

2022 Transit Development Charges Background Study & By-law

Corporate Services Committee

August 10, 2022

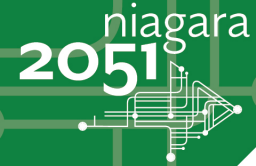
Daryl Abbs, Manager, Watson & Associates



**Development Charge
Study and Bylaw**

2051 niagara





2022 Transit Development Charges Background Study & By-law

Corporate Services Meeting

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Transit D.C. – Background and Purpose

- Currently, D.C.s are collected in St. Catharines, Welland, and Niagara Falls for their local transit systems
- In February 2022 triple majority approval was obtained to consolidate all Municipal and Regional transit services within the Niagara Region into the Niagara Transit Commission (NTC).
- The NTC will assume responsibility for all transit in Niagara on January 1, 2023.
- As a result, the Region has undertaken a review of future transit capital needs and prepared a D.C. background study for Council's consideration.
- Watson & Associates Economists Ltd. and Dillon Consulting Ltd. were retained to prepare the background study and detailed technical appendix

Study Process and Timelines

- Policy Review, discussions with staff, and preparation of analysis (January 2022 to July 2022).
- Release of Transit D.C. Background Study (July 29, 2022)
- **Corporate Services Meeting (August 10, 2022)** ←
- Developer/Community Engagement Meeting (September 7, 2021)
- Public Meeting and By-law Passage (September 29, 2022)

Legislative Requirement for Transit D.C. Calculation

- The Development Charges Act, sets out a detailed calculation methodology that is required for Transit services including:
 - Determination of the planned level of service (rather than a historical 10-year service level calculation).
 - Requirement for ridership forecasts and ridership capacity for all modes of transit over the 10-year forecast period, identification of excess capacity which exists at the end of the 10 years, and identification of whether new ridership is from existing or planned development (set out in Dillon's Technical Appendix).
 - Inclusion of a detailed asset management plan related to new infrastructure for transit.

Capital Infrastructure Costs Included for Transit Services

Project Number	Increased Service Needs Attributable to Anticipated Development 2022 to 2031	Timing (year)	Gross Capital Cost Estimate (2022\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less: Benefit to Existing Development	Total Potential D.C. Recoverable Cost	Residential Share 81%	Non-Residential Share 19%
1	40' Conventional Bus	2026 to 2030	19,800,000	4,722,300	0	15,077,700	5,227,200	9,850,500	7,978,905	1,871,595
2	Fareboxes & Vehicle I.T.S. Conventional Vehicles	2026 to 2030	1,841,400	439,200	0	1,402,200	486,100	916,100	742,041	174,059
3	On Demand Van	2026 to 2030	400,000	95,400	0	304,600	105,600	199,000	161,190	37,810
4	On Demand Cutaway	2026 to 2030	300,000	71,600	0	228,400	79,200	149,200	120,852	28,348
5	Specialized Vehicles	2026 to 2030	2,100,000	0	0	2,100,000	436,800	1,663,200	1,347,192	316,008
6	Fareboxes & Vehicle I.T.S. Specialized Vehicles	2026 to 2030	487,200	0	0	487,200	101,300	385,900	312,579	73,321
7	Support Vehicles	2026 to 2030	533,000	94,200	0	438,800	133,000	305,800	247,698	58,102
8	Bus Stop Rebranding	2023	1,115,700	266,100	0	849,600	294,500	555,100	449,631	105,469
9	Conventional Bus Wraps	2023	516,000	123,100	0	392,900	136,200	256,700	207,927	48,773
10	Specialized Bus Wraps	2023	100,000	0	0	100,000	20,800	79,200	64,152	15,048
11	Facility Expansion and Study	2026 to 2030	14,858,000	2,849,800	0	12,008,200	3,759,100	8,249,100	6,681,771	1,567,329
n/a	Reserve Fund Adjustment	n/a	0	0	0	0	354,644	(354,644)	(287,262)	(67,382)
n/a	Total	n/a	42,051,300	8,661,700	0	33,389,600	11,134,444	22,255,156	18,026,676	4,228,480

Note: The total cost reflects the municipal cost and does not include external funding from provincial or federal sources.

Proposed Charges & By-law

Service/Class of Service	Single and Semi-Detached Dwelling	Other Multiples	Apartments 2+ Bedrooms	Apartments 1 Bedroom	Special Care/Special Dwelling Units & Dwelling Rooms	Commercial (per sq.ft.)	Industrial (per sq.ft.)	Institutional (per sq.ft.)	Wind Turbines
Transit Services	617	441	419	256	232	0.62	0.20	0.38	0

- Transit charges anticipated to be imposed under a separate by-law to take effect January 1, 2023.
- By-law policies are anticipated to be the same as the main D.C. by-law

Survey of Transit D.C.s - Residential

Single and Semi Detached Dwelling

Municipality	Transit D.C. per unit
Waterloo Region Cities (Cambridge, Kitchener, Waterloo)	\$3,436
Guelph	\$3,250
Hamilton	\$2,237
Milton	\$1,277
Oakville	\$856
Niagara Falls	\$840
Burlington	\$759
St. Catharines	\$752
Niagara Region Municipalities (Proposed)	\$617
Brantford	\$417
Welland	\$36
Halton Hills	\$21

Survey of Transit D.C.s - Commercial

Commercial per square foot

Municipality	Transit D.C. per sq.ft.
Waterloo Region Cities (Cambridge, Kitchener, Waterloo)	\$2.19
Guelph	\$1.56
Hamilton	\$1.14
Milton	\$0.83
Burlington	\$0.73
Niagara Region Municipalities (Proposed)	\$0.62
St. Catharines	\$0.44
Oakville	\$0.39
Niagara Falls	\$0.27
Brantford	\$0.19
Halton Hills	\$0.02
Welland	\$0.01

Survey of Transit D.C.s - Industrial

Industrial per square foot

Municipality	Transit D.C. per sq.ft.
Guelph	\$1.56
Hamilton	\$1.14
Waterloo Region Cities (Cambridge, Kitchener, Waterloo)	\$0.88
Burlington	\$0.73
St. Catharines	\$0.44
Milton	\$0.40
Oakville	\$0.39
Niagara Region Municipalities (Proposed)	\$0.20
Brantford	\$0.19
Halton Hills	\$0.005
Welland	\$0.00
Niagara Falls	\$0.00

Next Steps for Study Process

Study Task	Date
Developer/Community Engagement Meeting	September 7, 2022
Public Meeting	September 29, 2022
By-law passage	September 29, 2022

Questions?



Questions?

Transit D.C. Background and Technical Appendix available on the Region's website:

<https://www.niagararegion.ca/business/property/background-study.aspx>