



Addendum #1 to the March 21, 2019 Development Charges Background Study

City of Thorold

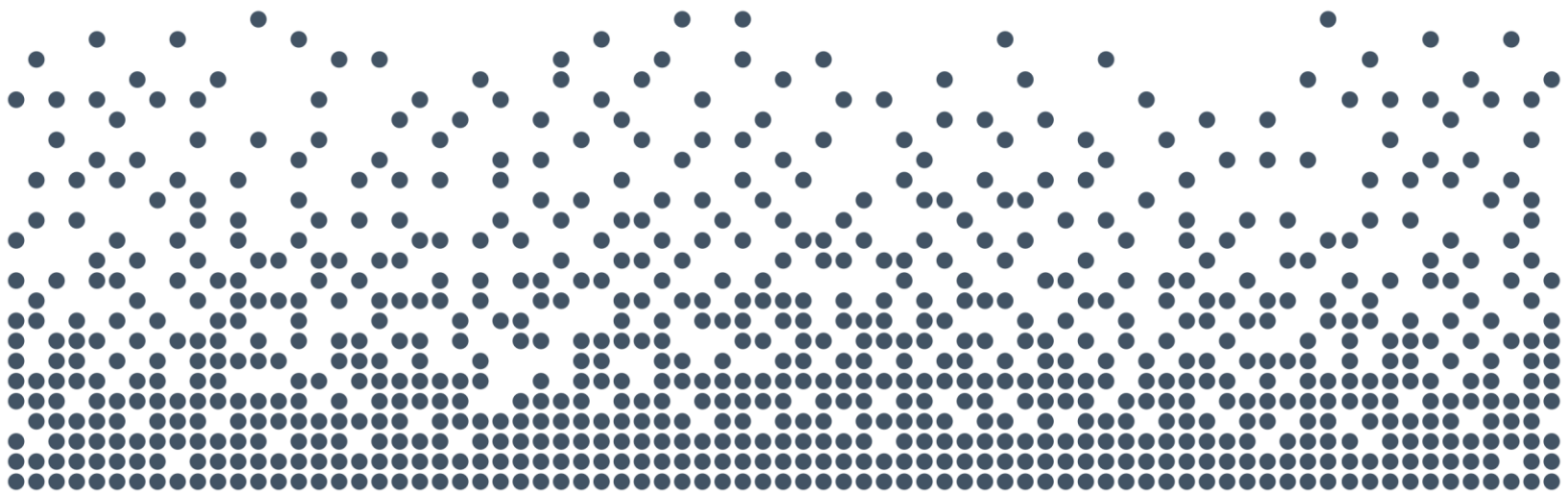
May 17, 2019

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Addendum Report to
the March 21, 2019
Development
Charges Background
Study



1. Background

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:

January 22, 2019 – Council Workshop

February 20, 2019 – Stakeholder meeting

March 21, 2019 – Release of the D.C. Background Study and draft by-law

April 16, 2019 – Public Meeting of Council

May 7, 2019 – Council meeting to present the D.C. staff report

May 17, 2019 – Addendum to March 21st report released

June 3, 2019 – Second Public Meeting and Passage of D.C. By-law

As per discussions at the Council meeting on May 7, 2019, staff were directed to amend the roads capital projects identified in the D.C. study by including projects related to the Rolling Meadows development area. The purpose of this addendum report is to provide for changes to the March 21, 2019 D.C. background study as per staff's review of the capital projects.

Since the release of the Background Study, the Province has introduced Bill 108 (More Homes, More Choice Act, 2019), an Act to amend various statutes with respect to housing, other development and various other matters, which includes proposed amendments to the D.C.A. One of the proposed amendments includes removal of “soft” services (e.g. library, parks and recreation, etc.) from the D.C.A. As a result, and in anticipation of the possible changes to the D.C.A., this addendum report has split the General Government studies into two categories, Engineering Studies which include those service studies which will continue under the D.C.A. and Community Based Studies which would subsequently be considered under the Community Benefit Charge

These refinements 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 refinements. It is noted that the refinements have increased the calculated development charges.

2.1 Addition of Capital Projects to Services Related to a Highway

As per Council's direction, the following projects are to be added to the calculations:

- New Project – Barker Parkway Roadworks – from Uppers Lane to Highway #20: This project has a gross cost of \$1,950,000 and is to be included in the calculations.
- New Project – Intersection Improvements at Barker Parkway and Highway #20 - Roundabout: This project has a gross cost of \$2,000,000 and is to be included in the calculations.
- New Project – Signalization of Barker Parkway and Highway #58: This project has a gross cost of \$1,000,000 and is to be included in the calculations.

2.2 Refinements to Administration Studies

As noted in Section 1, the Province introduced Bill 108 (More Homes, More Choice Act, 2019), An Act to amend various statutes with respect to housing, other development and various other matters, which includes proposed amendments to the D.C. Act. One of the proposed amendments includes deeming “soft” services ineligible for inclusion in D.C. By-laws.

For the City, the soft services currently identified in the Background Study include library services, parks and recreation, and municipal parking spaces, along with some studies identified under the administration category.

If Bill 108 receives royal assent, any studies related to the “soft” services would also be deemed ineligible for inclusion in the D.C. By-law. As such, this addendum report has separated out the administration (studies) category into “Administration - Community Based Studies” (which will include the studies related to proposed ineligible services)



and “Administration - Engineering Studies” (which includes studies related to services proposed to continue as eligible).

This breakdown does not change the overall calculated rates provided for Council’s consideration.

2.3 Overall Changes in the D.C. Calculation

Based on the changes noted above, the calculated development charge (single/semi-detached unit) has increased from \$14,549 to \$17,560 in the Urban Areas and from \$14,749 to \$17,760 in Rolling Meadows. With respect to the non-residential charges, the calculated development charge (per sq.ft.) has increased from \$6.14 to \$7.91 in the Urban Areas and from \$6.23 to \$8.00 in Rolling Meadows.

The above changes have been incorporated into the calculations. The summary below outlines the current charges vs. the charges as calculated in the March 21, 2019 D.C. report and the charges calculated in this addendum report.



Residential (Single/Semi Detached) Comparison

Service	Current	Calculated March 21, 2019	Calculated for Addendum Report
Municipal Wide Services:			
Services Related to a Highway	3,508	5,135	8,146
Municipal Parking Spaces	-	113	113
Fire Protection Services	1,582	2,072	2,072
Parks and Recreation	4,402	4,270	4,270
Library Services	541	596	596
Administration - Engineering Studies	786	673	321
Administration - Community Based Studies			352
Total Municipal Wide Services	10,819	12,859	15,870
Urban Services:			
Wastewater Services	1,413	735	735
Water Services	904	955	955
Total Urban Services	2,317	1,690	1,690
Grand Total - Urban Area	13,136	14,549	17,560
Area Specific Services:			
Wastewater Services - Rolling Meadows	320	200	200
Total Area Specific	13,456	14,749	17,760



Non-Residential (per sq.ft.) Comparison

Service	Current	Calculated March 21, 2019	Calculated for Addendum Report
Municipal Wide Services:			
Services Related to a Highway	2.38	3.02	4.79
Municipal Parking Spaces	-	0.06	0.06
Fire Protection Services	1.07	1.22	1.22
Parks and Recreation	0.48	0.49	0.49
Library Services	0.06	0.06	0.06
Administration - Engineering Studies	0.55	0.38	0.18
Administration - Community Based Studies			0.20
Total Municipal Wide Services	4.54	5.23	7.00
Urban Services:			
Wastewater Services	0.88	0.40	0.40
Water Services	0.57	0.51	0.51
Total Urban Services	1.45	0.91	0.91
Grand Total - Urban Area	5.99	6.14	7.91
Area Specific Services:			
Wastewater Services - Rolling Meadows	-	0.09	0.09
Total Area Specific	5.99	6.23	8.00



2.4 Changes to the Background Report

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

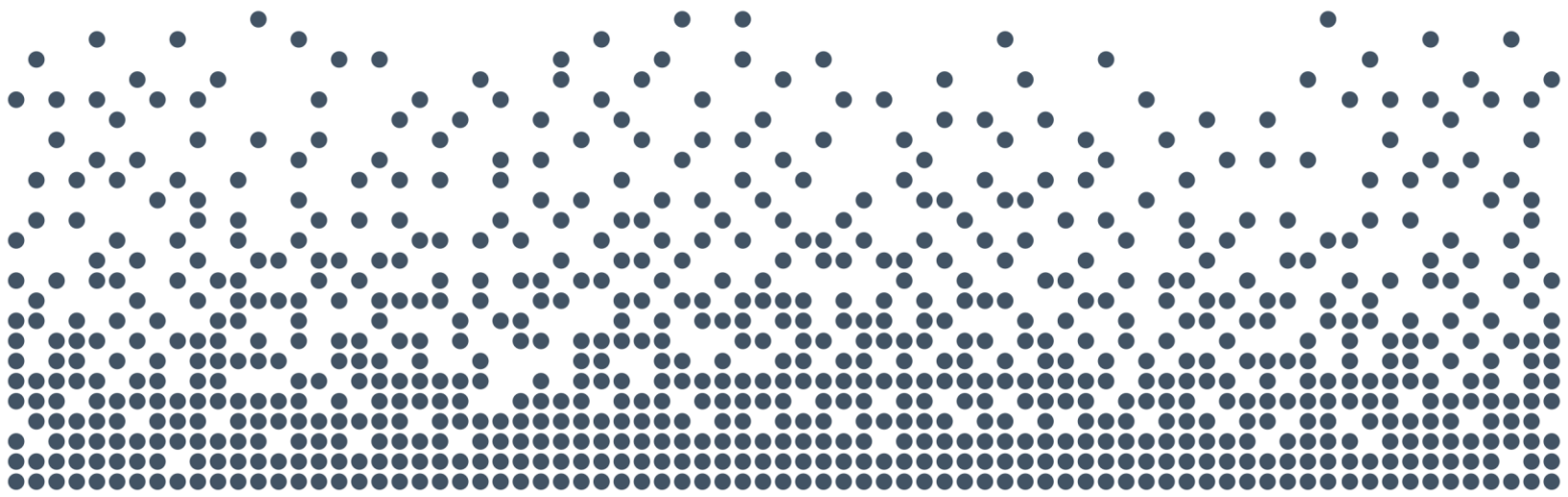
Page Reference	Description of Revisions
Table of Contents	Update table of contents for page numbering due to the separation of the administration studies.
ES (iii)	Updates to the calculated charges and the table summarizing the costs to be incurred over the life of the by-law.
ES (iv)	Updates to the summary of costs to be incurred over the life of the by-law.
ES (vi)	Revised Table ES-1, Schedule of Development Charges.
1-2	Revised Figure 1-1 to include the release of this addendum report and another Council meeting.
5-13 to 5-14	Updates to reflect the breakdown of Administration into two categories, Engineering Studies and Community Based Studies.
5-15	Table split into two tables for Administration.
5-17	Update write-up to reflect additional projects to services related to a highway.
5-19	Updated capital project listing for services related to a highway – roads.
5-16 to 5-31	Update page numbers to reflect revisions to Administration.
6-4	Updated Table 6-3 to reflect the changes to the capital project listings.
6-5	Updated Table 6-4 to reflect the changes to the capital project listings.
6-6	Updated Table 6-5 to reflect the changes to the capital project listings.
6-7	Updated Table 6-6 to reflect the changes to the capital project listings and the separation of the Administration studies.
7-8	Update section 7.5 to reference the addendum report in the recommendation to approve the background study, as amended
Appendix C C-3	Updated operating and capital expenditure impacts for future capital expenditures table to reflect revised capital project listings.
Appendix F F-4	Revised figures to reflect the changes to the capital expenditures.



Appendix F F-6	Updated asset management summary table.
Appendix G	Updated Schedule B of the draft by-law to reflect re-calculated development charges.

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 and based on the public submissions made at the public meeting, this addendum report #1 will be considered for approval by Council.



Amended Pages





meeting has been set for April 16, 2019 with adoption of the by-law on May 21, 2019.

6. The City's D.C.s currently in effect (excluding area-specific charges) are \$13,136 for single detached dwelling units for full services and non-residential charges for commercial/institutional are \$5.99 per sq.ft. while industrial charges are \$1.99 per sq.ft. This report has undertaken a recalculation of the charge based on future identified needs (presented in Schedule ES-1 for residential and non-residential). Charges have been provided on a City-wide basis for all services except water and wastewater services, which are provided for urban development. The corresponding single detached unit charge is \$17,560 for full services. The non-residential charge (which is being presented as one uniform charge for all non-residential development) is \$7.91 per square foot of building area for full services. These rates are submitted to Council for its consideration.
7. In addition to the City-wide charges, the City currently imposes area-specific D.C.s in the areas of Rolling Meadows and the Brock Business Park. The single detached charge for wastewater services in Rolling Meadows adds an additional \$320 to the City-wide charge and no addition to the non-residential rate. The wastewater charge for Brock Business Park adds an additional \$1,276 for single detached dwelling units and an additional \$0.60 per square foot of non-residential development to the City's existing City-wide D.C. The special area charge for the Brock Business Park was established under By-law 64-2017 and is not currently under review in this background study and draft by-law. This study has undertaken updates to the area-specific charge for Rolling Meadows and the resulting charge is \$200 for single detached dwelling and a corresponding non-residential charge of \$0.09 per square foot of building area. These rates are submitted to Council for its consideration.
8. The D.C.A. requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-6. A summary of these costs is provided below:



Total gross expenditures planned over the next five years	\$ 37,156,616
Less:	
Benefit to existing development	\$ 8,128,175
Post planning period benefit	\$ 4,598,461
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 857,529
Grants, subsidies and other contributions	\$ -
Net Costs to be recovered from development charges	\$ 23,572,451

This suggest that for the non-D.C. cost (benefit to existing development, mandatory 10% deduction, and the grants, subsidies and other contributions), \$8.99 million (or an annual amount of \$1.80 million) will need to be contributed from taxes and rates, or other sources. With respect to the post period benefit amount of \$4.59 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 \$37.16 million over the next five years, of which \$23.57 million (63%) is recoverable from D.C.s. Of this net amount, \$19.87 million is recoverable from residential development and \$3.70 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

9. 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 13-year forecast (note that for Rolling Meadows it is based on the growth anticipated within the area):

- Rolling Meadows – Wastewater Services;
- Wastewater Services; and
- Water Services.

The following City-wide services are calculated based on a 13-year forecast;

- Services Related to a Highway; and
- Fire Protection Services.

All other services are calculated based on a 10-year forecast. These include:



Table ES-1
Schedule of Development Charges

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	8,146	5,387	5,260	3,217	2,912	4.79
Municipal Parking Spaces	113	75	73	45	40	0.06
Fire Protection Services	2,072	1,370	1,338	818	741	1.22
Parks and Recreation	4,270	2,824	2,757	1,686	1,526	0.49
Library Services	596	394	385	235	213	0.06
Administration - Engineering Studies	321	212	207	127	115	0.18
Administration - Community Based Studies	352	233	227	139	126	0.20
Total City Wide Services	15,870	10,495	10,247	6,267	5,673	7.00
Urban Services:						
Wastewater Services	735	486	475	290	263	0.40
Water Services	955	632	617	377	341	0.51
Total Urban Services	1,690	1,118	1,092	667	604	0.91
GRAND TOTAL CITY WIDE	15,870	10,495	10,247	6,267	5,673	7.00
GRAND TOTAL CITY WIDE + URBAN AREA	17,560	11,613	11,339	6,934	6,277	7.91
Area Specific Services:						
Wastewater Services - Rolling Meadows	200	132	129	79	71	0.09
Total Area Specific + City-Wide	17,760	11,745	11,468	7,013	6,348	8.00



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 March 21, 2019.

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 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 Thorold

1. Data collection, staff review, engineering work, D.C. calculations and policy work	October 2018 to January 2019
2. Stakeholder meeting	February 20, 2019
3. Background study and proposed by-law available to public	March 21, 2019
4. Public meeting advertisement placed in newspaper(s)	No later than March 26, 2019
5. Public meeting of Council	April 16, 2019
6. Council meeting to present D.C. Staff Report	May 7, 2019
7. Second public meeting advertisement	May 13, 2019
8. Addendum Report #1 released	May 17, 2019
9. Second public meeting and Council considers adoption of background study and passage of by-law	June 3, 2019
10. Newspaper notice given of by-law passage	By 20 days after passage
11. Last day for by-law appeal	40 days after passage
12. City makes pamphlet available (where by-law not appealed)	By 60 days after in force date



5.2.4 Administration

5.2.4.1 Administration – Engineering Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the City's capital works program. The City has made provision for the inclusion of new studies undertaken to facilitate this D.C. process, as well as other studies which benefit growth (in whole or in part). The list of studies includes such studies as the following:

- Transportation Master Plan;
- D.C. Studies;
- Water Service Master Plan; and
- Port Robinson West Subwatershed Study.

The cost of these studies is \$675,000, of which \$33,000 is attributable to existing benefit. A deduction of \$177,176 has been made to account for the reserve fund balance surplus. The net growth-related capital cost, after the mandatory 10% deduction and the application of the existing reserve balance, is \$459,324 and has been included in the D.C.

5.2.4.2 Administration – Community Based Studies

In addition to the engineering studies listed above, the following list includes the community based studies:

- Official Plan Study;
- Comprehensive Zoning By-law;
- Pollution Control Plan Update;
- Parks & Recreation Master Plan;
- Library Expansion and Community Needs Study;
- Chestnut Hall Design Study;
- Rolling Meadows Secondary Plan Update;
- Port Robinson West Studies; and
- Other growth-related studies.

The cost of these studies is \$1,305,000, of which \$365,500 is attributable to existing benefit. A deduction of \$342,540 has been made to account for the reserve fund



balance surplus. The net growth-related capital cost, after the mandatory 10% deduction and the application of the existing reserve balance, is \$503,010 and has been included in the D.C.

These costs have been allocated 79% residential and 21% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



Infrastructure Costs Included in the Development Charges Calculation

City of Thorold
Service: Administration - Engineering Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non- Residential Share
2019-2028											79%	21%	
1	Transportation Master Plan	2019	205,000	-		205,000	20,500		184,500	-	184,500	145,755	38,745
2	Development Charge Study General+All Area Specific	2019	55,000	-		55,000	-		55,000	5,500	49,500	39,105	10,395
3	Transportation Master Plan (Update)	2024	125,000	-		125,000	12,500		112,500	-	112,500	88,875	23,625
4	Water Service Master Plan	2019	110,000	-		110,000	-		110,000	-	110,000	86,900	23,100
5	Port Robinson West Subwatershed Study	2024	180,000	-		180,000	-		180,000	-	180,000	142,200	37,800
6	Reserve Fund Adjustment	Reserve	-	-		-	177,176		(177,176)	-	(177,176)	(139,969)	(37,207)
	Total		675,000	-	-	675,000	210,176	-	464,824	5,500	459,324	362,866	96,458



Infrastructure Costs Included in the Development Charges Calculation

City of Thorold
Service: Administration - Community Based Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non-Residential Share
2019-2028											79%	21%	
1	Official Plan Study	2021	200,000	-		200,000	66,000		134,000	13,400	120,600	95,274	25,326
2	Comprehensive Zoning By-Law	2023	150,000	-		150,000	49,500		100,500	10,050	90,450	71,456	18,995
3	Pollution Control Plan (Update)	2020	250,000	-		250,000	187,500		62,500	6,250	56,250	44,438	11,813
4	Parks & Rec Master Plan	2024	75,000	-		75,000	52,500		22,500	2,250	20,250	15,998	4,253
5	Development Charge Study General+All Area Specific	2023	55,000	-		55,000	-		55,000	5,500	49,500	39,105	10,395
6	Library Expansion and Community Needs Study	2019	50,000	-		50,000	10,000		40,000	4,000	36,000	28,440	7,560
7	Design for Chestnut Hall	2019	25,000	-		25,000	-		25,000	2,500	22,500	17,775	4,725
8	Rolling Meadows Secondary Plan Update	2020	150,000	-		150,000	-		150,000	15,000	135,000	106,650	28,350
9	Port Robinson West Secondary Plan - Neighbourhood Plan	2019	150,000	-		150,000	-		150,000	15,000	135,000	106,650	28,350
10	Port Robinson West Phase 2 Secondary Plan	2025	200,000	-		200,000	-		200,000	20,000	180,000	142,200	37,800
11	Reserve Fund Adjustment	Reserve	-	-		-	342,540		(342,540)	-	(342,540)	(270,607)	(71,933)
	Total		1,305,000	-	-	1,305,000	708,040	-	596,960	93,950	503,010	397,378	105,632



5.3 Service Levels and 13-Year Capital Costs for Thorold's D.C. Calculation

This section evaluates the development-related capital requirements for those services with 13-year (2019-2031) capital costs.

5.3.1 Services Related to a Highway

Thorold owns and maintains 68.01 km of roads with 336.11 acres of associated land, as well as 5 traffic signals and signalized crosswalks. This provides an average level of investment of \$10,060 per capita, resulting in a D.C.-eligible recovery amount of \$30,833,287 over the 13-year forecast period.

With respect to future needs, the identified road-related works totalling \$24,199,700. There are twelve road projects in total including road urbanizations, multi-use paths, and provisions for crosswalks and traffic signals. A deduction for existing benefit of \$1,431,675 has been made, along with a deduction of \$8,856,000 for works that are to benefit growth beyond the 2031 period. Additionally, \$1,815,515 has been deducted to account for the City's existing reserve fund balance. Therefore, the total growth-related cost to be included in the D.C. \$12,096,510.

The City Public Works department operates out of four facilities totalling 26,520 sq.ft. of building area, providing an average level of service of \$264 per capita. This level of service provides the City with a maximum D.C.-eligible amount for recovery over the 13-year forecast period of \$810,601.

Expansions to the existing Public Works building and administrative space have been identified over the forecast period. The total cost of these projects is \$5,500,000, of which \$1,290,000 is post period benefit and \$3,400,000 will benefit existing development. Therefore, the net amount included in the D.C. is \$810,000.

The Public Works Department have an inventory of 33 vehicles and major equipment totalling \$3,702,300. The inventory provides for a per capita standard of \$204. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$526,762.



Additional vehicle and equipment items have been identified for the forecast period amounting to \$485,000 of growth-related capital and has been included in the D.C. calculation.

The residential/non-residential allocation for services related to a highway is based on a 79%/21% split, based on the incremental growth in population to employment for the 13-year forecast period.



Infrastructure Costs Included in the Development Charges Calculation

City of Thorold
Service: Roads

Prj .No	Increased Service Needs Attributable to Anticipated Development 2019-2031	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 79%	Non-Residential Share 21%
1	Decew Road Urbanization (Beaverdams to Merrittville HWY) - Phase 2	2020	1,350,000	-		1,350,000	135,000		1,215,000	959,850	255,150
2	Kottmeier Road Urbanization (Port Robinson to Merritt) (Developer to Front End)	2019	1,492,500	-		1,492,500	149,250		1,343,250	1,061,168	282,083
3	Intersection improvement (Kottmeier and Port Robinson) (Developer to Front End)	2019	1,500,000	-		1,500,000	150,000		1,350,000	1,066,500	283,500
4	Port Robinson Urbanization (406 to Egerter)	2025	2,108,300	-		2,108,300	-		2,108,300	1,665,557	442,743
5	Port Robinson Urbanization (406 to Cataract)	2035	3,044,700	3,044,700		-	-		-	-	-
6	Merritt Road Urbanization (Niagara to Cataract)	2035	1,254,600	1,254,600		-	-		-	-	-
7	Egerter Road Urbanization (Port Robinson to Towpath)	2030	1,224,000	-		1,224,000	-		1,224,000	966,960	257,040
8	Cataract Road Urbanization (Port Robinson to Merritt)	2040	1,514,700	1,514,700		-	-		-	-	-
9	Rail to Trail Multi Use Path	2020	1,329,900	-		1,329,900	997,425		332,475	262,655	69,820
10	Uppers Lane (from Hwy 58 to Townline Rd) - for Secondary Plan Area	2030	4,056,000	3,042,000		1,014,000	-		1,014,000	801,060	212,940
11	Provision for Traffic Signals and Streetlights	2025	300,000	-		300,000	-		300,000	237,000	63,000
12	Provision for Signalized Crosswalks	2022	75,000	-		75,000	-		75,000	59,250	15,750
13	Barker Parkway Roadworks - from Uppers Lane to Highway #20	2020-2028	1,950,000	-		1,950,000	-		1,950,000	1,540,500	409,500
14	Intersection Improvements at Barker Parkway and Highway #20 - Roundabout	2020-2028	2,000,000	-		2,000,000	-		2,000,000	1,580,000	420,000
15	Signalization of Barker Parkway and Highway #58	2020-2028	1,000,000	-		1,000,000	-		1,000,000	790,000	210,000
16	Reserve Fund Adjustment	Reserve	-	-		-	1,815,515		(1,815,515)	(1,434,257)	(381,258)
	Total		24,199,700	8,856,000	-	15,343,700	3,247,190	-	12,096,510	9,556,243	2,540,267



Infrastructure Costs Included in the Development Charges Calculation

City of Thorold
Service: Depots and Domes

Prj.No	Increased Service Needs Attributable to Anticipated Development 2019-2031	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 79%	Non-Residential Share 21%
1	Expansion of Public Works Building	2019-2022	5,000,000	1,290,000		3,710,000	3,150,000		560,000	442,400	117,600
2	Expansion of Administrative Space (8 Carleton)	2019	500,000	-		500,000	250,000		250,000	197,500	52,500
	Total		5,500,000	1,290,000	-	4,210,000	3,400,000	-	810,000	639,900	170,100



5.3.2 Fire Protection Services

The Thorold Fire Department currently operates out of 33,081 sq.ft. of facility space, providing for a per capita average level of service of 1.79 sq.ft. per capita or \$545 per capita. This level of service provides the City with a maximum D.C.-eligible amount for recovery over the forecast period of \$1,669,659

Eight projects have been identified to service growth, such as a new headquarters (including associated land, furniture and equipment), a new station 3 and other equipment for a total capital cost of \$9,695,000. \$2,832,980 of this amount has been attributed to growth beyond the 2031 period and \$3,952,000 is attributed as benefitting existing development. A further deduction of \$1,243,007 to recognize the existing reserve fund balance has also been made, resulting in a growth capital cost of \$1,667,013 being included in the D.C.

The fire department has a current inventory of 18 vehicles. The total D.C.-eligible amount calculated for fire vehicles over the forecast period is \$1,386,974, based on a standard of \$453 per capita.

New vehicles have been identified at a gross capital cost of \$1,440,000 of which \$60,000 benefits growth beyond the 2019-2031 forecast period. Therefore, the resulting D.C.-eligible amount of \$1,380,000 is included in the D.C. calculation.

The fire department provides 410 items of equipment and gear for the use in fire services. This results in a calculated average level of service for the historical 10-year period of \$118 per capita, providing for a D.C.-eligible amount over the forecast period of \$361,088 for small equipment and gear.

Based on growth-related needs, the fire department has identified the need for additional equipment and gear for firefighters (e.g. bunker gear, a defibrillator, thermal imaging cameras, etc.). The gross capital cost for the related equipment is \$1,267,200, of which \$908,600 is attributable to growth beyond the 2019-2031 forecast period. Therefore, the D.C. amount of \$358,600 has been included in the calculations.

These costs are shared between residential and non-residential based on the population to employment ratio over the forecast period, resulting in 79% being



allocated to residential development and 21% being allocated to non-residential development.



Infrastructure Costs Included in the D.C. Calculation

City of Thorold
Service: Fire Facilities

Prj .No	Increased Service Needs Attributable to Anticipated Development 2019-2031	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Developmen t	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 79%	Non- Residential Share 21%
1	New Headquarters (15,000 sq ft)	2022	5,000,000	1,730,000		3,270,000	2,352,000		918,000	725,220	192,780
2	Land for New Headquarters	2019	1,200,000	-		1,200,000	-		1,200,000	948,000	252,000
3	Engineering and Architectural Design	2019	290,000	-		290,000	-		290,000	229,100	60,900
4	Furniture and Equipment for New HQ	2022	230,000	79,580		150,420	-		150,420	118,832	31,588
5	Equipment for New HQ (Generator, SCBA Fill Station and Compressor)	2021	400,000	138,400		261,600	-		261,600	206,664	54,936
6	Communication and Other Equipment	2022	450,000	360,000		90,000	-		90,000	71,100	18,900
7	New Station 3 - Design	2026	125,000	125,000		-	-		-	-	-
8	New Station 3 - Construction	2027	2,000,000	400,000		1,600,000	1,600,000		-	-	-
9	Reserve Fund Balance	Reserve	-	-		-	1,243,007		(1,243,007)	(981,976)	(261,032)
	Total		9,695,000	2,832,980	-	6,862,020	5,195,007	-	1,667,013	1,316,940	350,073

Note 1: The value of the existing Station 1 has formed the basis of the BTE for the New Headquarters and has been summarized on project 1 (New Headquarters are Projects 1 to 5)

Note 2: The value of the existing Station 3 has formed the basis of the BTE for the New Station 3 and has been summarized on project 8 (New Station 3 are Projects 7 and 8)



5.4 Service Levels and Urban 18-Year Capital Costs for Thorold's D.C. Calculation

This section evaluates the development-related capital requirements for those services with urban 13-year capital costs.

5.4.1 Wastewater Services

The wastewater service capital cost for inclusion in the D.C. is \$2,250,000. The projects which have been identified includes: modifications to trunk sanitary for Port Wellar, the Port Dalhousie system, Port Robinson, and a private side sewer disconnection. The private side sewer disconnection has a 25% benefit to existing development, or \$125,000. With the application of the reserve fund balance of \$968,284, the total D.C.-eligible amount is \$1,156,716.

The growth-related costs have been allocated between residential and non-residential development based on incremental growth in population to employment over the urban 2031 forecast period. This split results in an 80% allocation to residential and a 20% allocation to non-residential.



5.4.2 Water Services

The water services capital cost for inclusion in the D.C. is \$2,260,000. The projects identified are a provision for watermain upsizing and watermain looping at Highway #20. A deduction of \$758,393 has been made to account for the existing reserve fund balance, resulting in a total D.C.-eligible amount of \$1,501,607.

The growth-related costs have been allocated between residential and non-residential development based on incremental growth in population to employment over the urban 2031 forecast period. This split results in an 80% allocation to residential and a 20% allocation to non-residential.



5.5 Area-Specific Calculation for the Rolling Meadows Development Area – Wastewater Services

This section evaluates the development-related capital requirements for wastewater services within the Rolling Meadows development area.

5.5.1 *Wastewater Services*

The wastewater service capital costs for inclusion in the D.C. relates to the Allanburg Sewer Oversizing and a Sanitary Sewer Extension, totalling \$1,000,000. Of this amount, a post period benefit of \$812,101 has been calculated to account for the total capacity of the oversizing relative to the identified growth in the forecast. A further deduction in the amount of \$87,319 has been made to account for the existing reserve fund balance, resulting in a net D.C. amount of \$100,580 to be included in the calculations.

The Rolling Meadows projects are allocated 93% residential and 7% non-residential based on the incremental growth in population to employment within the Rolling Meadows area over the 2031 forecast period.



Table 6-3
City of Thorold
Development Charge Calculation
City-Wide Services
2019-2031

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
4. <u>Services Related to a Highway</u>				
4.1 Roads	9,556,243	2,540,267	7,358	4.33
4.2 Depots and Domes	639,900	170,100	493	0.29
4.3 PW Rolling Stock	383,150	101,850	295	0.17
	10,579,293	2,812,217	8,146	4.79
5. <u>Fire Protection Services</u>				
5.1 Fire facilities	1,316,940	350,073	1,015	0.60
5.2 Fire vehicles	1,090,200	289,800	839	0.49
5.3 Small equipment and gear	283,294	75,306	218	0.13
	2,690,434	715,179	2,072	1.22
TOTAL	\$13,269,727	\$3,527,396	\$10,218	\$6.01
D.C.-Eligible Capital Cost	\$13,269,727	\$3,527,396		
20-Year Gross Population/GFA Growth (sq.ft.)	3,996	586,600		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$3,320.75	\$6.01		
By Residential Unit Type				
	P.P.U.			
Single and Semi-Detached Dwelling	3.077	\$10,218		
Apartments - 2 Bedrooms +	1.987	\$6,598		
Apartments - Bachelor and 1 Bedroom	1.215	\$4,035		
Other Multiples	2.035	\$6,758		
Special Care/Special Dwelling Units	1.100	\$3,653		



Table 6-4
City of Thorold
Development Charge Calculation
City-Wide Services
2019-2028

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
6. <u>Municipal Parking</u>				
6.1 Municipal Parking Spaces	127,980	34,020	113	0.06
	127,980	34,020	113	0.06
7. <u>Outdoor Recreation Services</u>				
7.1 Parkland development, amenities & trails	1,879,384	98,915	1,663	0.19
7.2 Parks vehicles and equipment	196,650	10,350	174	0.02
	2,076,034	109,265	1,837	0.21
8. <u>Indoor Recreation Services</u>				
8.1 Recreation facilities	2,750,873	144,783	2,433	0.28
	2,750,873	144,783	2,433	0.28
9. <u>Library Services</u>				
9.1 Library facilities	340,070	17,898	301	0.03
9.2 Library materials	333,450	17,550	295	0.03
	673,520	35,448	596	0.06
10. <u>Administration</u>				
10.1 Administration - Engineering Studies	362,866	96,458	321	0.18
10.2 Administration - Community Based Studies	397,378	105,632	352	0.20
	760,243	202,090	673	0.38
TOTAL	\$6,388,651	\$525,606	\$5,652	\$0.99
D.C.-Eligible Capital Cost	\$6,388,651	\$525,606		
10-Year Gross Population/GFA Growth (sq.ft.)	3,478	529,400		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,836.87	\$0.99		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	3.077	\$5,652		
Apartments - 2 Bedrooms +	1.987	\$3,650		
Apartments - Bachelor and 1 Bedroom	1.215	\$2,232		
Other Multiples	2.035	\$3,738		
Special Care/Special Dwelling Units	1.100	\$2,021		



Table 6-5
City of Thorold
Development Charge Calculation
Total All Services

	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
Rolling Meadows 2031	93,540	7,041	200	0.09
Urban-wide Services 2031	2,126,658	531,665	1,690	0.91
Municipal-wide Services 2031	13,269,727	3,527,396	10,218	6.01
Municipal-wide Services 10 Year	6,388,651	525,606	5,652	0.99
TOTAL	21,878,576	4,591,707	17,760	8.00



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

Service	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	Legislated Reduction		Residential	Non-Residential
1. Wastewater Services - Rolling Meadows 1.1 Allanburg Sewer Oversizing & Sewer Extension	666,667	0	0	0	0	541,401	116,497	8,769
2. Wastewater Services 2.1 Sewers	2,250,000	0	125,000	0	0	0	1,700,000	425,000
3. Water Services 3.1 Storage and distribution systems	1,260,000	0	0	0	0	0	1,008,000	252,000
4. Services Related to a Highway 4.1 Roads	7,947,400	0	1,431,675	0	0	0	5,147,423	1,368,302
4.2 Depots and Domes	5,500,000	0	3,400,000	0	0	1,290,000	639,900	170,100
4.3 PW Rolling Stock	485,000	0	0	0	0	0	383,150	101,850
5. Fire Protection Services 5.1 Fire facilities	7,570,000	0	2,352,000	0	0	2,307,980	2,298,916	611,104
5.2 Fire vehicles	1,062,500	0	0	0	0	40,200	807,617	214,683
5.3 Small equipment and gear	725,760	0	0	0	0	418,880	242,435	64,445
6. Municipal Parking 6.1 Municipal Parking Spaces	330,000	0	150,000	0	18,000	0	127,980	34,020
7. Outdoor Recreation Services 7.1 Parkland development, amenities & trails	2,953,733	0	49,000	0	290,473	0	2,483,547	130,713
7.2 Parks vehicles and equipment	205,000	0	0	0	20,500	0	175,275	9,225
8. Indoor Recreation Services 8.1 Recreation facilities	5,100,000	0	600,000	0	450,000	0	3,847,500	202,500
9. Library Services 9.1 Library facilities	535,556	0	0	0	53,556	0	457,900	24,100
9.2 Library materials	195,000	0	0	0	19,500	0	166,725	8,775
10. Administration 10.1 Administration - Engineering Studies	370,000	0	20,500	0	5,500	0	271,760	72,240
10.2 Administration - Community Based Studies	1,030,000	0	313,000	0	71,700	0	509,787	135,513
Total Expenditures & Revenues	\$38,186,616	\$0	\$8,441,175	\$0	\$929,229	\$4,598,461	\$20,384,412	\$3,833,339



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 continue the D.C. approach to calculate the charges on an area specific basis for water and wastewater, while all other services be charged on a uniform City-wide basis.

7.5 Other Recommendations

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 non-water/wastewater charges on a uniform City-wide basis for all services;”

“Continue the D.C. approach of an urban-area charge basis for water and wastewater services;”

“Continue the D.C. approach on an area-specific basis for wastewater services within the Rolling Meadows Development Area;”

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated March 21, 2019, subject to further annual review during the capital budget process;”

“Approve the D.C.s Background Study dated March 21, 2019, as amended;”

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

“Approve the D.C. By-law as set out in Appendix G, subject to refinements recommended prior to By-law adoption.”



Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while City program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

Table C-1
City of Thorold
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Wastewater Services - Rolling Meadows				
1.1 Allanburg Sewer Oversizing & Sewer Extension	912,681	53,748	53,027	106,775
2. Wastewater Services				
2.1 Sewers	1,156,716	114,206	477,239	591,445
3. Water Services				
3.1 Storage and distribution systems	1,501,607	121,460	187,383	308,843
4. Services Related to a Highway				
4.1 Roads	20,952,510	1,106,671	44,231	1,150,902
4.2 Depots and Domes	2,100,000	113,413	4,433	117,846
4.3 PW Rolling Stock	485,000	80,235	1,024	81,259
5. Fire Protection Services				
5.1 Fire facilities	4,499,993	245,346	379,926	625,272
5.2 Fire vehicles	1,440,000	133,498	121,576	255,074
5.3 Small equipment and gear	1,267,200	155,517	106,987	262,504
6. Municipal Parking				
6.1 Municipal Parking Spaces	180,000	10,803	26,142	36,945
7. Outdoor Recreation Services				
7.1 Parkland development, amenities & trails	2,316,799	251,620	92,942	344,562
7.2 Parks vehicles and equipment	230,000	38,051	9,227	47,278
8. Indoor Recreation Services				
8.1 Recreation facilities	3,345,656	243,024	225,226	468,250
9. Library Services				
9.1 Library facilities	455,968	56,580	52,621	109,201
9.2 Library materials	390,000	35,140	45,008	80,148
10. Administration				
10.1 Administration - Engineering Studies	464,824		-	-
Total	41,698,955	2,759,312	1,826,991	4,586,303



Asset management strategy: the asset management strategy is the set of planned actions that will seek to generate the desired levels of service in a sustainable way, while managing risk, at the lowest lifecycle cost.

Financing strategy: having a financial plan is critical for putting an A.M.P. into action. By having a strong financial plan, municipalities can also demonstrate that they have 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 Asset Management Plan in 2013 for its existing assets however, did not take into account future growth-related assets. 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 2019 \$) 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 Asset Management Plan, 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 which 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 2019 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 \$5.91 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



City of Thorold
Asset Management – Future Expenditures and Associated Revenues
2019\$

	2031 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹ (2014 D.C. and 2016 updates)	785,424
Annual Debt Payment on Post Period Capital ²	974,589
Annual Lifecycle³	\$3,296,218
Incremental Operating Costs (for D.C. Services)	\$1,826,991
Total Expenditures	\$5,908,634
Revenue (Annualized)	
Total Existing Revenue ⁴	\$28,494,517
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$3,350,415
Total Revenues	\$31,844,932

¹ Non-Growth Related component of Projects including 10% mandatory deduction on soft services

² Interim Debt Financing for Post Period Benefit

³ All infrastructure costs included in Area Specific by-laws have been included

⁴ As per Sch. 10 of FIR



Appendix G: Proposed D.C. By-law

CORPORATION OF THE CITY OF THOROLD

BY-LAW NO. 46-2019

BEING A BY-LAW TO ESTABLISH DEVELOPMENT CHARGES FOR

THE CITY OF THOROLD

WHEREAS the Development Charges Act, 1997, S.O. 1997, c. 27 (the "Act") provides that the council of a municipality may by By-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

AND WHEREAS a development charge background study has been completed in March 21, 2019 in accordance with the section 10 of the Act;

AND WHEREAS the Council of the City of Thorold has given notice and held a public meeting on April 16, 2019 in accordance with the Act and the regulations thereto;

AND WHEREAS Council, on May 21, 2019 adopted report ___, thereby indicating that it intends to ensure that the increase in the need for services attributable to the anticipated development will be met, subject to sufficient development charge revenues being generated and other municipal affordability criteria being met;

AND WHEREAS Council determined that no further public meetings were required under section 12 of the Act;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF THOROLD ENACTS AS FOLLOWS:

Definitions

1. In this By-law,

"Act" means the *Development Charges Act, 1997*, S.O. 1997, c. 27;



“**agricultural use**” means the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry; maple syrup production; and associated on-farm buildings and structures located on the same lot, including, but not limited to livestock facilities and manure storage; but shall not include vermiculture, and retail sales activities (such as but not limited to restaurants, banquet facilities, hospitality facilities and gift shops);

“**air-supported structure**” means an air supported structure as defined in the Building Code Act;

“**apartment**” means a building consisting of more than one dwelling unit with a private bathroom and kitchen facilities in each dwelling unit, which includes a stacked townhouse and duplex, but does not include a back to back townhouse, single detached dwelling, a semi-detached dwelling, a group home, a lodging house, a special care/special dwelling, or a multiple dwelling;

“**back to back townhouse**” means a building containing four or more dwelling units separated vertically by a common wall, including a rear common wall, that do not have rear yard;

“**board of education**” means a board of education as specified in the Education Act, namely a French-language and/or English-language, public or separate school board;

“**building**” means a structure, whether permanent or temporary, having a roof supported by columns or walls or supported directly on the foundation and used for accommodation, shelter or storage of people, animals or goods but shall not include a fence, trailer, truck camper, motor home, or tent;

“**Building Code Act**” means the Building Code Act, S.O. 1992, chapter 23, as amended by S.O. 1997, c.24 & S.O. 1997, c.30 Schedule B and any subsequent amendments thereto, to any successor legislation thereto;

“**City**” means The Corporation of the City of Thorold;

“**commercial**” means any non-residential development that is not “industrial” or “institutional” as defined in this By-law;



“**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 total floor area, and includes redevelopment;

“**development charge**” means a charge imposed with respect to growth-related net capital costs against land under this By-law;

“**duplex**” means a building that is divided horizontally into two (2) dwelling units above grade each of which has an independent entrance either directly to the exterior or through a common vestibule and neither of the units is a second dwelling unit;

“**dwelling unit**” means a room or suite of rooms, occupied or capable of being occupied as a single independent and separate housekeeping establishment;

“**dwelling semi-detached**” means a building divided vertically into two (2) dwelling units by a common wall extending from the base of the foundation to the roof, a minimum height of one storey above grade and extending horizontally the entire depth of the building;

“**dwelling single detached**” means a building containing not more than one (1) dwelling unit;

“**existing industrial building**” means an industrial use building that has existed on a site when the first building or buildings were constructed on a vacant site pursuant to site plan approval under section 41 of the *Planning Act*;

“**farm building**” means a farm building as defined in the Building Code, being a regulation currently in force from time to time under the provisions of the *Building Code Act*;

“**floor**” includes a paved, concrete, wooden, gravel, or dirt floor;

“**grade finished**” means the average elevation of the surface ground adjoining a building or structure at all exterior walls;

“**group home**” means a residential building or the residential portion of a mixed-use building containing a single housekeeping unit which may or may not be



supervised on a 24-hour basis on site by agency staff on a shift rotation basis, and funded wholly or in part by any government or its agency, or by public subscription or donation, or by any combination thereof and licensed, approved or supervised by the Province of Ontario for the accommodation of persons under any general or special act and amendments or replacements thereto. A group home may contain an office provided that the office is used only for the operation of the group home in which it is located;

“**hospice**” means a building or portion of a mixed-use building designed and intended to provide palliative care and emotional support to the terminally ill in a home or homelike setting so that quality of life is maintained and family members may be active participants in care;

“**industrial use**” means use or intended use or designed for or in connection with purposes:

- (a) including (but not limited to):
 - (i) manufacturing, producing or processing of raw goods or materials and;
 - (ii) warehousing or distribution in connection with manufacturing, producing or processing of raw goods or materials,
 - (iii) research or development in connection with manufacturing, producing or processing of raw goods or materials;
 - (iv) storage of anything used or produced in manufacturing producing or processing by the manufacturer, producer or processor at the site where the manufacturing, producing or processing takes place;
 - (v) office or administrative use accessory to the above-mentioned activities or;
 - (vi) sale of commodities to the general public, accessory to the above-mentioned activities;
- (b) but excluding:



- (i) office or administrative use where a building or structure is used exclusively for such use, and is not attached to any building used for the purposes set out in paragraph (a) above;
- (ii) retail sales activities;

“institutional” means lands, buildings or structures used or designed or intended for use by an organized body, society or religious group for promoting a public or non-profit purpose and shall include, but without limiting the generality of the foregoing, places of worship and special care facilities;

“live/work unit” means a unit which contains separate residential and non-residential areas intended for both residential and non-residential uses concurrently, and shares a common wall or floor with direct access between the residential and non-residential areas;

“local board” means a public utility commission, transportation commission, public library board, board of park management, local board of health, police services board, 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 of the City or the Region;

“lodging house” means a building designed or intended to contain, or containing lodging units where the residents share access to common areas of the building, other than the lodging units;

“lodging unit” means one or more rooms located within a lodging house which:

- (a) is designed to be occupied for human habitation by one resident;
- (b) is not normally accessible to persons other than the resident without the permission of the resident; and,
- (c) may contain either cooking or sanitary facilities, but not both, for the exclusive use of the resident of the unit.

A room or suite in a hotel or motel shall not constitute a lodging unit;



“marijuana production facilities” means a building used, designed or intended for growth, producing, testing, destroying, storing or distribution, excluding retail sales, of medical marijuana or cannabis authorized by a license issued by the federal Minister of Health pursuant to section 25 of the Marihuana for Medical Purposes Regulations, SOR/2013-119, under the Controlled Drugs and Substances Act, S.C. 1996, c.19;

“mezzanine” means a mezzanine as defined in the Building Code;

“multiple dwellings” means a residential building consisting of three or more dwelling units attached by a vertical wall or walls and not abutting any dwelling units along a horizontal plane, includes a back to back townhouse, and does not include single-detached, semi-detached, stacked townhouse, apartments, or special care/special dwellings;

“non-residential uses” means land, buildings or structures or portions of any kind whatsoever, used, designed or intended to be used for other than a residential use, but includes short-stay rental use, and includes all commercial, industrial and institutional uses;

“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;

“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, or any successor legislation;

“protracted” means in relation to a temporary building or structure the persistence of its construction, erection, placement on land, alteration or of an addition to it for a continuous period exceeding eight months;

“redevelopment” means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land, or changing the use of a building or structure from residential to non-residential or from non-residential to residential;

“Region” means The Regional Municipality of Niagara;



“**residential uses**” means land, buildings or structures or portions thereof used, designed, or intended to be used as living accommodation for one or more individuals, but does not include such use related to short stay rental use;

“**residential**” means one or more dwelling units designed, adapted or used as a home or residence of one or more individuals, and shall include a single detached dwelling, a semi-detached dwelling, a multiple dwelling, and apartment, but not a short stay rental building;

“**services**” means services designated in this By-law including Schedule A to this By-law or in agreement under section 44 of the Act, or both;

“**short stay rental use**” means use or intended use for human habitation on a temporary basis for profit, including but not limited to hotels, motels, guest cabins, and bed and breakfasts;

“**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**” means a residential portion of a special care facilities building containing two or more dwelling units, which units have a common entrance from street level:

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



- (e) Includes, but is not limited to, retirement houses or lodges, nursing homes, group homes and hospices;

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

“**temporary**” means for a fixed period of time with the intent to discontinue such use upon the expiration of the time period;

“**total floor area**” means the sum total of the total areas of the floors in a building or structure, whether at, above, or below-grade, measured between the exterior faces of the exterior walls of the building or structure or from the centre line of a common wall separating two uses, or from the outside edge of a floor where the outside edge of the floor does not meet an exterior or common wall, and:

- (a) includes the floor area of a mezzanine and air-supported structure and the space occupied by interior walls partitions; and
- (b) excludes any parts of the building or structure used for mechanical equipment related to the operation or maintenance of the building or structure, stairwells, elevators, washrooms, and the parking and loading of vehicles, and;
- (c) where a building does not have any walls, the total floor area shall be the sum total of the area of land directly beneath the roof of the building and the total areas of the floors in the building or structure.

Rules

- 2. For the purpose of complying with section 6 of the Act:
 - (a) the area to which this By-law applies shall be the area described in section 3 of this By-law;
 - (b) the rules developed under paragraph 9 of subsection 5 (1) of the Act for determining if a development charge is payable in any particular case and for determining the amount of the charge shall be as set forth in sections 4 through 19, inclusive and section 26 of this By-law;



- (c) the exemptions provided for by such rules shall be the exemptions set forth in sections 20 through 27, inclusive of this By-law, the indexing of charges shall be in accordance with section 17 of this By-law
- (d) the rules developed under paragraph 10 of subsection 5 (1) of the Act for phasing in of development charges shall be as set forth in section 18 of this By-law and
- (e) the redevelopment of land shall be in accordance with the rules set forth in section 27 of this By-law.

Lands Affected

- 3. This By-law applies to all lands in the geographic area of the City.

Designation of Services

- 4. It is hereby declared by Council that all development of land within the area to which this By-law applies will increase the need for services.
- 5. Development charges shall be imposed under this By-law, and Reserve Funds established for the following categories of services to pay for the increased capital costs required because of increased needs for services arising from development:
 - (a) Administration;
 - (b) Library Services;
 - (c) Fire Protection Services;
 - (d) Parks and Recreation;
 - (e) Services Related to a Highway;
 - (f) Municipal Parking Spaces;
 - (g) Water;
 - (h) Wastewater; and



- (i) Rolling Meadows - Wastewater.
6. The development charge applicable to a development as determined under this By-law shall apply without regard to the services required or used by an individual development for services noted in section 5 (a) to 5 (i)

Approvals for Development

7. Development charges shall be imposed against all lands, buildings or structures within the area to which this By-law applies if the development of such lands, buildings or structures requires any of the following approvals:
- (a) the passing of a zoning By-law or of an amendment thereto under section 34 of the *Planning Act*;
 - (b) the approval of a minor variance under section 45 of the *Planning Act*;
 - (c) a conveyance of land to which a By-law passed under subsection 50 (7) of the *Planning Act* applies;
 - (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (e) a consent under section 53 of the *Planning Act*;
 - (f) the approval of a description under section 50 of the *Condominium Act*, or;
 - (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.
8. No more than one development charge for each service designated in section 5 shall be imposed upon any lands, buildings or structures to which this By-law applies even though two or more of the actions described in section 7 are required before the lands, buildings or structure can be developed.
9. Notwithstanding section 13 if two or more of the actions described in section 7 occur at different times, additional development charges shall be imposed in respect of any increased or additional development permitted by that action.
10. Where a development requires an approval described in section 7 after the issuance of a building permit and no development charge has been paid, then



the development charge shall be paid prior to the granting of the approval required under section 7.

11. If a development does not require a building permit but does require one or more of the approvals described in section 7, then the development charge shall nonetheless be payable in respect of any increased or additional development permitted by such approval required for the increased or additional development being granted.
12. Nothing in this By-law prevents Council from requiring, as a condition of an agreement under sections 41, 51 or 53 of the Planning Act, that the owner, at his or her own expense, install such local services related to a plan of subdivision or within the area to which the plan relates, as council may require, or that the owner pay for local connections to storm drainage facilities, watermains and sewer mains, installed at the owner's expense, or administrative, processing, or inspection fees.

Calculation of Development Charges

13. The development charge with respect to the use of any land, buildings or structures shall be calculated as follows:
 - (a) in the case of residential development, or the residential portion of a mixed-use development, based upon the number and type of dwelling units; or
 - (b) in the case of non-residential development, or the non-residential portion of a mixed-use development, based upon the total floor area of such development.

Amount of Charge – Residential

14. The development charges described in Schedule B to this By-law shall be imposed on a City-wide basis for all 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 component of the mixed-use building or structure, according to the type of residential use.



- (a) With respect to the Neighbourhood of the Rolling Meadows Secondary Plan area (as outlined in Schedule D), the area-specific development charges described in Schedule C to this By-law shall be imposed to all residential uses and are in addition to the City-Wide charges described in Schedule B.

Amount of Charge – Non-Residential – Commercial/Institutional/Industrial

15. The development charges described in Schedule B to this By-law shall be imposed on commercial/institutional/industrial uses of lands, buildings or structures and, in the case of a mixed-use building or structure, on the commercial/institutional/industrial components of the mixed-use building or structure, and calculated with respect to each of the services according to the total floor area of the commercial/institutional/industrial use.
 - (a) With respect to the Neighbourhood of the Rolling Meadows Secondary Plan area (as outlined in Schedule D), the area-specific development charges described in Schedule C to this By-law shall be imposed to all non-residential uses and are in addition to the City-Wide charges described in Schedule B.

Indexing of Development Charges

16. The development charges set out in Schedules B and C, attached hereto shall be adjusted without amendment to this By-law annually on January 1st of each year, commencing on January 1, 2020, in accordance with the Act.

Phasing, Timing of Calculation and Payment

17.
 - (1) Except as set out in sub-paragraphs (4) and (5) below, the development charges set out in this By-law are not subject to phasing in and are payable in full, subject to the exemptions and credits herein from the effective date of this By-law.
 - (2) Subject to section 26 (with respect to redevelopment) and subsection (3), the development charge shall be calculated as of, and shall be payable, on the date the first building permit is issued in relation to a building or structure on land to which the development charge applies.



- (3) Notwithstanding subsection (2) the City may require an owner to enter into an agreement, including the provision of security for the owner's obligations under agreement, pursuant to section 26 of the Act providing for all or part of a development charge to be paid before or after it otherwise would be payable. The terms of such agreement shall then prevail over the provision of this By-law.
- (4) Notwithstanding subsection (1) the development charges imposed on industrial uses of lands, buildings or structures shall be phased and payable in the amounts applicable at the date of payment as set out in the applicable column of Schedule C to this By-law.
- (5) Notwithstanding subsection (1) the development charges imposed on non-residential, excluding industrial, uses of lands, buildings or structures shall be phased and payable in the amounts applicable at the date of payment as set out in the applicable column of Schedule C to this By-law.

Payment by Money or the Provision of Services

18. (1) Payment of development charges shall be made to the City by cash or by certified cheque.
- (2) In the alternative to payment by the means provided in subsection (1), the City may, by an agreement entered into with the owner, accept the provision of services in full or partial satisfaction of the development charge otherwise payable provided that:
 - (a) if the City and the owner cannot agree as to the reasonable cost of doing the work under subsection (2), the dispute shall be referred to Council whose decision shall be final and binding.
 - (b) if the credit exceeds the amount of the charge for the service to which the work relates,
 - (i) the excess amount shall not be credited against the charge for any other service, unless the City has so agreed in an agreement under section 38 of the Act; and



- (ii) in no event shall the City be required to make a cash payment to the credit holder.
- (3) Nothing in this By-law prevents Council from requiring, as a condition of any approval given under the Planning Act that the owner, at the owner's expense, install such local services as Council may require in accordance with the City's local services' policies in effect at the time.

Rules with Respect to Exemptions for Intensification of Existing Housing

19. (1) This By-law does not apply with respect to approvals related to the residential development of land, buildings or structures that would have the affect only:
- (a) of permitting the enlargement of an existing dwelling unit (that does not double the size of the dwelling);
 - (b) of creating one or two additional dwelling units in an existing single detached dwelling unit;
 - (c) of creating one additional dwelling unit in an existing semi-detached dwelling unit; or
 - (d) of creating one additional dwelling unit for any other existing residential building.

In addition to the rules in section 19(1), the intensification must take place within the existing footprint of the building.

- (2) Notwithstanding clauses (1) (b) to (d), a development charge shall be imposed with respect to the creation of one or two additional dwelling units in a dwelling, if the total floor area of the additional one or two dwelling units exceeds, the total floor area of the existing dwelling unit in clause (1) (b) and (1) (c), and the smallest existing dwelling unit in clause (1) (d).



Rules with Respect to an Industrial Expansion Exemption

20. 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:
- (a) Subject to subsection 20 (c), 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;
 - (b) Subject to subsection 20 (c), 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
- (c) For the purposes of calculating the extent to which the gross floor area of an existing industrial building is enlarged in subsection 20 (a) and 20 (b), 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.
- (d) 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.

Categories of Exempt Institutions

21. (1) The following categories of institutions are hereby designated as being exempt from the payment of development charges:
- (a) buildings or structures used as hospitals governed by the *Public Hospitals Act*, R.S.O. 1990, c. P. 40;
 - (b) buildings or structures owned by and used for the purposes of the City, the Region, or their local boards;



- (c) buildings or structures used as a place of worship;
 - (d) buildings or structures owned by a board of education, and used for school purposes;
 - (e) buildings or structures, related to classrooms or administration space, owned by a college of applied arts and technology established pursuant to the Ministry of Training, Colleges and Universities Act, R.S.O. 1990, c. M.19, and used for teaching of programs of study leading to a post secondary certificate or diploma, a graduate certificate or a bachelor degree, but does not include student residences, commercial uses on site, or any other space not directly related for the purposes of education;
- (2) The exemption referred to in paragraph 21 (1) (b) does not apply to the development for residential uses of lands owned by:
- (a) the Region or any local board thereof;
 - (b) any corporation owned, controlled, or operated by the Region.

Agricultural Uses

22. Agricultural uses as well as farm buildings and other ancillary development to an agricultural use excluding any residential, commercial or industrial uses shall be exempt from the provisions of this By-law.

Whether Charge Payable

23. Despite the definition of residential use and non-residential use, and notwithstanding the other provisions of this By-law, a development charge shall be imposed in relation to agricultural, and eligible exempt uses as defined in section 21 of this By-law, unless:
- (a) such building or structure is owned in fee simple by the qualifying owner;
 - (b) and is actually used and occupied by said owner for the qualifying purposes of said owner.



For the purposes of this section, “qualifying” means possessing the attributes necessary to qualify for an exemption from the development charge otherwise collectable under the provisions of this By-law.

Temporary Buildings or Structures

24. (1) Temporary buildings or structure shall be exempt from the provisions of this By-law.
- (2) In the event that a temporary building or structure becomes protracted, it shall be deemed not to be nor ever to have been a temporary building or structure, and the development charges required to be paid under this By-law shall become payable on the date the temporary building or structure becomes protracted.
- (3) Prior to the City issuing a building permit for a temporary building or structure, the City may require an owner to enter into an agreement, including the provision of security for the owner’s obligation under the agreement, pursuant to section 27 of the Act providing for all or part of the development charge required by subsection 27 (2) to be paid after it would otherwise be payable. The terms of such agreement shall then prevail over the provisions of this By-law.

Rules with Respect to the Redevelopment of Land

25. (1) Where there is a redevelopment of land on which there is a conversion of space proposed, or on which there was formerly erected a building or structure that has been demolished, a credit shall be allowed against the development charge otherwise payable by the owner pursuant to this By-law for the portion of the previous building or structure still in existence that is being converted or for the portion of the building or structure that has been demolished, as the case may be, calculated by multiplying the number and type of dwelling units being converted or demolished or the non-residential total floor area being converted or demolished by the relevant development charge in effect on the date when the development charge is payable in accordance with this By-law. If the development includes the conversion from one use (the “first use”) to another use, the credit shall be based on the development charges calculated pursuant to



this By-law at the current development charge rates, that would be payable as development charges in respect of the first use.

- (2) A credit in respect of any demolition under this section shall not be given unless a building permit has been issued or a subdivision agreement has been entered into with the City for the development within 5 years from the date the demolition permit was issued.
- (3) The amount of any credit hereunder shall not exceed, in total, the amount of the development charges otherwise payable with respect to the development.

Interest

26. The City shall pay interest on a refund under subsection 18(3), (5) and 25(2) of the Development Charges Act, 1997 at a rate equal to the Bank of Canada rate on the date this By-law comes into force.

Front-Ending Agreements

27. The City may enter into agreements under section 44 of the Act.

Schedules

28. The following Schedules to this By-law form an integral part of this By-law.

Schedule A	Designated Municipal Services under this By-law
Schedule B-1	Residential and Non-residential City-Wide Development Charges for 100% Eligible Services
Schedule B-2	Residential and Non-residential City-Wide Development Charges for 90% Eligible Services
Schedule C	Area-Specific Development Charges for Rolling Meadows
Schedule D	Rolling Meadows Secondary Plan Area Boundary Map



By-law Registration

29. A certified copy of this By-law may be registered in the By-law register in the Land Registry Office against all land in the City and may be registered against title to any land to which this By-law applies.

Date By-law Effective

30. This By-law comes into force on May ____, 2019.

Date By-law Expires

31. This By-law expires five years after the date on which it comes into force.

Repeal

32. By-law No. 74-2014 are hereby repealed on the effective date this By-law comes into force.

Headings for Reference Only

33. The headings inserted in this By-law are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

Severability

34. If, for any reason, any provision, section, subsection or paragraph of this By-law is held invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

READ a FIRST, SECOND, AND THIRD TIME, and **PASSED** in open Council this ____ day of May, 2019.

MAYOR

CLERK



SCHEDULE A
BY-LAW NO. 46-2019
DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW

100% Eligible Services – City-Wide Services

Services Related to a Highway

- Roads
- Traffic Signals
- Depots and Domes
- PW Rolling Stock

Fire Protection Services

- Fire Facilities
- Fire Vehicles
- Small Equipment and Gear

Administration

- Engineering Studies

100% Eligible Services – Urban Area Services

Wastewater Services

- Sewers

Water Services

- Water

90% Eligible Services – City Wide Services

Municipal Parking

- Parking

Parks and Recreation

- Parkland Development, Amenities & Trails
- Park Vehicles
- Recreation Facilities

Library Services

- Library Facilities
- Library Materials

Administration

- Community Based Studies

100% Eligible Services – Area-Specific Services

Wastewater Services

- Rolling Meadows Sewers



SCHEDULE B-1
CITY OF THOROLD
DEVELOPMENT CHARGE BY-LAW 46-2019
CITY-WIDE RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES – 100% Eligible Services

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	8,146	5,387	5,260	3,217	2,912	4.79
Fire Protection Services	2,072	1,370	1,338	818	741	1.22
Administration - Engineering Studies	321	212	207	127	115	0.18
Total City Wide Services	10,539	6,969	6,805	4,162	3,768	6.19
Urban Services:						
Wastewater Services	735	486	475	290	263	0.40
Water Services	955	632	617	377	341	0.51
Total Urban Services	1,690	1,118	1,092	667	604	0.91
TOTAL CITY WIDE	10,539	6,969	6,805	4,162	3,768	6.19
TOTAL CITY WIDE + URBAN AREA	12,229	8,087	7,897	4,829	4,372	7.10



SCHEDULE B-2
CITY OF THOROLD
DEVELOPMENT CHARGE BY-LAW 46-2019
CITY-WIDE RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT CHARGES – 90% Eligible Services

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:						
Municipal Parking Spaces	113	75	73	45	40	0.06
Parks and Recreation	4,270	2,824	2,757	1,686	1,526	0.49
Library Services	596	394	385	235	213	0.06
Administration - Community Based Studies	352	233	227	139	126	0.20
Total City Wide Services	5,331	3,526	3,442	2,105	1,905	0.81



SCHEDULE C
CITY OF THOROLD
DEVELOPMENT CHARGE BY-LAW 46-2019
AREA-SPECIFIC DEVELOPMENT CHARGES – ROLLING MEADOWS WASTEWATER

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)
Area Specific Services:						
Wastewater Services - Rolling Meadows	200	132	129	79	71	0.09



**SCHEDULE D
CITY OF THOROLD
DEVELOPMENT CHARGE BY-LAW 46-2019
THE NEIGHBOURHOODS OF ROLLING MEADOWS
SECONDARY PLAN AREA**

