



APPROVALS	
GENERAL MANAGER	<i>[Signature]</i>
CFO	<i>[Signature]</i>
CAO	<i>[Signature]</i>

SPECIAL COUNCIL
INFRASTRUCTURE AND DEVELOPMENT SERVICES

REPORT P&B-2017-26
MAY 9, 2017

06-75

SUBJECT: REGION OF NIAGARA DEVELOPMENT CHARGE
BACKGROUND STUDY, APRIL 28, 2017

AUTHOR: GRANT MUNDAY, B.A.A.
MANAGER OF DEVELOPMENT APPROVALS

APPROVING G.M.: SAL IANNELLO, P. ENG., B.B.A, M.A.
GENERAL MANAGER
INFRASTRUCTURE AND DEVELOPMENT SERVICES/CITY
ENGINEER

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND requests Regional Council to make changes to the Proposed Region of Niagara Development Charges By-law as outlined in this Report; and further

THAT Welland City Council requests the report be forwarded to the Niagara Region, and all municipalities within the Niagara Region for information and support.

ORIGIN AND BACKGROUND:

The Region of Niagara has been in the process of creating a new Development Charge By-law. Development Charges are fees collected from developers at the time a building permit is issued. The fees help pay for the cost of infrastructure required to provide municipal services to new development, such as roads, transit, water and sewer infrastructure, community centres and fire and police facilities. Most municipalities in Ontario use development charges to ensure that the cost of providing infrastructure to service new development is not borne by existing residents and businesses in the form of higher property taxes. A Development Charge By-law can be used as a tool to help attract desirable development outcomes including but not limited to Downtown Redevelopment, community improvement plans, brownfield redevelopment, and affordable housing.

Local and Regional Development Charge By-laws are one of the tools that have been successfully used to promote economic growth and smart growth in the City of Welland and the Region as a whole. The City has specifically partnered with the Region on a number of incentive programs including Development Charge Exemptions/Refunds in three main focus areas. The focus areas are Employment Growth, Brownfield Redevelopment and Downtown Redevelopment.

The current Regional DC By-law expires on September 1, 2017. City Staff have been involved in the consultation process and have provided comments to the Region's Consultants and Staff throughout the process. On April 13, 2017 the City sent a letter to the Chair of the Regional Development Charge Policy Task Force on a draft version that was released to City Staff. City Staff and the Mayor had a number of concerns regarding that version of the proposed Development Charge By-law. The letter is attached as Appendix I.

A public version of the Region of Niagara Development Charge Background Study was released for comment on April 5, 2017 which includes the Draft Development Charge By-law and proposed rates (attached as Appendix II). Staff have reviewed the proposed DC Background Study and By-law and our concerns are listed under the Comments and Analysis Section.

COMMENTS AND ANALYSIS:

Staff have reviewed the proposed Region of Niagara Development Charge Background Study and have outlined a number of requested changes that should be made in the proposed By-law.

1. The By-law proposes to only provide a 50% reduction of the applicable DC in designated Community Improvement Plan areas. Currently, the Region provides a 50% exemption and an additional 50% reduction if the proposal meets certain Smart Growth criteria. City Staff do not support this new direction and request that the current policy be included in the new By-law for a number of reasons. First, there are a number of Applicants in the early stages of the development process that purchased lands within our Downtown and Health and Wellness Cluster CIP Area with the expectation that the Region would continue to offer the same financial incentive. The proposed policy does not provide investor confidence or policy clarity as there is no fixed date or indication of how the policy might change.

Finally, the current policy helps to direct growth to Downtown Cores and promote smart growth principles and sustainable development. Having vibrancy and growth in Downtown Cores is critical for promoting public transit ridership and achieving economies of scale with respect to municipal and regional service delivery. The current DC By-law policy offering up to a 100% exemption/refund helps to direct some growth to these areas. In particular, it assists the Region and Local Municipalities in achieving intensification targets set out in the Growth Plan for the Greater Golden Horseshoe. We need to be clear for the life of the proposed new DC By-law that the Region is committed to achieving growth and redevelopment in our Downtown Cores. The current policy for exemptions/refunds in designated CIP areas should continue for the life of the proposed new DC By-law.

2. The By-law proposes to provide up to a 100% reduction in the applicable Development Charge for development on a Brownfield Site subject to meeting Regional Smart Growth Criteria. This is similar to the current By-law. They are now proposing to add a limitation to the amount of Regional Development Charges that can be reduced by tying the incentive to the total cost of remediation. Staff does not agree with this approach as the current policy was put into place to promote development on Brownfields as these sites already had

built in servicing capacity based on their previous uses. For example, take a brownfield site that once contained a large factory that once employed 1000 people and replace it with housing for 200 people. The impact on services (roads, water, sewer etc) would be below the demands of the previous use. It was also meant as an incentive to steer development to these areas.

3. It appears that the new Draft DC By-law will not offer a 100% exemption for Industrial Development. There is currently a 100% exemption on the applicable DC for Industrial Development. City Staff are requesting that the Region include a 100% exemption for Industrial Development in the proposed DC By-law rather than relying on a yearly budgeted amount being allocated to Industrial DC Grants.

The City of Welland currently provides a 100% exemption for Industrial Development. We know for certain that these Industrial Development financial incentives have been central in attracting new Industrial Development within the City of Welland and Region wide. If these incentives were not available or are not available in the future we would have achieved minimal or no new industrial growth.

4. It appears that the new DC By-law will offer a Development Charge exemption for secondary dwelling units within an existing dwelling subject to certain unit size limitations. However, no provision has been made for a dwelling unit being created in an accessory building. Staff recommend that this provision be changed to provide a Development Charge exemption for any second unit and either within the existing dwelling or in an accessory building. We feel this would help to promote this type of affordable housing and would help promote infill development and make it easier to implement.
5. The Definition of Agriculture is too restrictive for small scale agricultural operations that may not qualify for a Farm Business Registration Number or be assessed in the Farmland Realty Tax Class. It is unclear what Regional Development Charge rate would apply to small scale/hobby farm operations. The definition of Agriculture should align with the Region of Niagara Official Plan or something similar to the one contained in the City of Welland Development Charge By-law (City DC By-law). Neither of these definitions makes any reference to a Farm Business Registration Number or Farmland Realty Tax Class. The current definition is too restrictive and does not promote agriculture uses within the City's agricultural areas or the Region as a whole.
6. The date of calculation has been set to the date of Building Permit issuance. This differs from the City DC By-law which calculates the applicable charge at the time of building permit submission. For administrative purposes this should be changed to the date of permit issuance. This proposed policy change creates problems when building permits are submitted close to the date when the charges automatically increase. There would be significant pressure on City Staff to issue permits prior to this date to avoid the increase in charges.

In addition, Staff reviewing a building permit application would not know exact date of permit issuance and would therefore need to perform two calculations. The existing calculation date should remain as the date of application submission which is consistent with the calculation of Building Permit Fees, Development

Charges and other fees collected by the City.

7. With reference to Section 6 in Appendix II, Staff has concerns on how a live/work unit or mixed-use building with less than four dwelling units would be charged under the proposed new By-law. As it currently stands the residential component would not be considered an apartment use. This makes it unclear what charge applies, the single-detached rate or the apartment rate. More clarification is needed in this regard to ensure the apartment rate based on the number of bedrooms applies versus the single-detached rate. Staff feels it is an important policy objective to allow for a mix of uses where possible to support intensification of our Built-Up Area and to create employment opportunities near where people live.
8. With reference to Appendix III, the proposed Regional DC rates have primarily been subject to significant increases from the current charges. The single-detached dwelling rate is proposed to increase from the current charge of \$10,484 to \$19,006. The charge for apartment dwelling units are increasing from a flat rate of \$4,651 to \$7,836.00 for a one (1) bedroom or smaller apartment, \$12,280 for a two (2) and three (3) bedroom apartment, and \$26,125 for a four (4) bedroom or larger apartment. The Special Care rate is increasing from \$2,804 per bedroom to \$7,185 per bedroom. The Industrial rate is decreasing from \$5.43 per square foot to \$4.73 per square foot. The Institutional rate is increasing from \$3.80 per square foot to \$8.15 per square foot. The Commercial rate is decreasing from \$12.12 per square foot to \$11.41 per square foot.

Regional Staff have indicated that the proposed rates significantly increased because of the number of capital projects that are required to accommodate anticipated population and job growth within the Region. It appears that a significant amount of Regional capital improvements are required in the Grimsby/West Lincoln Areas and Niagara Falls to accommodate growth. Regional Staff have ruled out the use of area specific charges with the charges being set based on capital improvements needed in that area. We would recommend that area specific charges be implemented which would have different fees established for each Local Municipality.

The significant increase in Regional DC Rates may reduce the Region's competitiveness in attracting new development. The increases will impact affordability for home buyers and will increase rental rates by increasing the cost of creating new apartment style housing and limiting the supply. The increases to rates for apartment style housing will detract from the development of transit supportive medium and high density development. There is an increased demand for affordable single rental rooms and increasing the Regional DC Fees for these types of formats will not increase the supply.

The proposed Regional Development Charges By-law will have a negative impact on the City's efforts to promote redevelopment in the Downtown and Health and Wellness Cluster, Brownfield Redevelopment and Employment Development. With reference to Appendix IV, Staff has shown the City and Region Development Fees/Rebates for a new apartment building containing sixty (60) one (1) bedroom apartments on King Street within the Downtown and Health and Wellness CIP Area. We have provided estimates based on the status quo and the proposed policy changes by the Region. The net development fees payable to the Region would significantly increase from \$53,729.00 to \$304,422.00. This represents an approximately 560% increase in net Regional development fees and taxes over ten years.

FINANCIAL CONSIDERATION:

There are no direct costs associated with approving the recommendations contained within this Report.

OTHER DEPARTMENT IMPLICATIONS:

Several City departments have provided input into this Report. Other departments will continue to be involved with the proposed Regional DC By-law in the future.

SUMMARY AND CONCLUSION:

The proposed Regional Development Charge By-law is an important economic and planning issue for the City that has ramifications for our economic development strategy and our ability to attract new residents and jobs and to expand our tax base.

Staff has recommended a number of changes to the proposed Regional DC By-law which would ensure the City and Region are aligned as best as possible on desirable growth outcomes. Based on the foregoing, we would request that the Region consider incorporating City of Welland's requests noted above into the Final Draft DC By-law. The current version of the proposed Regional DC By-law would severely limit the potential to redevelop Downtown and Brownfields and reduces the City of Welland's and the Region's competitiveness in attracting development into these areas.

Staff are also recommending the Report be circulated to the Niagara Region, and all municipalities within the Niagara Region for information and support.

ATTACHMENTS:

- | | | |
|--------------|---|---|
| Appendix I | - | Letter from the City of Welland to the Regional Development Charge Policy Task Force dated April 13, 2017 |
| Appendix II | - | Proposed Regional Development Charge By-law |
| Appendix III | - | Regional Development Charges Proposed Increases |
| Appendix IV | - | Development Fees/Grants Comparison |



OFFICE OF THE MAYOR
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April 13, 2017

Regional Councillor Selena Volpatti, Chair,
Regional Development Charges Policy Task Force,
1815 Sir Isaac Brock Way, Campbell West,
P.O. Box 1042, Thorold, Ontario.
L2V 4T7.

Dear Chair Volpatti:

RE: Proposed 2017 Regional Development Charge Background Study and By-law

City of Welland Staff appreciates the opportunity to be involved in the process of developing a new Regional Development Charge (DC) By-law. We see Local and Regional Development Charge By-laws as one of the tools that has been successfully used to promote economic growth and smart growth in the City of Welland and the Region as a whole. The City has specifically partnered with the Region on a number of incentive programs including Development Charge Exemptions/Refunds in three main focus areas. The focus areas are Employment Growth, Brownfield Redevelopment and Downtown Redevelopment.

City of Welland Staff have reviewed the information contained in the Task Force Agenda and can offer the following comments for your consideration.

1. The entire Background report or proposed development charge rates are not included in the Agenda, City Staff reserve making comments on these items until they are available for review.
2. We support the proposed definitions contained within the Draft By-law including the addition of institutional uses to the definition of brownfield.
3. The By-law proposes to continue with the Interim Development Charge Reduction Program which offers a 50% exemption and a 50% refund of the applicable DC in designated Community Improvement Plan areas. However, Staff position is that these incentives formed part of the current DC By-law. City Staff do not support this interim policy direction and request that the current policy be included in the new By-law for a number of reasons. First, there are a number of Applicants in the early stages of the development process who purchased lands within our Downtown and Health and Wellness Cluster CIP with the expectation that the Region would continue to offer the same financial incentives. An interim policy does not provide investor confidence or policy clarity as there is no fixed date or indication of how the policy might change. The current policy for exemptions/refunds in designated CIP areas should continue for the life of the proposed new DC By-law.

Another reason is that the current policy helps to direct growth to Downtown areas and promote smart growth principles and sustainable development. Having vibrancy and growth in Downtown Cores is critical for promoting public transit ridership and achieving economies of scale with respect to municipal and regional service delivery. The current DC By-law policy offering up to a 100% exemption/refund helps to direct some growth to these areas. In particular, it assists the Region and Local Municipalities in achieving intensification targets set out in the Growth Plan for the Greater Golden Horseshoe. We need to be clear for the life of the proposed new DC By-law that the Region is committed to achieving growth and redevelopment in our Downtown Cores.

4. It appears that the new Draft DC By-law will not offer a 100% exemption for Industrial Development. There is currently a 100% exemption on the applicable DC for Industrial Development. City Staff are requesting that the Region include a 100% exemption for Industrial Development in the proposed DC By-law.

The City of Welland currently provides a 100% exemption for Industrial Development. We know for certain that these Industrial Development financial incentives have been central in attracting new Industrial Development within the City of Welland and Region wide. If these incentives were not available or are not available in the future we would have achieved minimal or no new industrial growth.

The proposed Regional Development Charge By-law is an important economic and planning issue for the City that has ramifications for our economic development strategy and our ability to attract new residents and jobs and to expand our tax base.

Based on the foregoing, we would request that the Task Force consider incorporating the City of Welland requests noted above into the Final Draft DC By-law.

Sincerely,



Frank Campion
Mayor

Sincerely,



Gary Long
CAO

Cc. Regional Council
Natasha Devos, Acting Regional Clerk

Appendix J – Proposed Development Charge By-law

The Corporation of the Region of Niagara

By-law Number ____-2017

A BY-LAW TO ESTABLISH DEVELOPMENT CHARGES

FOR THE REGIONAL MUNICIPALITY OF NIAGARA AND TO REPEAL BY-LAW 62-2012

WHEREAS subsection 2(1) of the *Development Charges Act, 1997, as amended* c. 27 (hereinafter called "the Act") provides that the council of a municipality may pass By-laws for the imposition of development charges against land for increased capital costs required because of the need for services arising from development in the area to which the by-law applies;

AND WHEREAS the Council of the Corporation of the Regional Municipality of Niagara has given Notice on April 28, 2017 according to section 12 of the *Development Charges Act, 1997, as amended*, of its intention to pass a by-law under Section 2 of the Act;

AND WHEREAS the Council of the Corporation of the Regional Municipality of Niagara has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposal at a public meeting held on June 8, 2017;

AND WHEREAS the Council of the Corporation of the Regional Municipality of Niagara had before it a report entitled Development Charge Background Study dated April 28, 2017 prepared by Watson & Associates Economists Ltd., wherein it is indicated that the development of any land within the Regional Municipality of Niagara will increase the need for services as defined herein;

AND WHEREAS the Council of the Corporation of the Regional Municipality of Niagara on June 29, 2017 approved the applicable Development Charge Background Study, inclusive of the capital forecast therein, in which certain recommendations were made relating to the establishment of a development charge policy for the Regional Municipality of Niagara pursuant to the *Development Charges Act, 1997, as amended*;

AND WHEREAS the Council of the Corporation of the Regional Municipality of Niagara on June 29, 2017 determined that no additional public meeting was required to be held as part of the approval process;

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

DEFINITIONS

1. In this By-law:

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

"agricultural use" means use or intended use for bona fide farming purposes which means the proposed development will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and/or be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;

(a) including (but not limited to):

- (i) cultivation of crops, whether on open land or in greenhouses, including (but not limited to) fruit, vegetables, herbs, grains, field crops, sod, trees, shrubs, flowers, and ornamental plants;
- (ii) raising of animals, including (but not limited to) cattle, horses, pigs, poultry, livestock, fish; and
- (iii) agricultural animal husbandry, dairying, equestrian activities, horticulture, fallowing, pasturing, and market gardening;

(b) but excluding:

- (i) retail sales activities; including but not limited to restaurants, banquet facilities, hospitality facilities and gift shops;
- (ii) services related to grooming, boarding or breeding of household pets; and
- (iii) cultivation of marijuana crops and/or marijuana production facilities.

"apartment" means any residential building containing more than four dwelling units where the units are connected by an interior corridor, but does not include a special care/special need dwelling unit/room, or dormitories;

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

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

"board of education" means a board as defined in the *Education Act*, R.S.O. 1990, c. E.2, as amended;

"brownfield" means land located within the urban areas as defined from time to time in the Regional Official Plan, upon which there has been previous agricultural, industrial, institutional or commercial use or other use as prescribed under Ontario Regulation 153/04, as amended from time to time, and for which site remediation is required, as determined by the local municipality, and a Record of Site Condition has been filed on the Province's Brownfields Environmental Site Registry in order to permit a change of use pursuant to the Environmental Protection Act, R.S.O. 1990 and Ontario Regulation 153/04, as amended from time to time;

"building permit" means a permit pursuant to the *Building Code Act*, 1992, S.O. 1992, c. 23, as amended;

"calculation date" means the date on which the first building permit is issued by the local municipality;

"commercial purpose" means used, designed or intended for use for or in connection with the purchase and/or sale and/or rental of commodities; the provision of services for a fee; or the operation of a business office, and includes hotels and motels;

"development" means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof, and includes redevelopment; notwithstanding the foregoing, development does not include temporary structures, including but not limited to, seasonal hoop structures, seasonal fabric structures, tents, or produce sales stands;

"dwelling room" means either

- a) each bedroom used, designed or intended for use by one or more persons living together in a lodging home, dormitories, or

- b) in the case of a special care/special dwelling unit/room, each individual room or suite of rooms used, designed or intended for use by one or two persons with or without exclusive sanitary and/or culinary facilities.

"dwelling unit" means one or more rooms used, designed or intended to be used by one or more persons as a residence and which has access to culinary and/or sanitary facilities. A "dwelling unit" does not include a Park Model Trailer conforming to National Standard of Canada #CAN/CSA - Z241.0-92 or similar standard;

"existing industrial building" means a building or buildings existing on a site in the Regional Municipality of Niagara as of July 6, 2012 came into effect or the buildings or structures constructed and occupied on a vacant site pursuant to site plan approval under section 41 of the Planning Act, R.S.O. 1990, c. P.13 (the "Planning Act") subsequent to the July 6, 2012 was passed for which development charges were exempted or paid for and means a building used for or in connection with:

- (a) manufacturing, producing, and processing, as well as storing and or distribution of the goods manufactured, produced or processed on site;
- (b) research or development in connection with manufacturing, producing or processing something;
- (c) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place;
- (d) office or administrative purposes, if they are:
 - (i) carried out with respect to manufacturing, producing, processing, storage or distributing of something; and
 - (ii) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;

"granny flat" means a one-unit detached, temporary residential structure, containing culinary and sanitary facilities that is ancillary to an existing residential structure and that is designed to be temporary;

"gross floor area" means the total floor area, measured between the outside of exterior walls, virtual walls or between the outside of exterior walls or virtual walls and the centre line of party walls dividing the building from another building, of all

floors and mezzanines, above and below the average level of finished ground adjoining the building at its exterior walls;

“group home” means a dwelling for the accommodation of three to eight residents, supervised by agency staff and funded wholly or in part by any government or its agency and approved or supervised by the Province of Ontario under any Act.

“industrial use” means land, buildings or structures used for or in connection with manufacturing by:

- (a) manufacturing, producing, and processing, as well as storing and or distribution of goods manufactured, produced or processed on site;
- (b) research or development in connection with manufacturing, producing or processing something;
- (c) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place;
- (d) office or administrative purposes, if it is:
 - (i) carried out with respect to manufacturing, producing, processing, storage or distributing of something; and
 - (iv) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;

“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 offices where such uses are accessory to an institutional use.

“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 municipal service board, transportation commission, public library board, 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 one or more local municipalities or the Region, but excluding a board of education, a conservation authority, any municipal services corporation that is not deemed to be a local board under O. Reg. 599/06 made under the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended;

"local municipality" means any one of the municipalities of the Town of Fort Erie, Town of Grimsby, Town of Lincoln, City of Niagara Falls, Town of Niagara-on-the-Lake, Town of Pelham, City of Port Colborne, City of St. Catharines, City of Thorold, Township of Wainfleet, City of Welland, and the Township of West Lincoln;

"lodging home" means a boarding, lodging, or rooming house in which lodging is provided for more than four persons in return for remuneration or for the provision of services, or for both, and in which the lodging rooms do not have both bathrooms and kitchen facilities for the exclusive use of individual occupants.

"long term care home" means homes, nursing homes or homes for the aged where the Ministry of Health and Long Term Care funds the care provided in such homes and application for accommodation is made through a Community Care Access Centre.

"mezzanine" means an intermediate floor assembly between the floor and ceiling of any room or storey and includes an interior balcony;

"mixed-use building" means a building or structure used for both residential and non-residential use;

"multiplex dwelling" means a residential building containing three or more dwelling units, each of which unit has a separate entrance to grade;

"municipal housing project facilities" has the same meaning as that specified in the Region's *Municipal Housing Facility By-law* (No. 34-2004), as may be amended;

"non-residential building" means a building or structure used exclusively for non-residential use;

"non-residential use" means use or intended use for any purpose other than human habitation and includes, but is not limited to, an institutional use, an industrial use, and a commercial use;

"other multiple" means all residential units other than a single detached dwelling, semi-detached dwelling, apartment dwelling or a dwelling room, including, but not

limited to, row dwellings, multiplex, back-to-back townhouse dwelling, stacked townhouse dwelling, and the residential component of live/work units;

"parking structure" means buildings or structures uses for the parking of motor vehicles;

"place of worship" means any building or part thereof that is owned by a church or religious organization that is exempt from taxation as a place of worship pursuant to the *Assessment Act*, R.S.O. 1990, c. A.31, as amended;

"premise" means one or more dwelling units and/or one or more square feet used for non-residential use;

"Region" means The Regional Municipality of Niagara;

"Regulation" means O. Reg. 82/98 under the Act, as amended;

"residential building" means a building used exclusively for residential use, including but not limited to a single detached dwelling, a semi-detached dwelling, a row dwelling, stacked townhouse dwelling, back-to-back townhouse dwelling, a multiplex dwelling, an apartment dwelling, a dwelling room; or the residential component of a live/work unit;

"residential use" means use or intended use for human habitation and ancillary purposes, and includes such use related to agricultural use, but does not include a hotel/motel use; for purposes of this definition "ancillary purposes" includes (but is not limited to) vehicle storage and equipment storage;

"row dwelling" means a residential building containing three or more dwelling units separated by vertical division, each of which units has a separate entrance to grade;

"semi-detached dwelling" means a dwelling unit in a residential building consisting of two dwelling units having one shared vertical wall, but no other parts, attached;

"single detached dwelling" means a residential building containing one dwelling unit and not attached to another structure. Where it is attached to another structure by footings or below grade walls only, it shall be considered a single detached dwelling for the purposes of this by-law; and

"special care/special dwelling unit/room" means a residence

- a) containing two or more dwelling rooms, which rooms have common entrance from street level; and
- b) where the occupants have the right to use in common with other occupants, halls, stairs, yards, common room and accessory buildings; and
- c) that is designed to accommodate persons with specific needs, including but not limited to, independent permanent living arrangements; and where support services, such as meal preparation, grocery shopping, laundry, housing, nursing, respite care and attending services are provided at various levels; and includes but is not limited to retirement homes or lodges, group homes, dormitories, and hospices.

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

“use” means either residential use or non-residential use.

“wind turbine” means a part of a system that converts energy into electricity, and consists of a wind turbine, a tower and associated control or conversion electronics. A wind turbine and energy system may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary, where there is a rated output of more than 3 kilowatts.

RULES

2. For the purposes of complying with section 6 of the Act:

- (a) The rules for determining if a development charge is payable in any particular case and for determining the amount of the charge shall be in accordance with sections 4 through 9, and 20 and 21.
- (b) The rules for determining exemptions, relief, credits and adjustments shall be in accordance with sections 10 through 17.
- (c) The rules for determining the phasing in of development charges shall be in accordance with section 8.
- (d) The rules for determining the indexing of development charges shall be in accordance with sections 20 and 21.

- (e) The rules respecting the redevelopment of land shall be in accordance with sections 18 and 19.

LANDS AFFECTED

- 3. This By-law applies to all lands in the geographic area of the Region, being all of the lands shown on Schedule "A".

APPROVALS FOR DEVELOPMENT

- 4. (1) Development charges under this By-law shall be imposed against all development if the development requires:
 - (a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*, R.S.O. 1990, c. P.13, as amended;
 - (b) 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*, 1998, S.O. 1998, c. 19, as amended; or
 - (g) the issuing of a permit under the *Building Code Act* in relation to a building or structure.
- (2) That nothing in this By-law prevents Council from requiring, in an agreement under section 51 of the *Planning Act* or as a condition of consent or an agreement respecting same under section 53 of the *Planning Act*, that the owner, at his or her own expense, install such local services related to or within the area to which a plan of subdivision or consent relates, as Council may require, in accordance with the Region's applicable local service policy in the effect at the time.

DESIGNATION OF SERVICES

- 5. A development charge shall include:

- (a) a charge in respect of general government, police services, emergency medical services, health services, P.O.A. services, long-term care, social housing, waste diversion, public works and services related to a highway;
- (b) if water service is available, a charge in respect of water; and
- (c) if wastewater service is available, a charge in respect of wastewater.

AMOUNT OF CHARGE

Amount of Charge – Residential

6. For development for residential purposes, development charges shall be imposed on all residential development, including a dwelling unit accessory to a non-residential development and the residential component of a mixed-use building, including the residential component of a live/work unit, according to the number and type of dwelling units on the lands as set out in Schedule "C".

Amount of Charge – Non-residential

7. For development for non-residential purposes, development charges shall be imposed on all non-residential development and, in the case of a mixed-used building, on the non-residential component of the mixed-use building, including the non-residential component of a live/work unit, according to the type and gross floor area of the non-residential component as set out in Schedule "C".

Phasing in of Development Charges

8. The development charge schedule in Schedule "C" is not phased in.

TIMING AND CALCULATION AND PAYMENT

9. (1) The development charge under this By-law shall be calculated using the rate effective on the calculation date with respect to such development and shall be payable on the issuance of the first building permit with respect to such development.
- (2) No Chief Building Official of any local municipality shall issue a building permit in respect of a development for which a development charge is payable pursuant to this By-law, until such development charge is paid.
- (3) The Region may, by agreement pursuant to section 38 of the Act, permit an owner to perform work that relates to a service to which this by-law applies in lieu of the payment of all or any portion of a development charge. The Region will give the

owner who performed the work a credit towards the development charge in accordance with the agreement and subject to the requirements of the Act. In addition, the Region may, in the case of development located outside of the existing service area, require payment of an appropriate share of the costs of the required infrastructure within the existing service area, in addition to the costs external to the service area.

EXEMPTIONS

10. The following are exempt from the payment of development charges under this By-law by reason of section 3 of the Act:
 - (a) lands and buildings owned by and used for the purposes of any local municipality or the Region or any local board unless such buildings or parts thereof are used, designed or intended for use primarily for or in connection with any commercial purpose; and
 - (b) land and buildings owned by and used for the purposes of a board of education unless such buildings or parts thereof are used, designed or intended for use primarily for or in connection with any commercial purpose.
11. Notwithstanding any other provision of this By-law, no development charge is imposed under this By-law respecting:
 - (a) granny flats;
 - (b) parking structures;
 - (c) non-residential lands and buildings used for agricultural use;
 - (d) that portion of a place of worship which is used exclusively as a place of worship for religious services and any reception and meeting areas used in connection with, or integral to the worship space.
 - (e) lands and buildings used or intended to be used as municipal housing project facilities, as set out in section 110 of the *Municipal Act, 2001*, S.O. 2001 c. 25, O.Reg.603/06 under the Municipal Act 2001, and the Region's Municipal Housing Facility by-law, all as may be amended;
 - (f) lands and buildings used for affordable housing projects that receive funding through an agreement with Niagara Regional Housing or a department or designated agency of the Niagara Region, provided that:

- (i) this exemption shall only apply to that proportion or number of units in a development which are designated or identified as affordable housing and
- (ii) the owner of the lands continues to use the lands and buildings for affordable housing.

If the owner ceases to use the proportionate share of the lands and buildings for affordable housing, the development charges exempted under this section shall become due and payable. The owner shall be required to enter into an agreement with the Region under section 27 of the Act respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands. and

- (g) gas station canopies;

Partial Exemptions

- 12. Notwithstanding any other provision of this By-law, the development charge imposed under this By-law respecting the development of a long-term care home shall be reduced by 50%.

Rules with Respect to Brownfield Development located within the Urban Areas

- 13. The rules with respect to Brownfield Development located within the Urban Areas for Regional Development Charges Reduction are set out in Schedule "D" and supporting Schedules D1-11.

Rules with Respect to Development located within the Designated Exemption Areas and Brownfield Development within the Urban Areas

- 14. The rules with respect Development located within the Designated Exemption Areas and to Brownfield Developments within the Urban Areas for Regional Development Charges Reduction are set out in Schedule "E" and supporting Schedules E1 to E10.

Rules with Respect to Exemptions for Intensification of Existing Housing

- 15. Pursuant to the Act, no development charge is payable if the development is only the enlargement of an existing dwelling unit.

16. Pursuant to the Act and Regulation, no development charge is payable if the development is only the creation of:
- (a) one or two additional dwelling units in a single detached dwelling, where the total gross floor area of the additional dwelling unit or units is less than or equal to the gross floor area of the existing dwelling unit;
 - (b) one additional dwelling unit in a semi-detached dwelling or row dwelling, where the gross floor area of the additional dwelling unit is less than or equal to the gross floor area of the existing dwelling unit; or
 - (c) one additional dwelling unit in a dwelling other than a single detached dwelling, semi-detached dwelling or row dwelling, where the gross floor area of the additional dwelling unit is less than or equal to the gross floor area of the smallest existing dwelling unit in the residential building.

Rules with Respect to Exemptions for Industrial Expansion

17. (1) Pursuant to the Act, and notwithstanding any other provision of this by-law, there shall be an exemption from the payment of development charges for one or more enlargements of an existing industrial building, up to a maximum of fifty percent of the gross floor area before the first enlargement for which an exemption from the payment of development charges was granted pursuant to the Development Charges Act or this section. Development charges shall be imposed in accordance with this by-law with respect to the amount of floor area of an enlargement that results in the gross floor area of the industrial building being increased by greater than fifty per cent of the gross floor area of all the existing industrial buildings on the site.
- (2) If the gross floor area is enlarged by more than 50 percent, 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:
- 1. Determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement.
 - 2. Divide the amount determined under paragraph 1 by the amount of the enlargement.

Rules With Respect to Redevelopment – Demolitions

18. (1) If application is made for a building permit in respect of a parcel of land upon which a premise existed within five years prior to the date of such application, but which premise has been demolished or destroyed before the date of such application, then the amount of development charges payable upon issuance of the said building permit shall be reduced by the net amount, calculated pursuant to this By-law at the current development charge rates, that would be payable as development charges in respect of the demolished or destroyed premise, provided that such reduction shall not exceed the development charges otherwise payable. For purposes of this subsection, "net" means the excess of the development charges for premises constructed, over the development charges for premises demolished or destroyed.
- (2) If, at the time of payment of development charges in respect of a parcel of land, the owner of the said land provides written notification of his/her intention to demolish (within five years) a premise existing on that parcel at the time of such payment, then upon the subsequent assurance by the Treasurer of the relevant local municipality (or his or her designate) to the Region's Treasurer, within five years after such payment, that such premise on such parcel has indeed been so demolished (and the particulars of such demolished premise), the Region shall refund to such owner a reduction in the development charges paid, which reduction is the amount, calculated pursuant to this By-law or a predecessor by-law of the Region, at the development charge rates in effect at the time of such payment, that would have been payable as development charges in respect of the premise demolished, provided that such reduction shall not exceed the development charges actually paid.
- (3) Where demolition takes place on a brownfield, the above conditions apply however, an application may be made to the Regional Treasurer for an extension of time for the redevelopment credit of up to three additional years if the redevelopment has not been able to proceed due to delays in completing the remediation works. This application must be received prior to the expiry of the initial five year period as provided in section 18. (1) of this by-law. This application will be considered by Regional Council for approval.
- (4) Where the first use of a premises would be exempt from development charges by operation of s.10 of this By-law, the reduction available under 18.(1), 18(2), and 18(3) above shall be determined by assessing the first use of the premises at the Institutional rate set forth in Schedule "C" to this By-law.

Rules With Respect to Redevelopment – Conversions

19. (1) If a development includes the conversion of a premise from one use (the "first use") to another use, then the amount of development charges payable shall be reduced by the amount, 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, provided that such reduction shall not exceed the development charges otherwise payable.

(2) Where the first use of a premises would be exempt from development charges by operation of s.10 of this By-law, the reduction available under 19.(1) above shall be determined by assessing the first use of the premises at the Institutional rate set forth in Schedule "C" to this By-law.

INDEXING

20. The amounts of development charges imposed pursuant to this By-law, as set out in Schedule "C" shall be adjusted annually without amendment to this By-law, in accordance with the Statistics Canada Quarterly Construction Price Statistics (catalogue number 62-007).
21. For greater certainty, on January 1st of each year, the annual indexation adjustment shall be applied to the development charge as set out in Schedule "C", plus the accumulated annual indexation adjustments from previous years, if any.

GENERAL

22. The following schedules to this By-law form an integral part of this By-law:

Schedule "A" – Map of the Regional Municipality of Niagara

Schedule "B" – Components of Services Designated in Section 5

Schedule "C" – Development Charges

Schedule "D" – Rules with Respect to Brownfield Development located within Urban Areas for Regional Development Charges Reduction (subject to section 13)

Schedule "D1" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Town of Fort Erie

- Schedule "D2" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Town of Grimsby
- Schedule "D3" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Town of Lincoln
- Schedule "D4" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – City of Niagara Falls
- Schedule "D5" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Town of Niagara-on-the-Lake
- Schedule "D6" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Town of Pelham
- Schedule "D7" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – City of Port Colborne
- Schedule "D8" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – City of St. Catharines
- Schedule "D9" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – City of Thorold
- Schedule "D10" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – City of Welland
- Schedule "D11" – Urban Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 14) – Township of West Lincoln
- Schedule "E" – Rules with Respect to Development located within the Designated Exemption Areas and Brownfield Developments within the Urban Areas for Regional Development Charges Reduction Program (subject to section 14)

- Schedule "E1" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – Town of Fort Erie
- Schedule "E2" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – Town of Grimsby
- Schedule "E3" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – Town of Lincoln
- Schedule "E4" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – City of Niagara Falls
- Schedule "E5" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – Town of Pelham
- Schedule "E6" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – City of Port Colborne
- Schedule "E7" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – City of St. Catharines
- Schedule "E8" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – City of Thorold
- Schedule "E9" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – City of Welland
- Schedule "E10" – Designated Exemption Areas for Regional Development Charges (Partial) Exemption/ Waiver (subject to section 13) – Township of West Lincoln

23. This By-law shall come into force and effect on September 1, 2017.
24. Pursuant to the Act, and unless it is repealed earlier, this By-law shall expire five years after the date it comes into force.
25. Each of the provisions of this By-law is severable and if any provision hereof should, for any reason, be declared invalid by the Ontario Municipal Board or a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.
26. By-law 62-2009 is hereby repealed effective September 1, 2017.

THE REGIONAL MUNICIPALITY OF NIAGARA

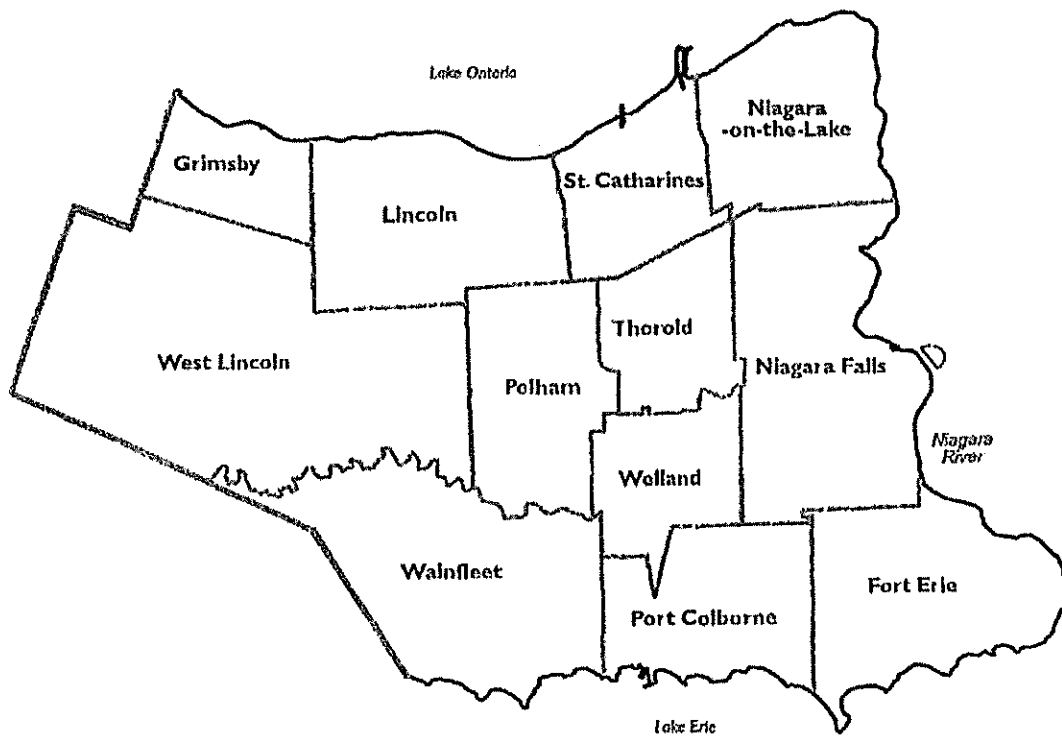
(Regional Chair)

(Regional Clerk)

Schedule "A"

Niagara Region

Map of the Regional Municipality of Niagara



Schedule B
To By-Law No. __-2017
Region of Niagara
Components of Services Designated in Section 5

100% Eligible Services

Police Services

- Facilities
- Vehicles
- Equipment

Services Related to a Highway

- Services Related to a Highway
- Services Related to a Highway – Related Vehicles
- Services Related to a Highway – Related Facilities
- Services Related to a Highway – Previously Completed Unfunded Works

Water Services

- Supply
- Storage
- Treatment
- Distribution
- Previously Completed Unfunded Works

Wastewater Services

- Collection
- Treatment
- Previously Completed Unfunded Works

90% Eligible Services

Emergency Medical Services

- Ambulances
- Facilities

Health Services

- Facilities

Provincial Offences Act (P.O.A.)

- Facilities

Social and Child Services

- Facilities

Long-term Care

- Facilities

Schedule B
To By-Law No. __-2017
Region of Niagara
Components of Services Designated in Section 5

Social Housing

- Facilities

Waste Diversion

- Facilities
- Vehicles and equipment
- Other equipment
- Containers

General Government

- Growth-related Studies

Schedule C
Region of Niagara
Schedule of Development Charges

Service	RESIDENTIAL						NON-RESIDENTIAL			
	Single and Semi-Detached Dwelling	Apartments - 4 Bedrooms +	Apartments - 2 & 3 Bedrooms	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units/Rooms	Commercial (per ft² of Gross Floor Area)	Industrial (per ft² of Gross Floor Area)	Institutional (per ft² of Gross Floor Area)	Wind Turbines
Municipal Wide Services:										
Services Related to a Highway	6,297	8,655	4,068	2,596	4,587	2,380	4.45	1.85	3.18	6,297
Police Services	696	957	450	287	507	263	0.50	0.21	0.36	696
General Government	212	291	137	87	154	80	0.19	0.07	0.13	212
Long Term Care	1,212	1,666	783	500	883	458	0.35	0.14	0.25	-
Provincial Offices Act	48	66	31	20	35	18	0.04	0.02	0.03	-
Health	148	203	96	61	108	56	0.05	0.02	0.03	-
Social and Child Services	194	267	125	80	141	73	0.06	0.02	0.04	-
Emergency Medical Services	166	228	107	68	121	63	0.04	0.02	0.03	166
Social Housing	2,123	2,918	1,372	875	1,547	803	-	-	-	-
Waste Diversion	362	497	234	149	263	137	0.31	0.12	0.22	-
Total Municipal Wide Services	11,457	15,748	7,403	4,723	8,346	4,331	5.98	2.47	4.27	7,371
Urban Services										
Wastewater Services	4,420	6,076	2,856	1,823	3,220	1,671	3.18	1.32	2.27	-
Water Services	3,129	4,301	2,021	1,290	2,280	1,183	2.25	0.94	1.61	-
Total Urban Services	7,549	10,377	4,877	3,113	5,500	2,854	5.43	2.26	3.88	-
GRAND TOTAL RURAL AREA	11,457	15,748	7,403	4,723	8,346	4,331	5.98	2.47	4.27	7,371
GRAND TOTAL URBAN AREA	19,006	26,125	12,280	7,836	13,846	7,185	11.41	4.73	8.15	7,371

Schedule "D"

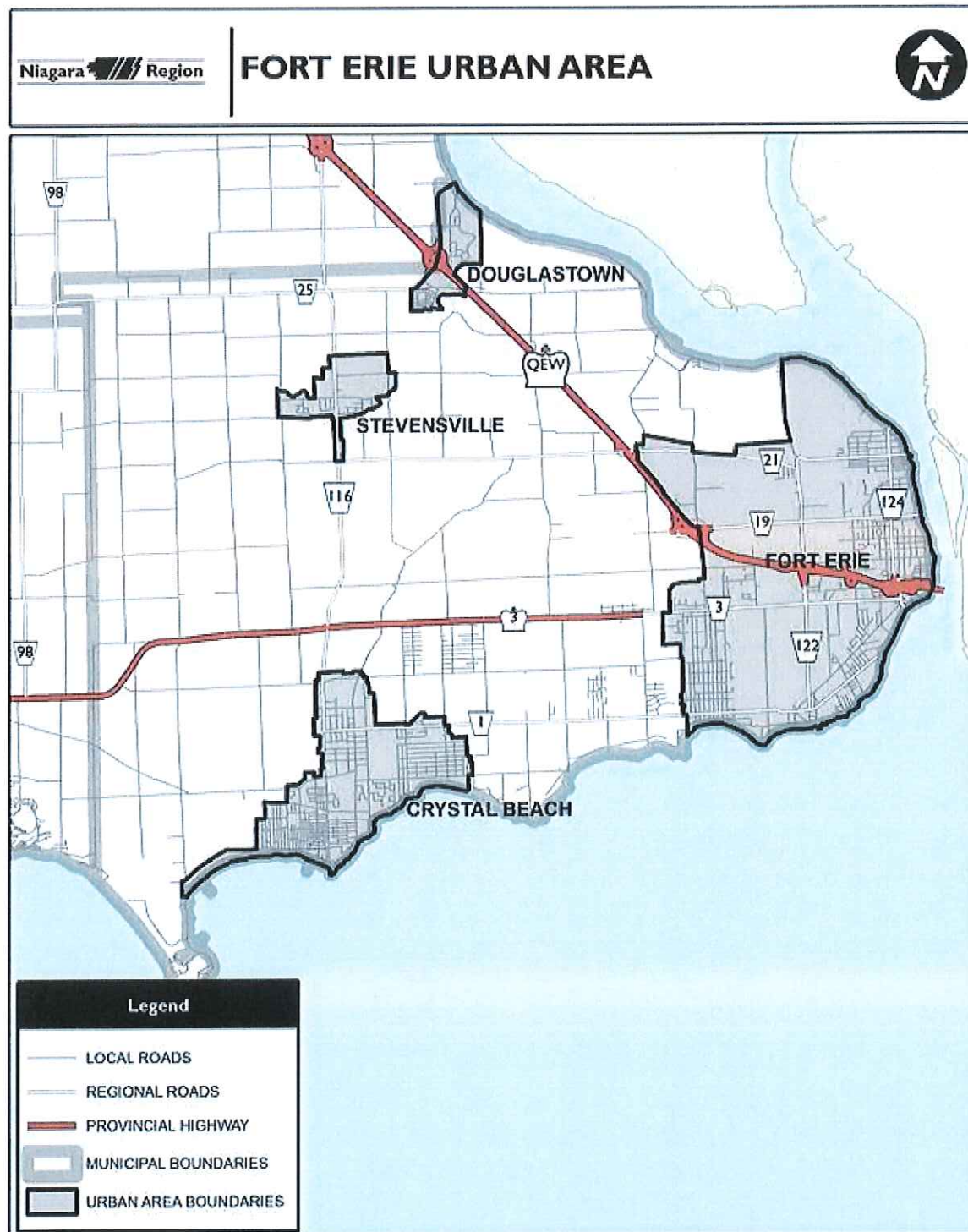
**Rules with Respect to Brownfield Development located within the Urban Areas for
Regional Development Charges Reduction (subject to section 13)**

For all Development Charges reductions pursuant to this Schedule "D", the total amount of the reduction shall not exceed the total cost of remediation. For confirmation that a development is to be considered a Brownfield development, costs associated with remediation of brownfields may be subject to verification, third party review, or independent audit, at the expense of the applicant, if required by the Region.

Brownfield Development Located within the Urban Areas

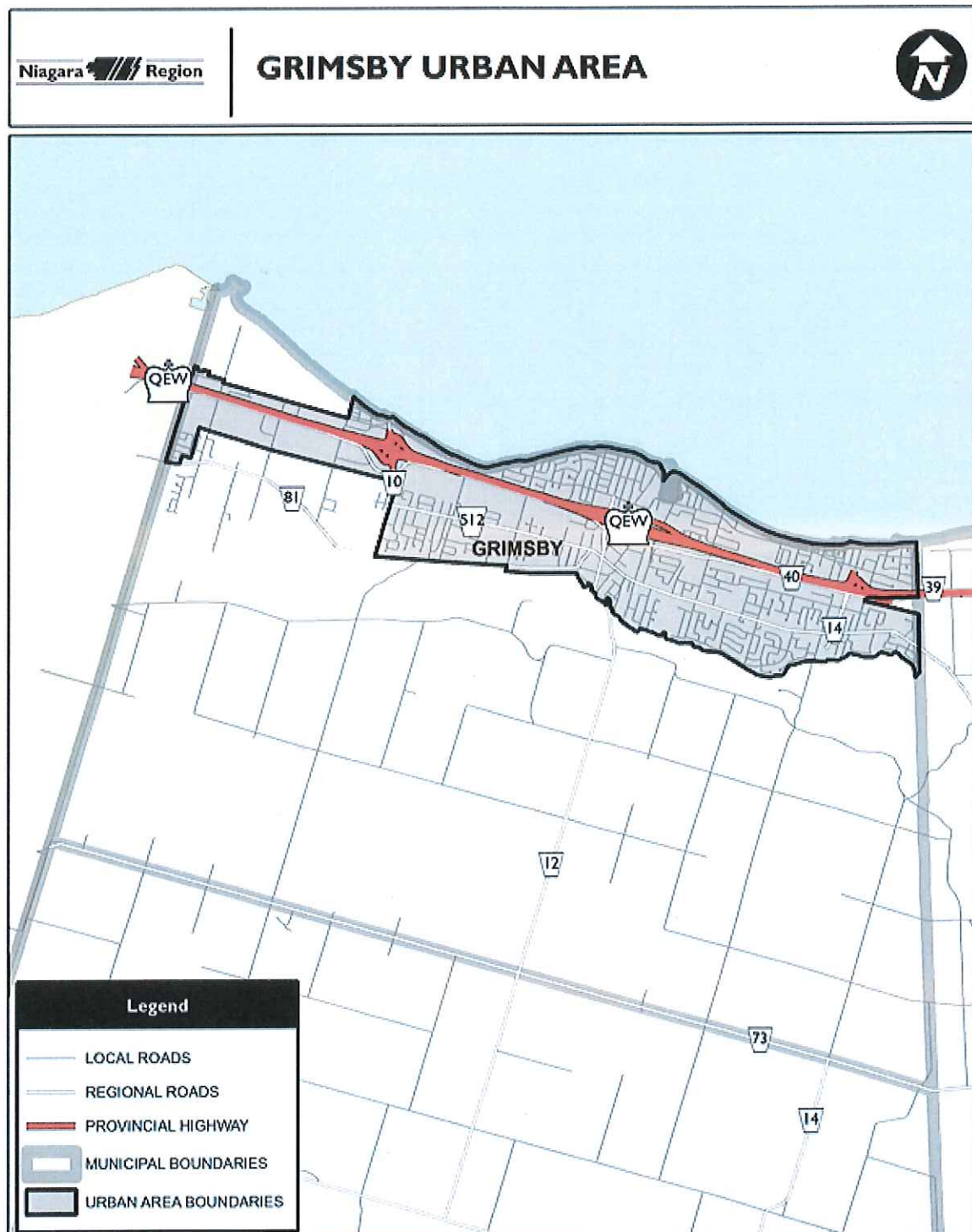
- (a) The applicable development charge shall be reduced by the total cost of remediation for brownfield development located within the approved Urban Area as set out in Schedule "D1 to D11" to this By-law, as may be amended from time to time; as approved by Council of the Region, without amendment to this By-law.
- (b) In the case of a qualifying project under this schedule, the costs associated with remediation may be applied to other Regional, local or Provincial programs but only for those eligible costs over and above eligible costs not paid under Schedule "D".
- (c) Where funding for eligible costs have been or will be compensated from another funding source, those costs will be ineligible for a reduction under Schedule "D".

Schedule "D1"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Town of Fort Erie



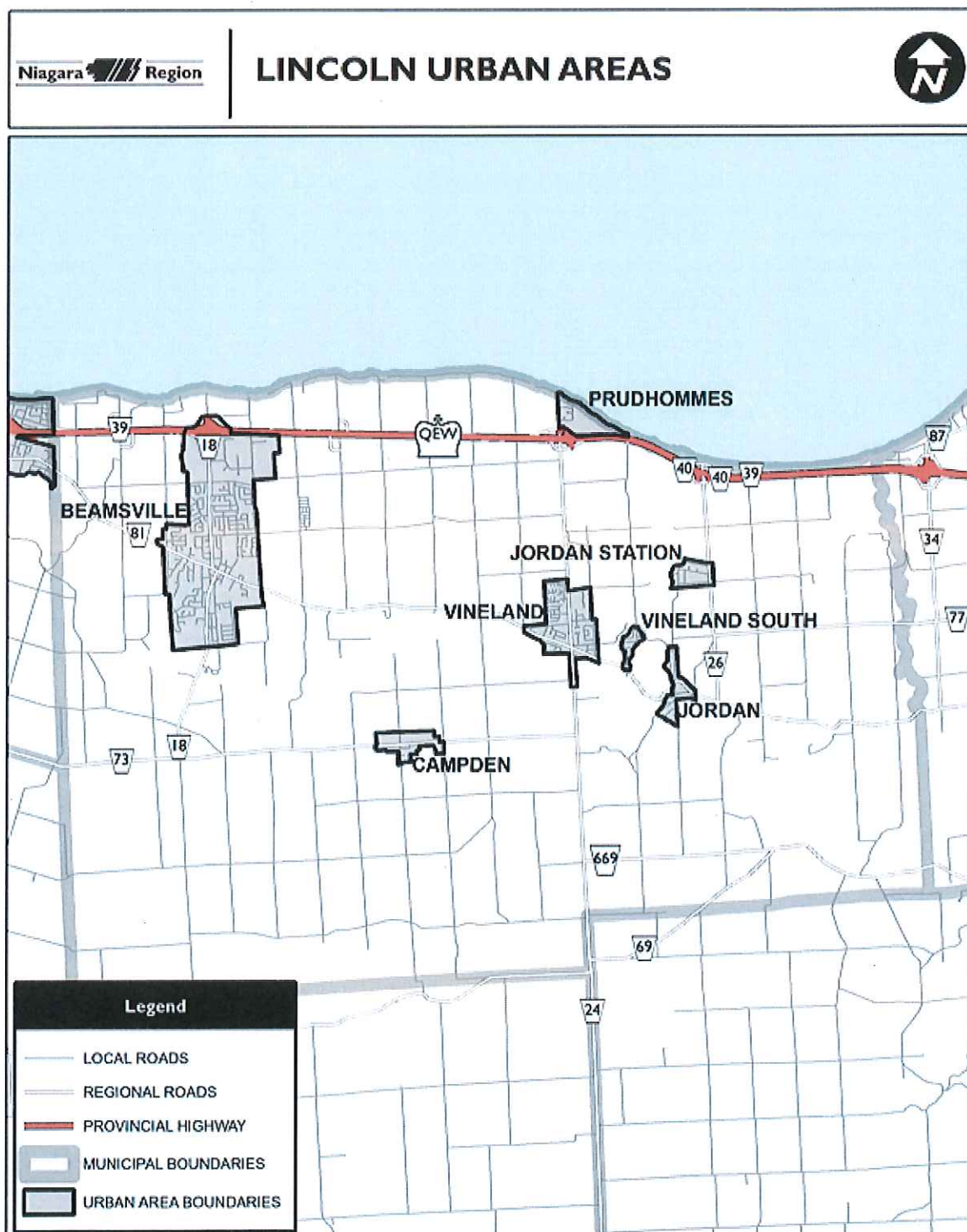
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Schedule "D2"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Town of Grimsby



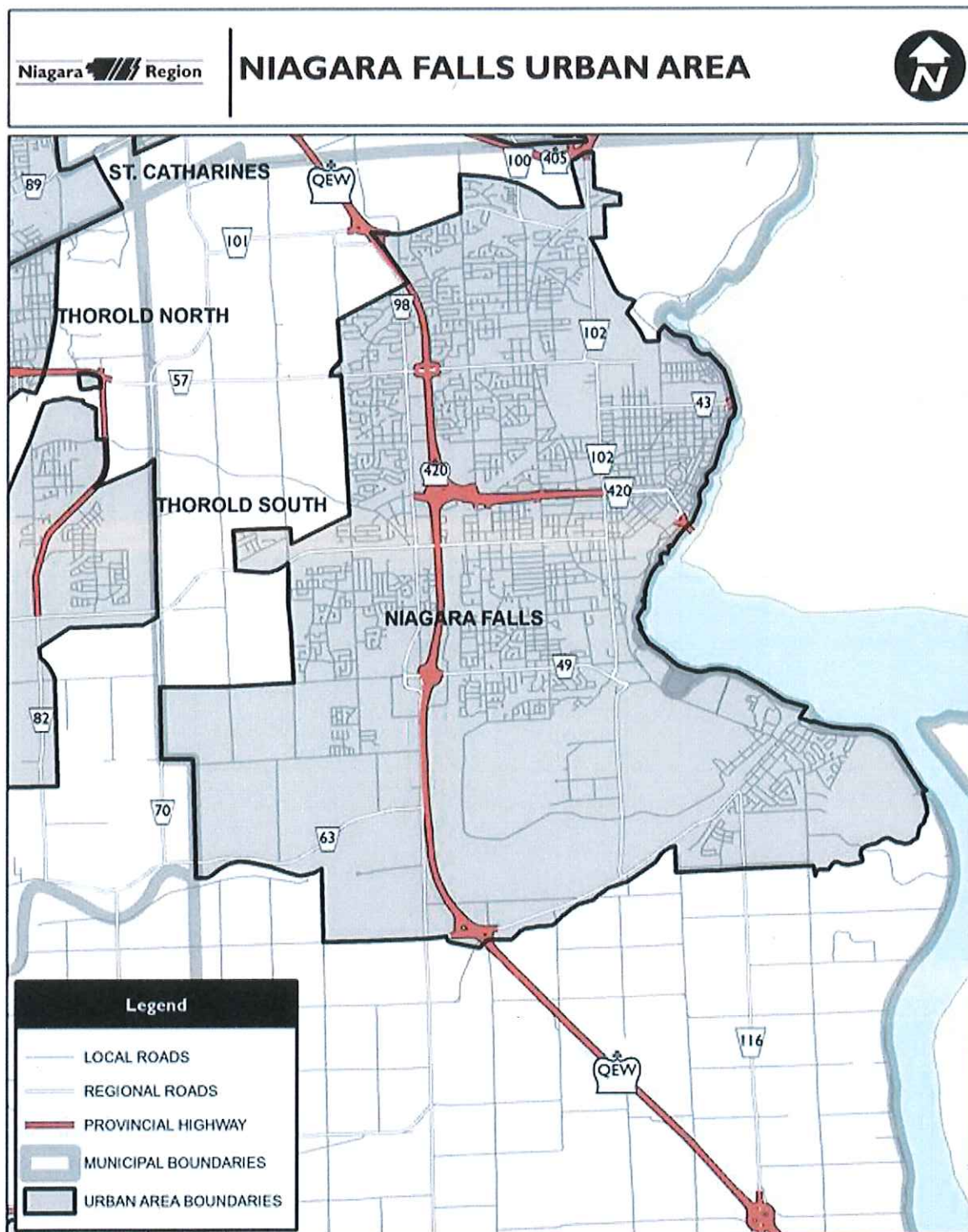
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Schedule "D3"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Town of Lincoln



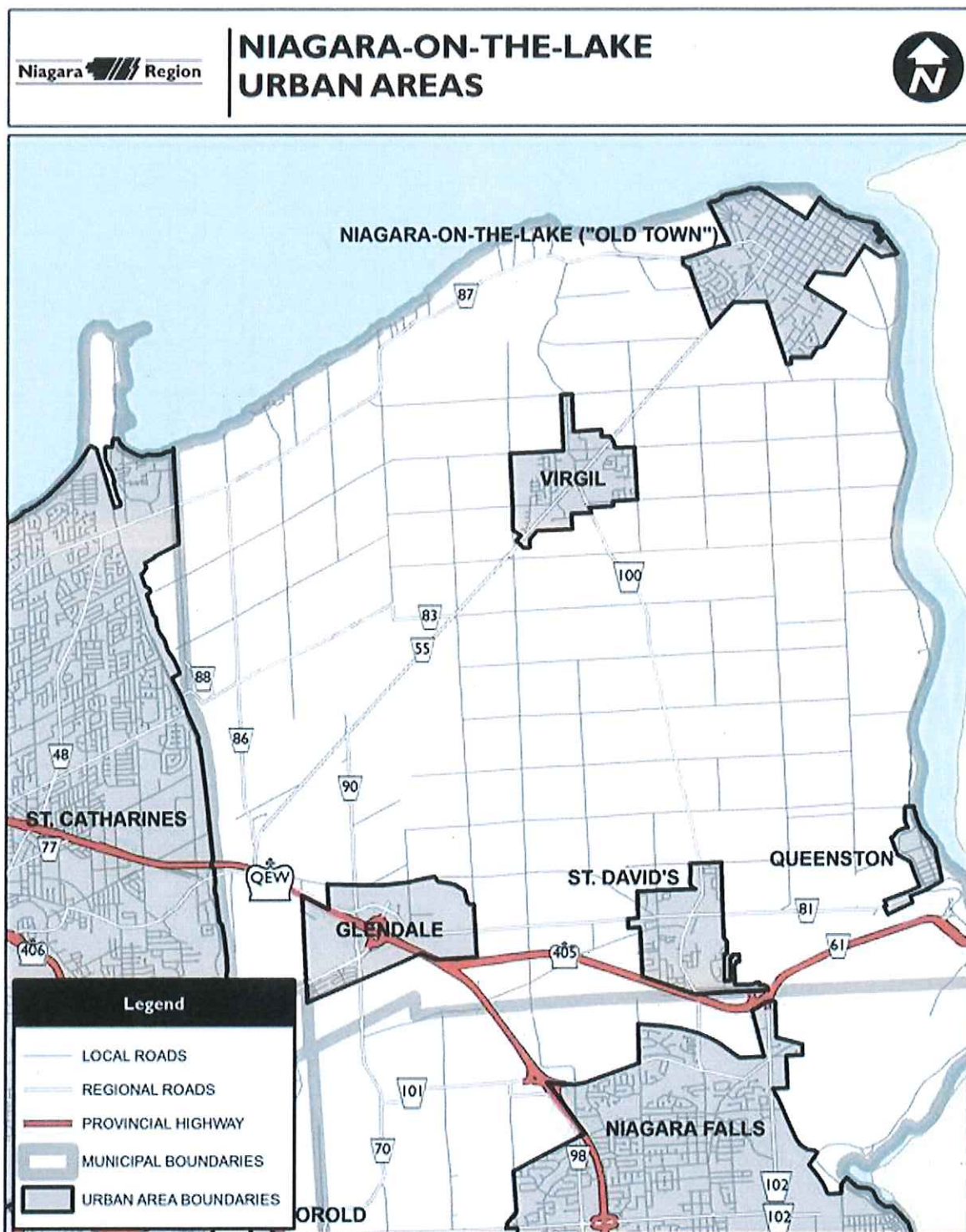
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Schedule "D4"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
City of Niagara Falls



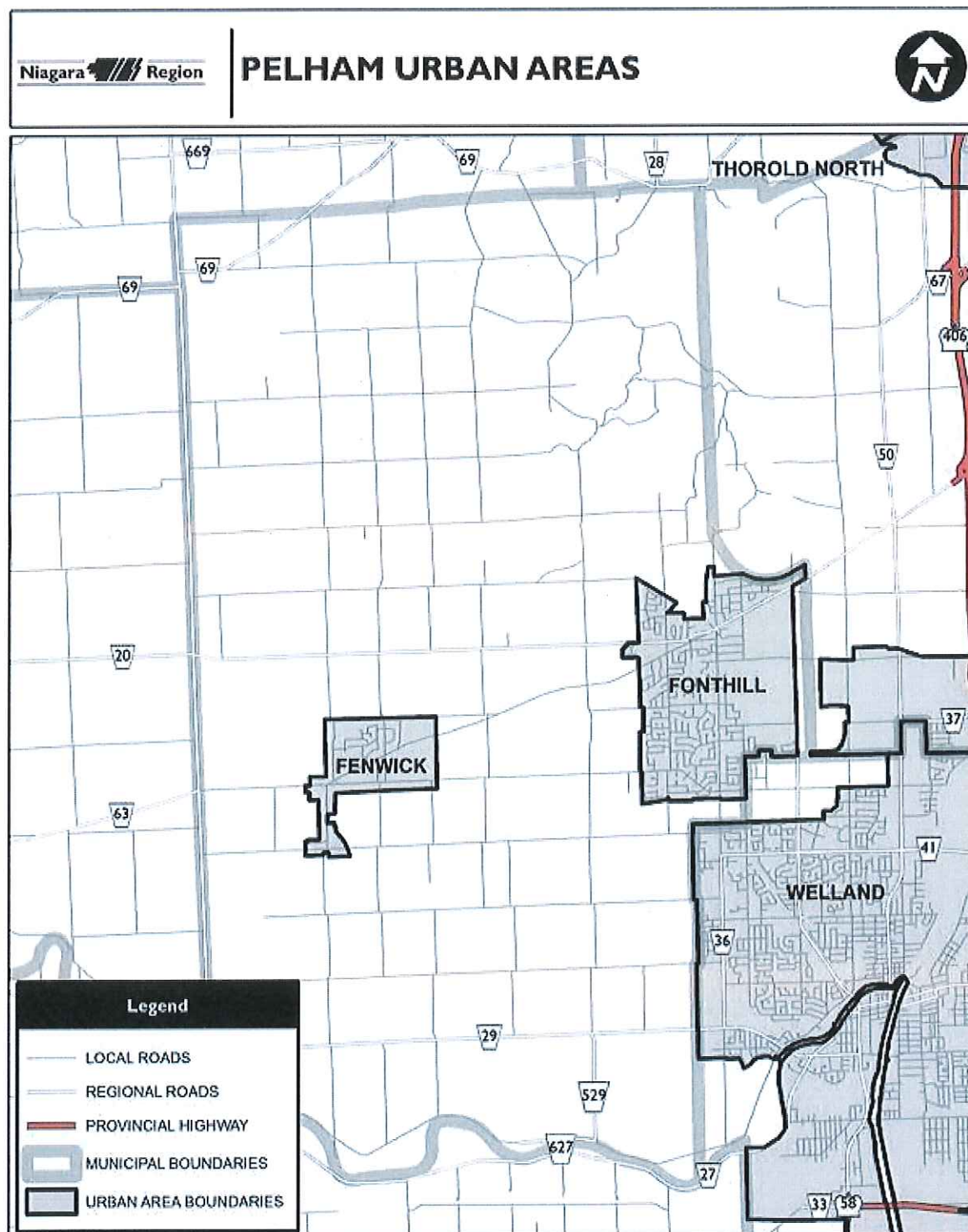
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Schedule "D5"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Town of Niagara-on-the-Lake



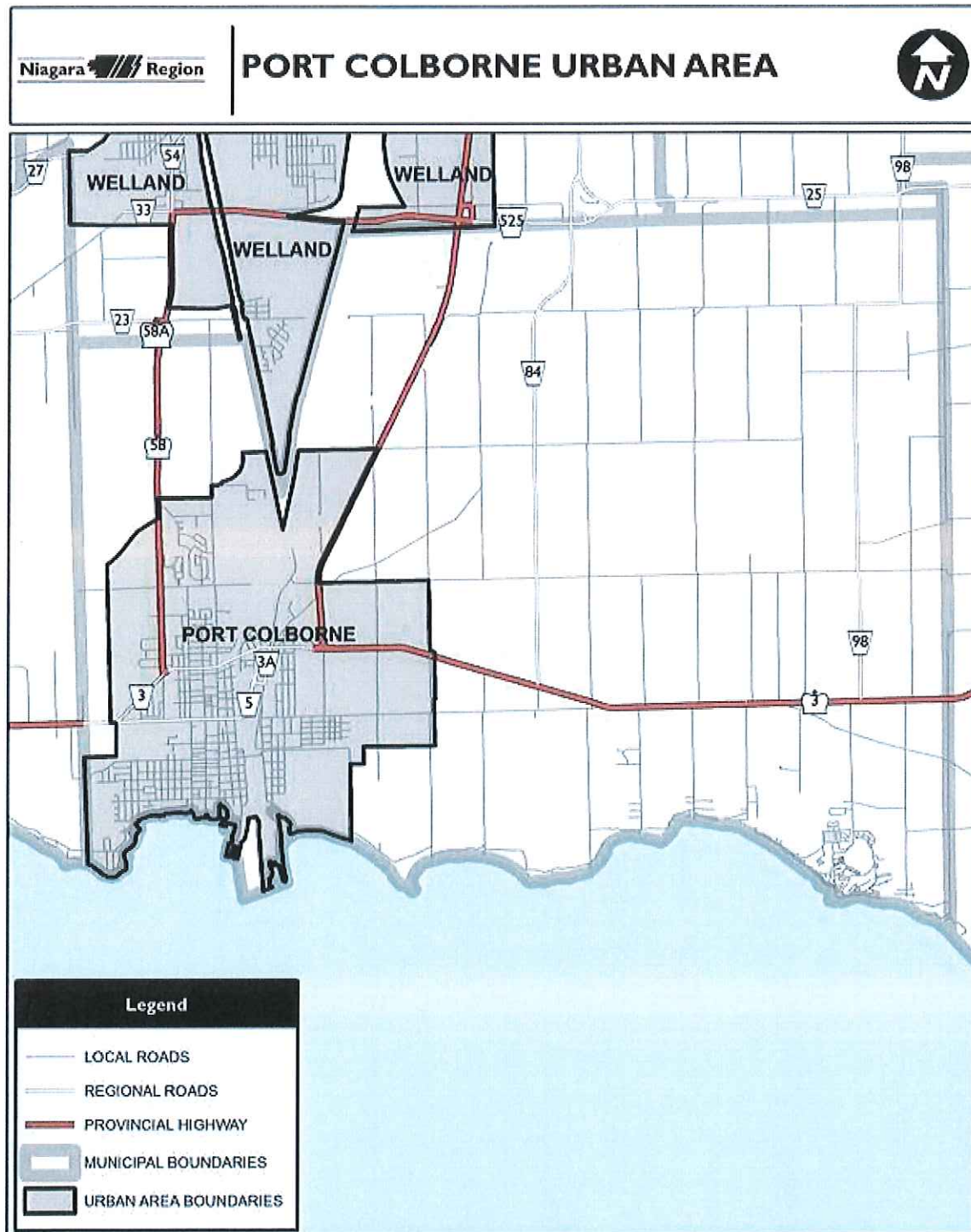
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Schedule "D6"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Town Pelham



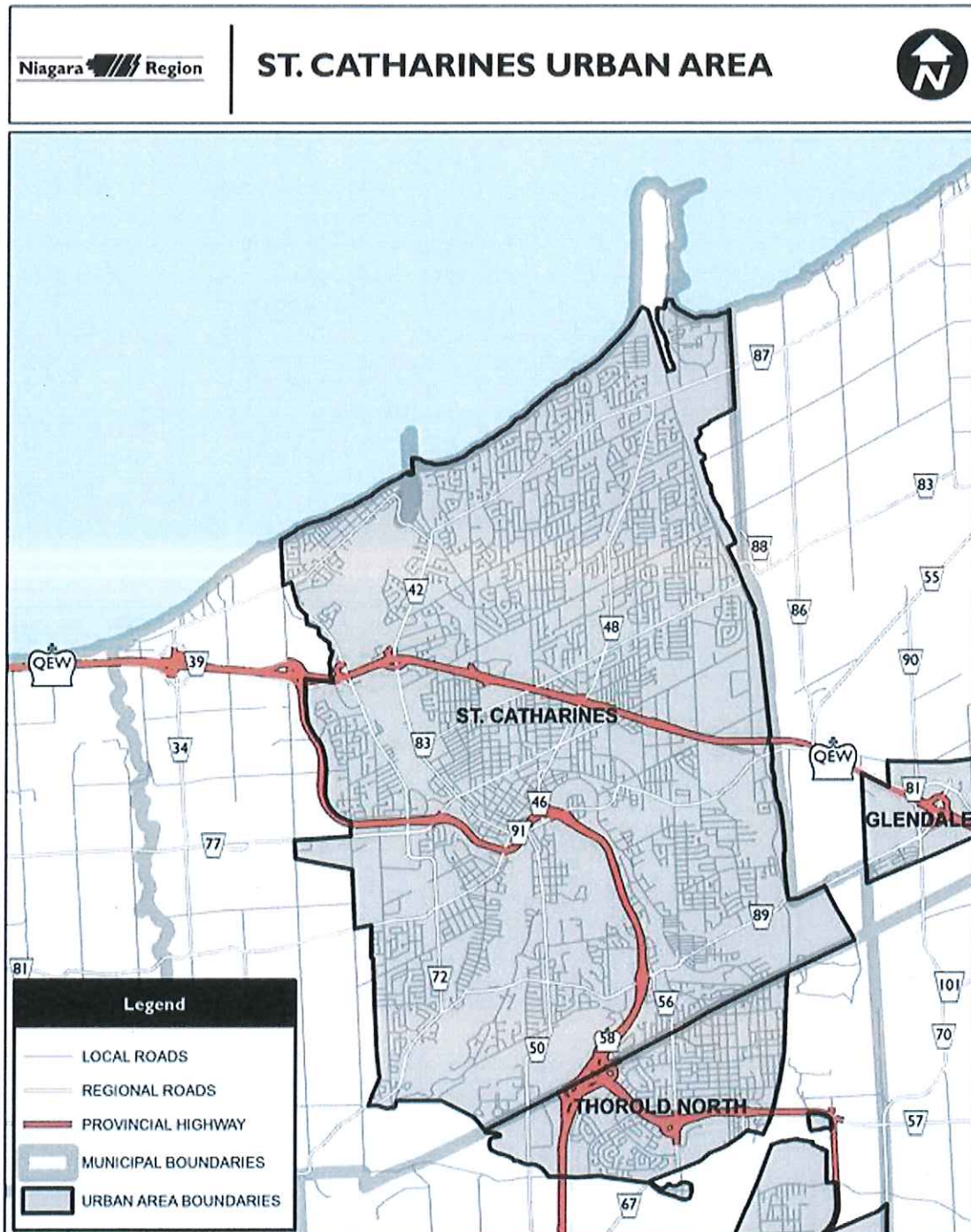
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Schedule "D7"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
City of Port Colborne



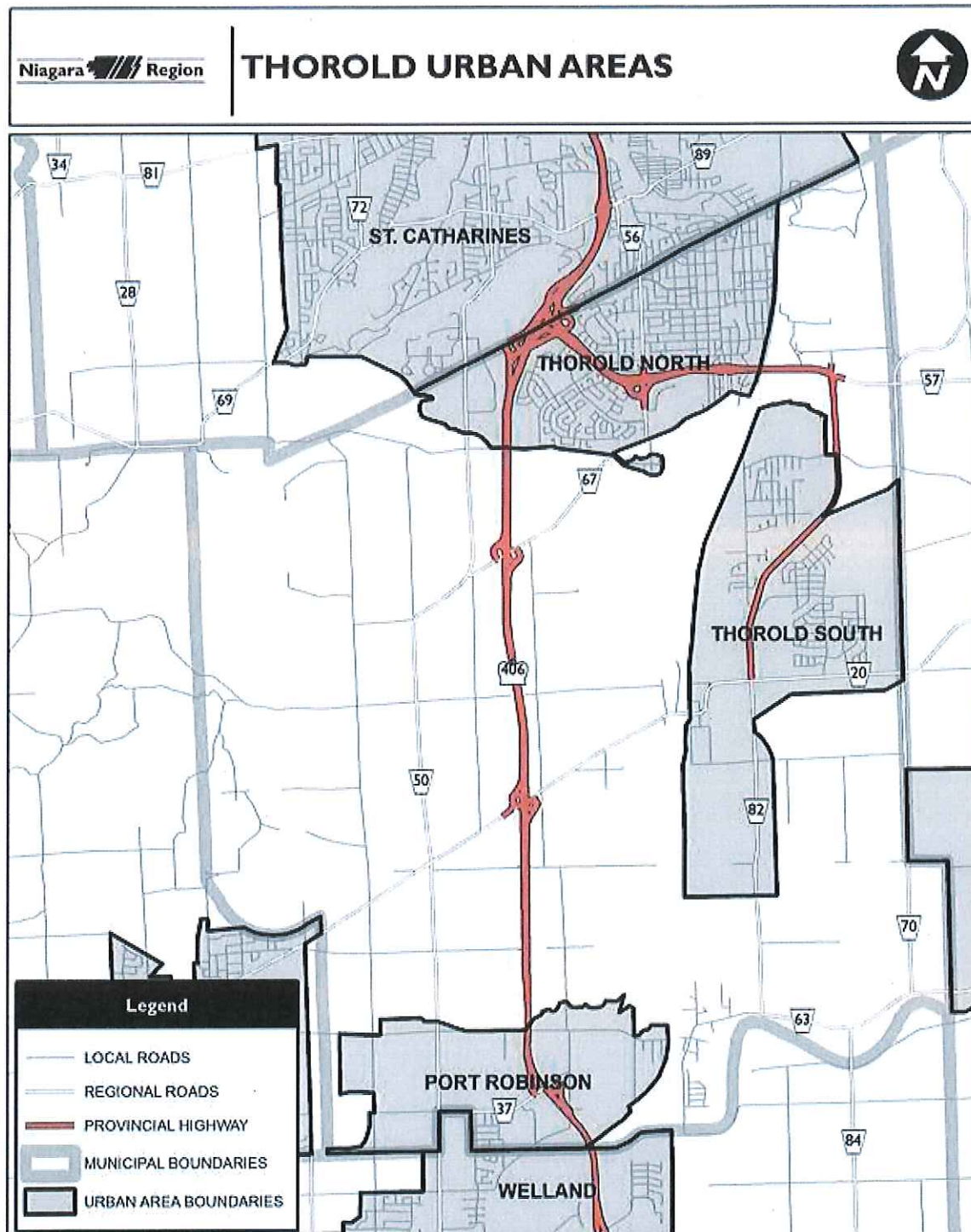
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Schedule "D8"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
City of St. Catharines



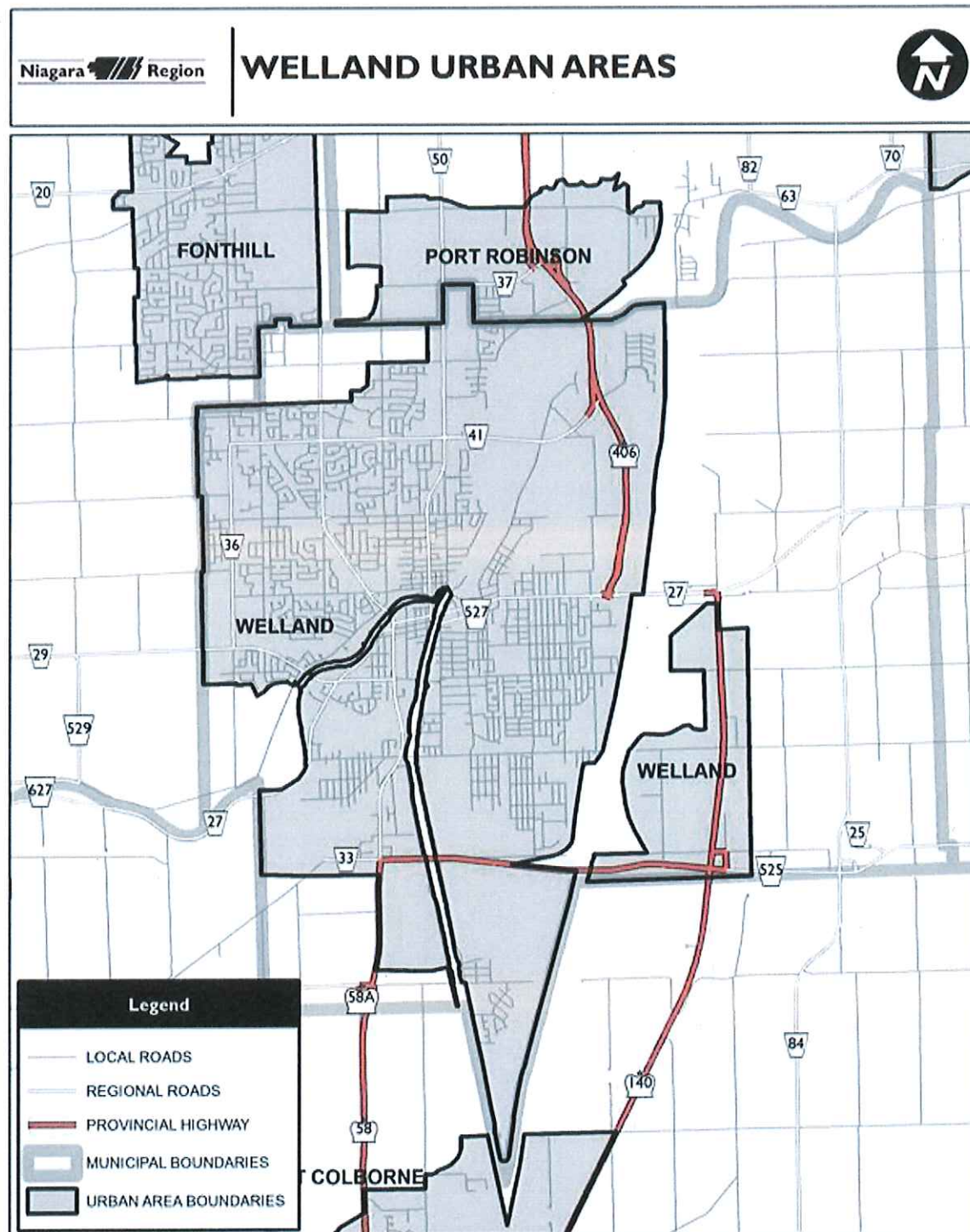
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Schedule "D9"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
City of Thorold



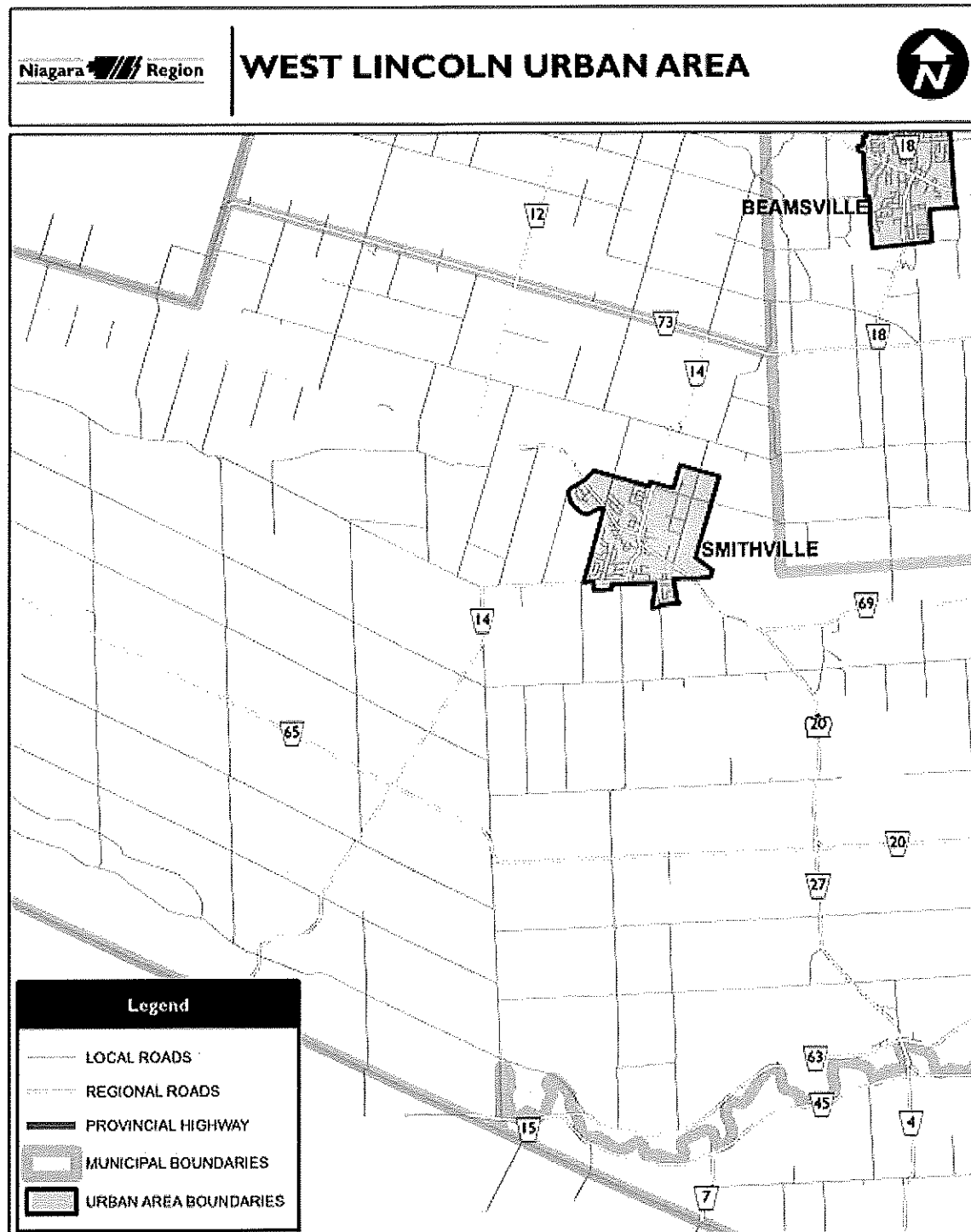
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Schedule "D10"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
City of Welland



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Schedule "D11"
Urban Areas for Regional Development Charges Reduction (subject to section 14)
Township of West Lincoln



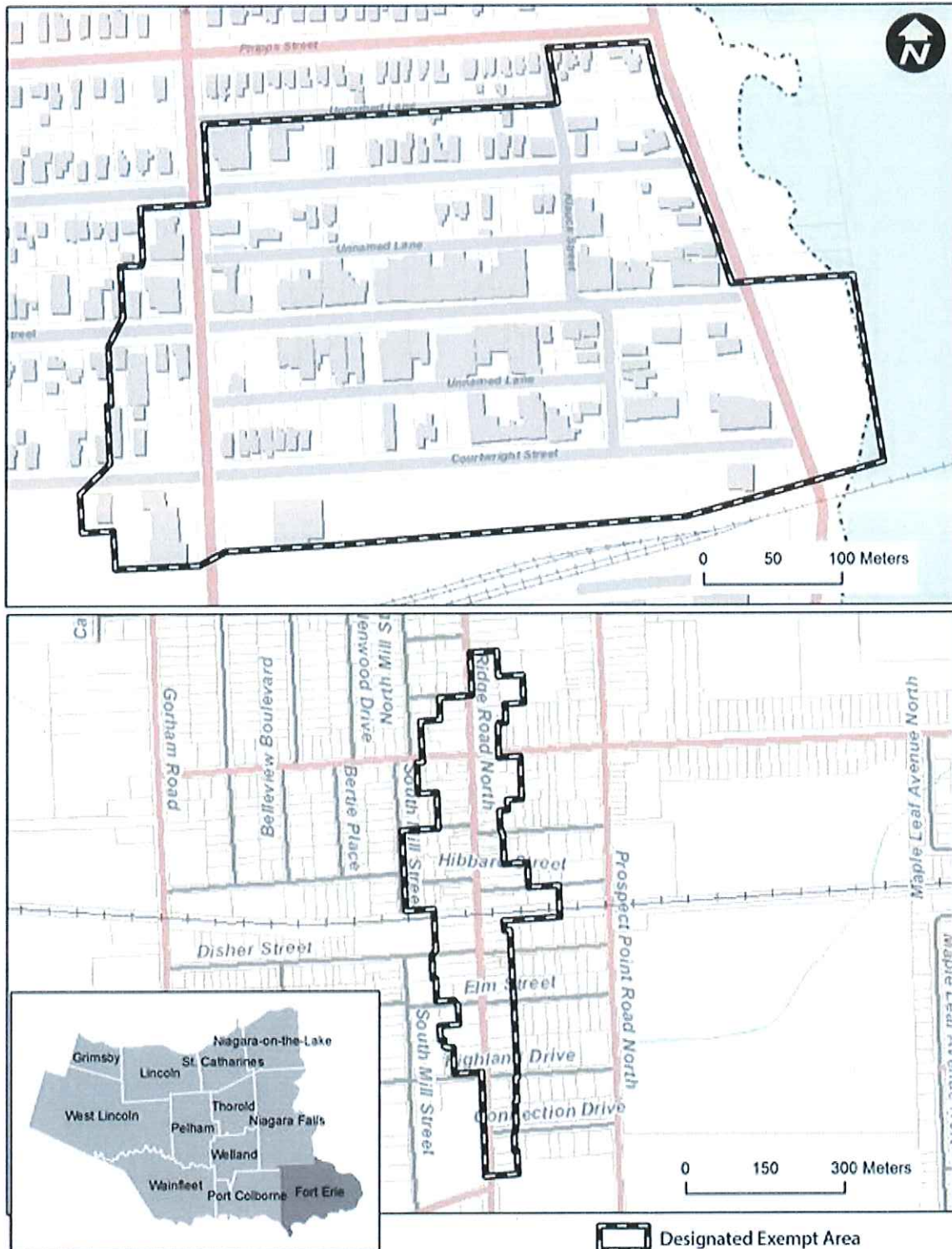
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Schedule "E"

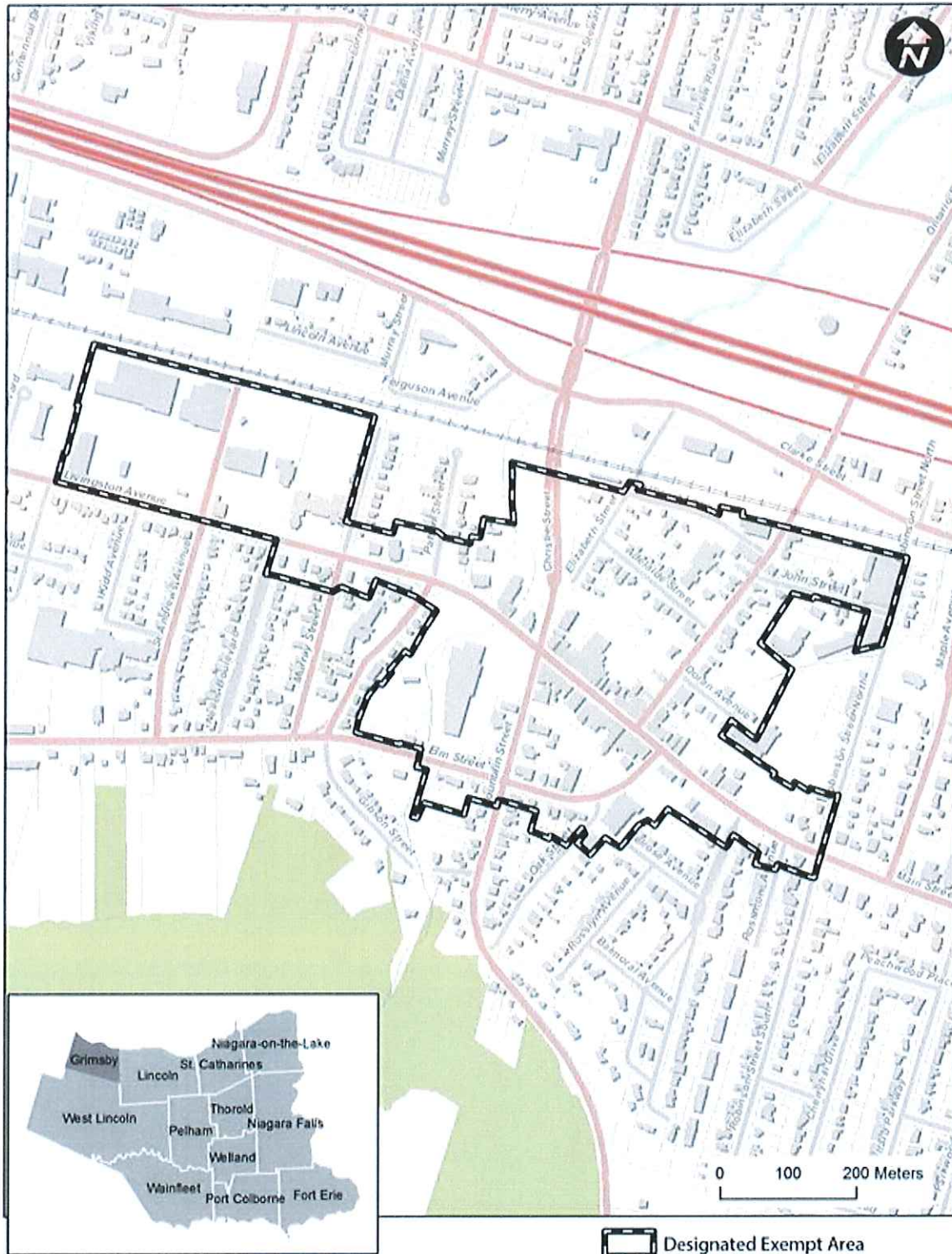
Rules with Respect to Development located within the Designated Exemption Areas and Brownfield Developments within the Urban Areas for Regional Development Charges Reduction Program (subject to section 14)

- (a) For all Development Charge reductions pursuant to this Schedule "E", the interim Development Charge Reduction Program for development located with the Designated Exemption Areas, as set out in Schedule "E1 to E10" and to Brownfield Developments within the Urban Areas, as set out in Schedule D1 to D11 to this By-law, will provide a maximum 50% reduction in Development Charges provided the Smart Growth Design Criteria endorsed by Council of the Region on May 14, 2014 and/or any level of LEED certification are achieved.
- (b) The interim Development Charge Reduction Program will remain in effect until a revised Development Charge Reduction Program is approved by Council of the Region.
- (c) The interim Development Charge Reduction Program may be eliminated or modified as approved by Regional Council without amendment to the By-Law.
- (d) In the case of a qualifying project under Schedule D, the total benefit shall not exceed the total Development Charges payable.

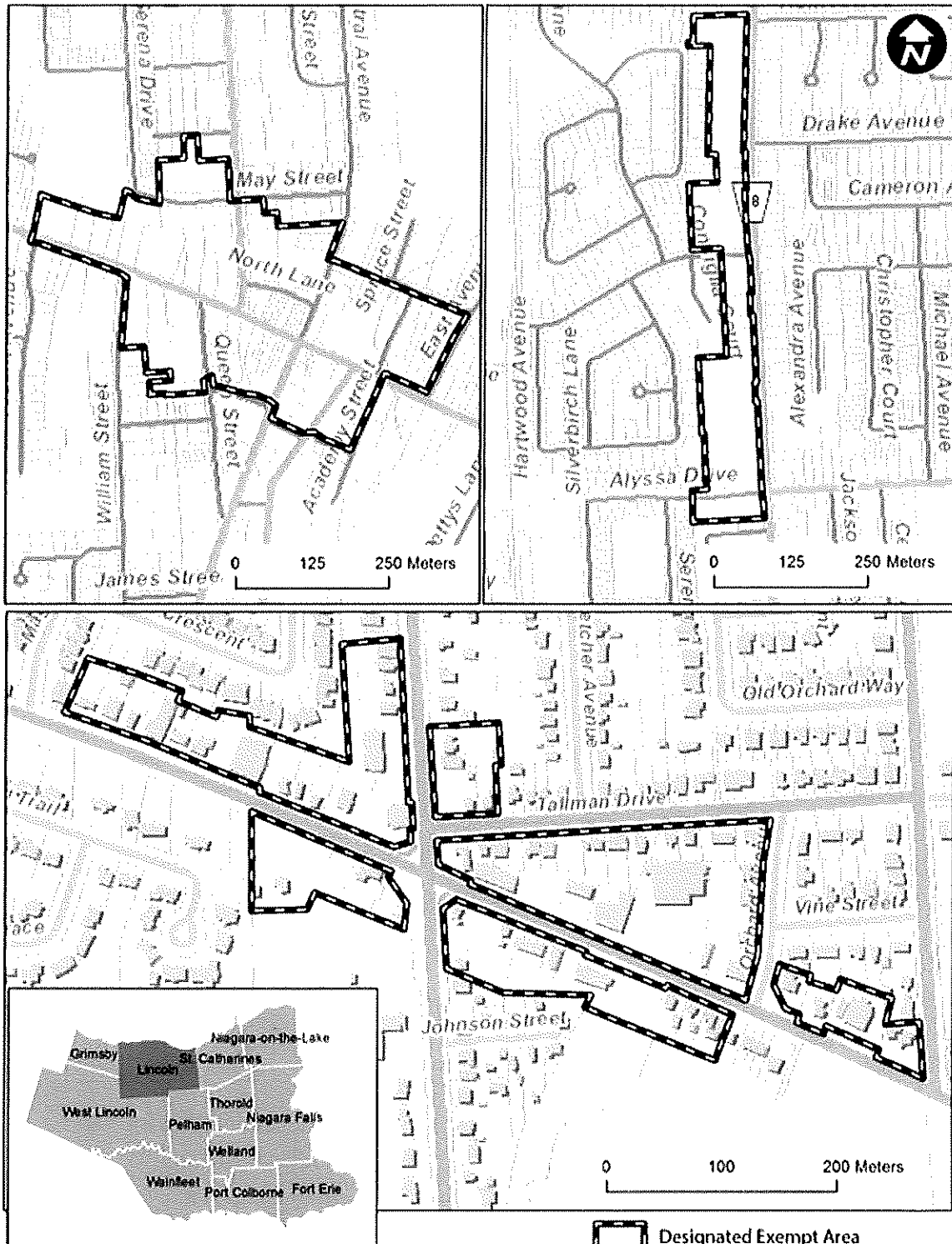
Schedule "E1"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
Town of Fort Erie



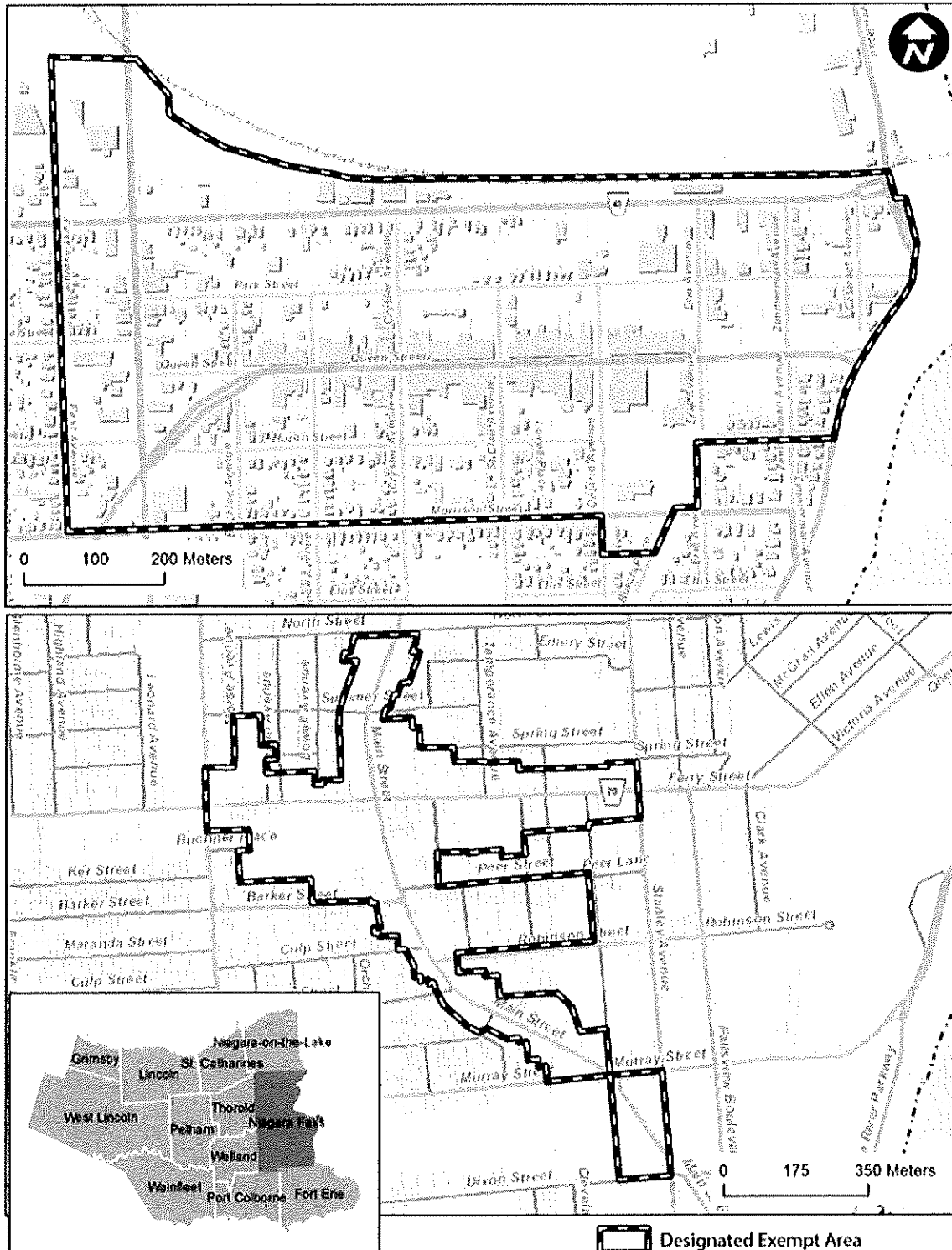
Schedule "E2"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
Town of Grimsby



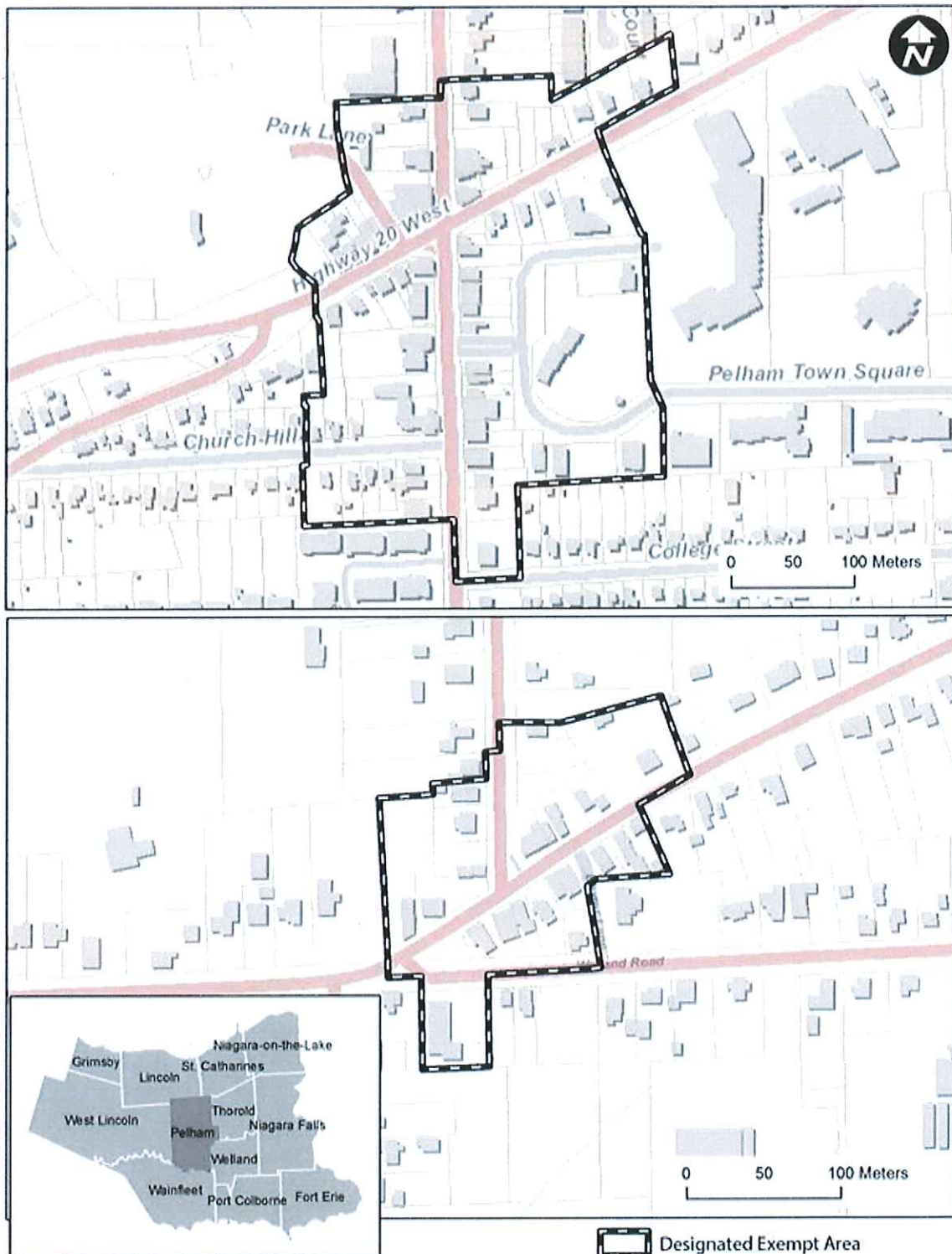
Schedule "E3"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
Town of Lincoln



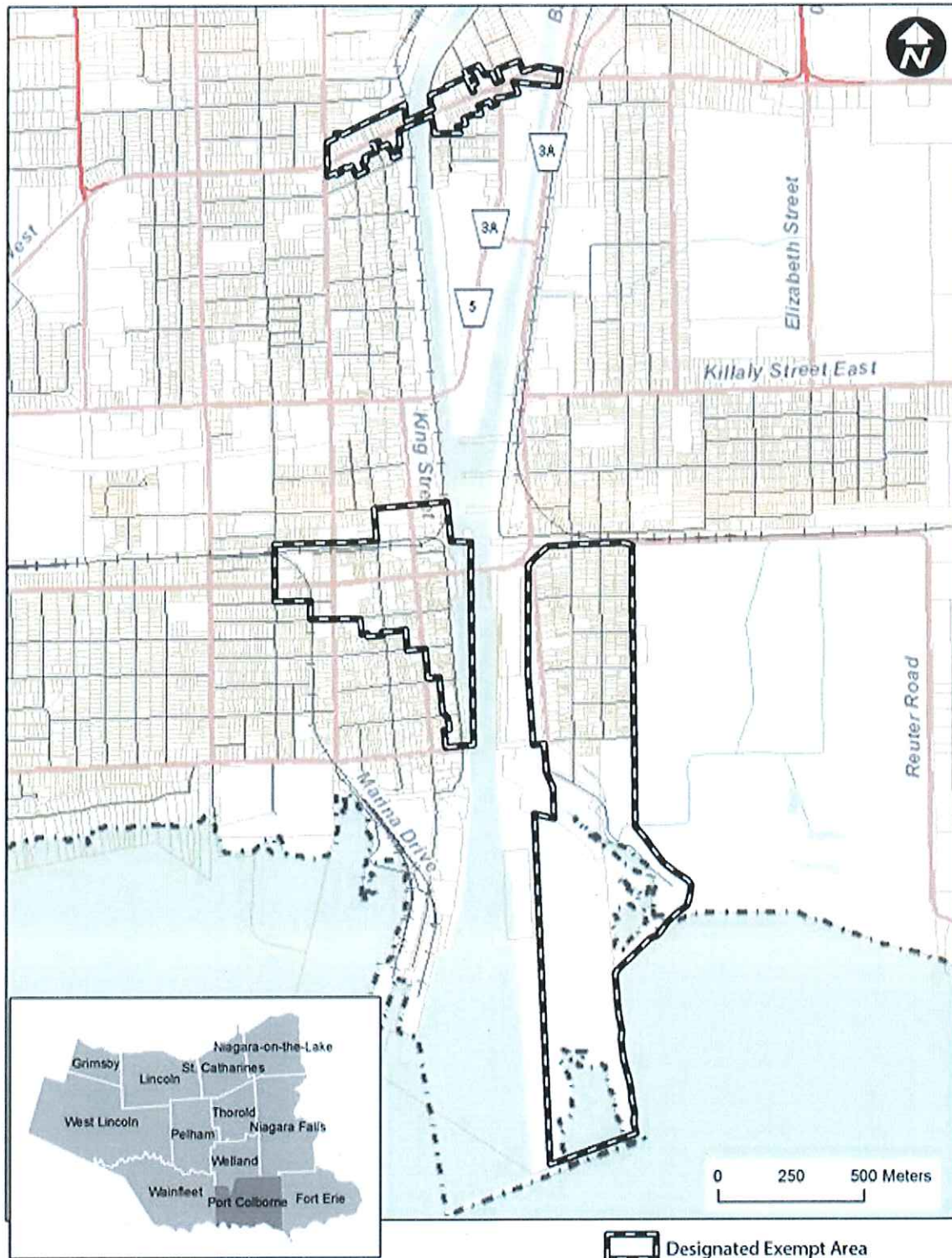
Schedule "E4"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
City of Niagara Falls



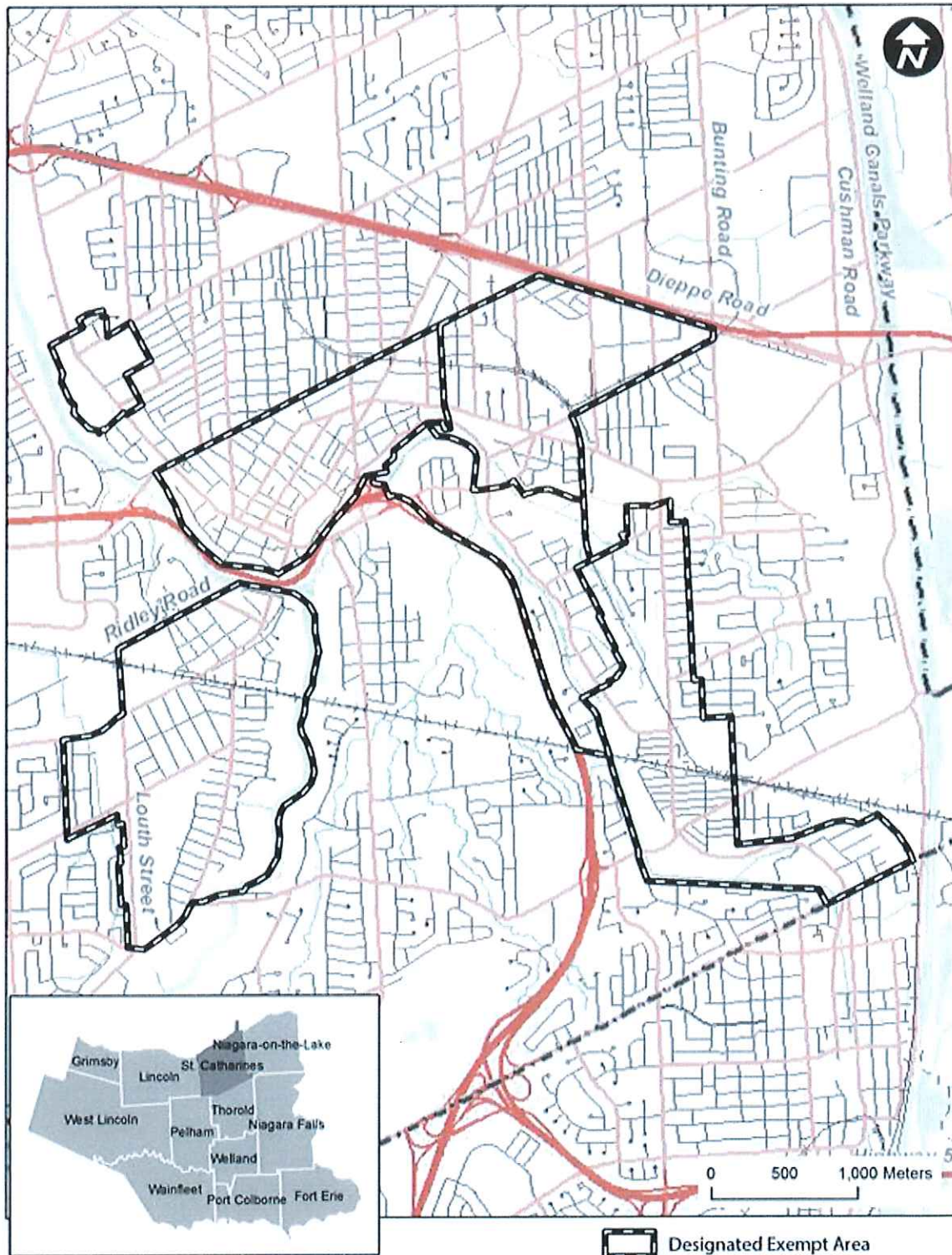
Schedule "E5"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
Town of Pelham



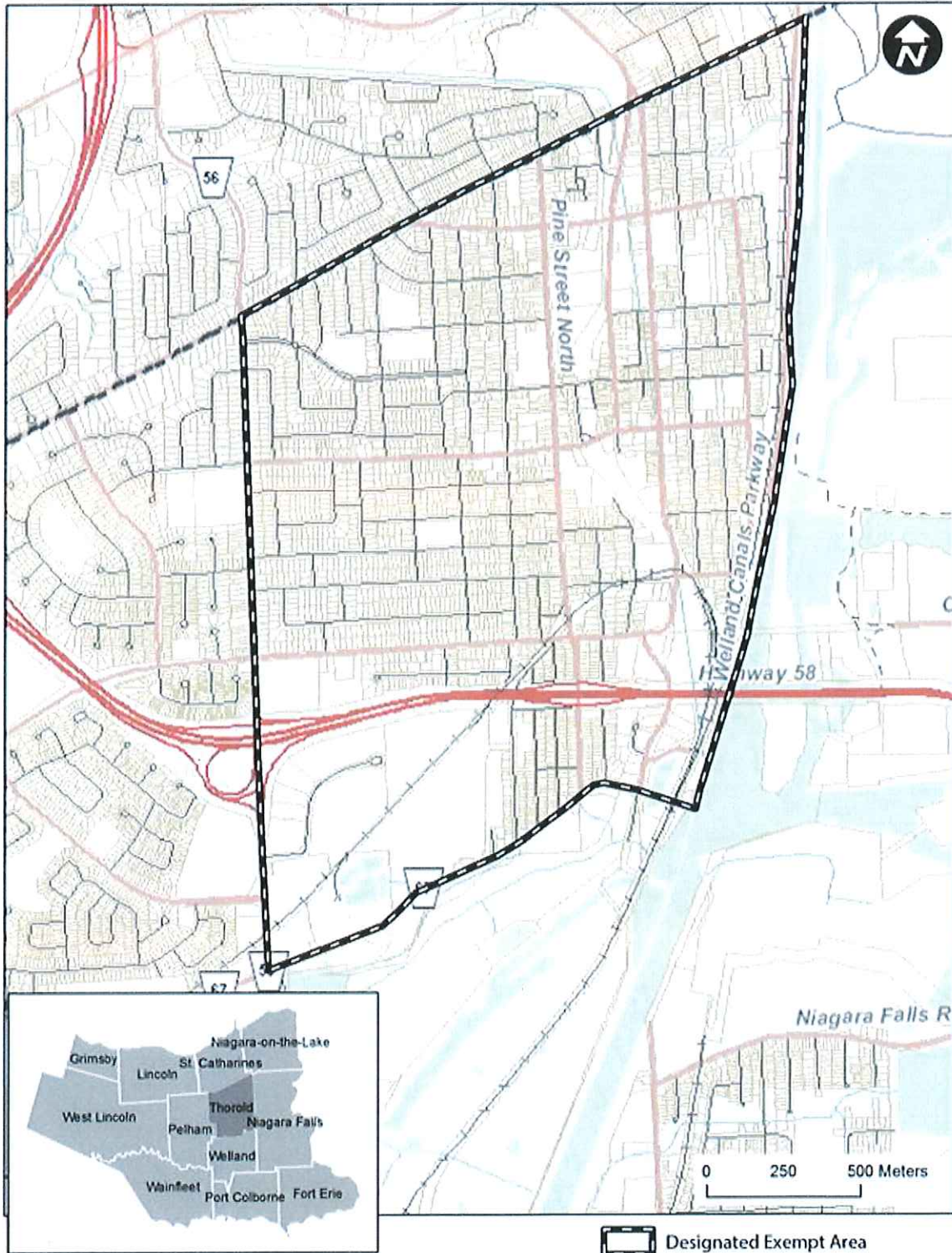
Schedule "E6"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
City of Port Colborne



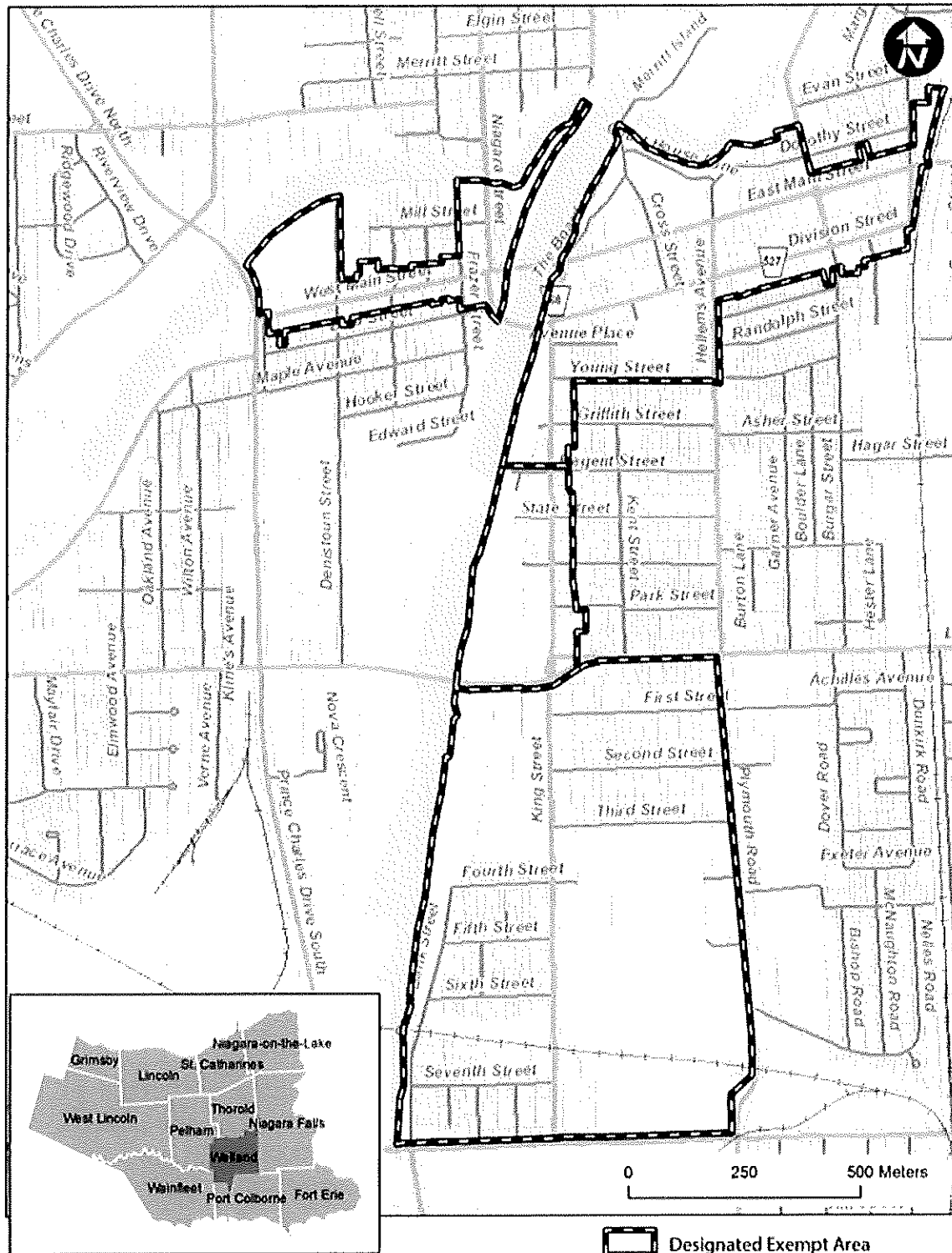
Schedule "E7"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
City of St. Catharines



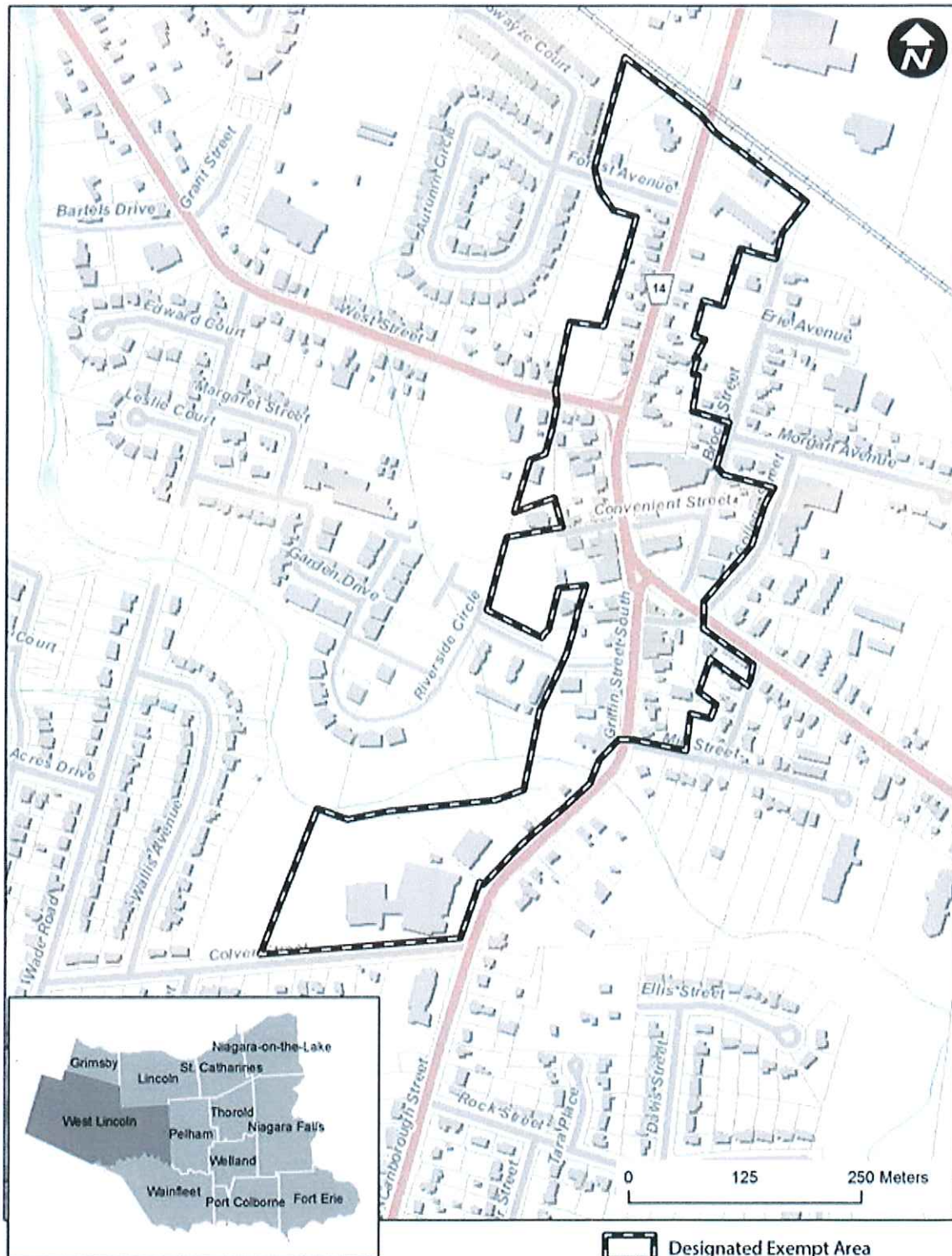
Schedule "E8"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
City of Thorold



Schedule "E9"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
City of Welland



Schedule "E10"
Designated Exemption Areas for Regional Development Charges Reduction
(subject to section 13)
Township of West Lincoln



APPENDIX III

REGIONAL DEVELOPMENT CHARGES

PROPOSED INCREASES

May 1, 2017

USE	EXIST \$	PROP \$	% INCREASE
Single house	10484	19006	81
Semi house	6375	19006	198
Row Townhouse	6375	13846	117
4 BR Apartment ¹	4651	26125	462
3 BR Apartment	4651	12280	164
2 BR Apt	4651	12280	164
1 BR Apt/Bachelor	4651	7836	68
Room Lodging or Care	2804	7185	156
Commercial	12.12	11.41	-6
Institutional	5.86	8.15	39
Industrial ²	5.43	4.73	-13

Notes:

1. 4 BR apartments do not usually exist except where student lodging residences are designed in pod-like apartment units. Under the existing by-law a lodging residence with a 4 BR pod might be charged at the 4 BR rate resulting in the 462% increase noted. If designed more like a dormitory, a pod proposed under the existing by-law might be charged $4 \times \$2804 = \$11,216$ and the \$26,068 proposed charge would be a 132% increase. This by-law does attempt to remove the ambiguity of apartment versus 4 BR room lodging pod, however it does result in a significant increase from the existing charge, from either perspective.
2. Industrial rates currently 100% exempt, under existing Industrial DC Grant Program, staff believes the grant should be incorporated into the by-law as an exemption.

**Estimated Total Development Fees, Grants, Property Taxes - 60 X 1
Bedroom Apartment Building on King Street**

	Status Quo		Proposed Regional Policy Changes	
Development Fees/Grants/Property Taxes	City of Welland	Region of Niagara	City of Welland	Region of Niagara
Development Charge	\$202,320.00	\$279,060.00	\$202,320.00	\$470,160.00
Development Charge Exemption with Smart Growth	(\$202,320.00)	(\$279,060.00)	(\$202,320.00)	(\$235,080.00)
Planning & Building Fees	\$30,900.00	\$0	\$30,900.00	\$0
Planning & Building Fee Rebate	(\$5,000.00)	\$0	(\$5,000.00)	\$0
Residential Grant Program	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)	(\$15,000.00)
Total Estimated Property Taxes (3% Increase/year) over 10 Years	\$273,381.05	\$257,212.06	\$273,381.05	\$257,212.06
Total TIG (80%) - Over 10 years	(\$200,331.14)	(\$188,482.65)	(\$200,331.14)	(\$172,870.00)
Total Development Fees/Taxes for 10 Years - After Rebates	\$83,949.91	\$53,729.41	\$83,949.91	\$304,422.06