - Soft Services will be removed from the D.C.A. and will be considered as part of a new Community Benefits Charge imposed under the *Planning Act* (i.e. parking, outdoor recreation, indoor recreation, library services, etc.)
- Payment in Installments:
 - Over six years for rental housing, as well as non-residential developments will pay their D.C. in six equal annual installments
 - Over 20 years for non-profit housing, will pay their D.C. in equal annual installments
- When D.C. Amount is Determined
 - Currently D.C.s are calculated at the building permit stage. The proposed change would have D.C.s calculated on the date of the application for Site Plan or zoning amendment

Bill 108: “More Homes, More Choice: Ontario's Housing Supply Action Plan”



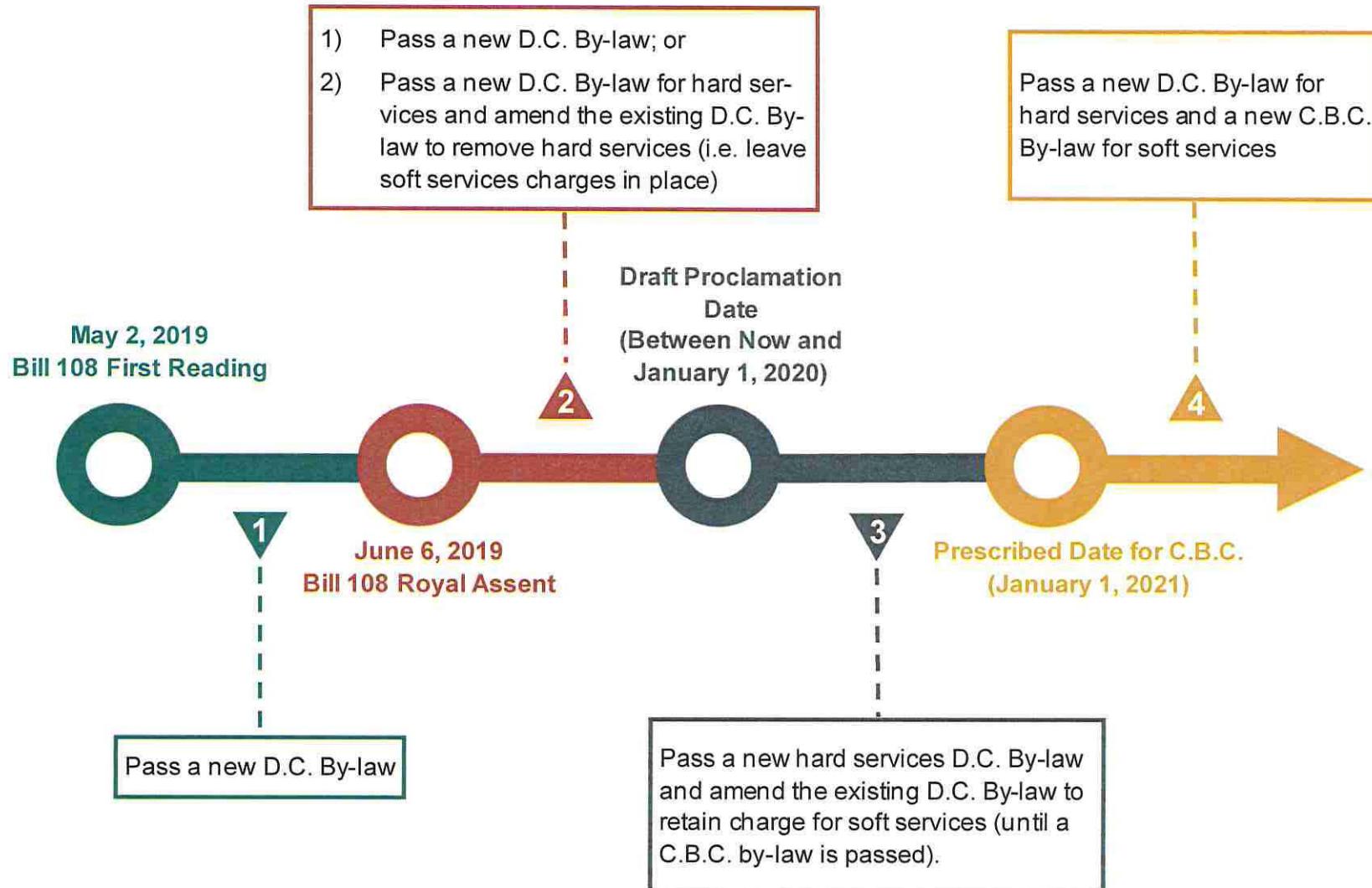
Community Benefit Charge (for soft services – outdoor recreation, indoor recreation, library and soft service admin studies)

- Municipality may, by by-law, impose community benefits charges against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies
- These services may not include services authorized by the D.C.A.
- The amount of a community benefits charge payable shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date
- The valuation date is the day before building permit issuance
- All money received by the municipality under a community benefits charge by-law shall be paid into a special account
- Transitional provisions are set out regarding the D.C. reserve funds and D.C. credits

Note that the Ministry of Municipal Affairs and Housing has hired a vendor to develop a preliminary methodology and draft percentages for the province's consideration related to the Community Benefit Charge. The Ministry has also established a C.B.C. Technical Consultation Group that will provide critical insight to the Ministry and assistance in guiding the work of the vendor. Meetings of the Technical Group have begun and will continue through the early fall.



Bill 108: “More Homes, More Choice: Ontario's Housing Supply Action Plan”



Next Steps



By-law Passage
(September 23, 2019)