



September 26, 2022

By electronic submission

Niagara Region Council
Niagara Region
1815 Sir Isaac Brock Way, P.O. Box 1042
Thorold, Ontario L2V 4T7

Chair Bradley and Members of Council:

**Re: Proposed Niagara Region Transit Development Charges By-law (2022)
Comments for the September 29, 2022 Public Meeting
Niagara Falls Canada Hotel Association**

On behalf of the Niagara Falls Canada Hotel Association, we provide the following comments in relation to the proposed Transit Development Charge ("Transit DC").

Our Association includes over 50 hotels and motels, representing about 10,000 total rooms. Our membership is diverse, and includes small motels, family-oriented hotels, and international hotels in the tourist core.

Our industry is Niagara's largest employer. Prior to the pandemic, we had strong growth, including adding 4,313 new jobs to Niagara's economy between 2014 and 2019.

In summer 2022, before the introduction of the draft Transit DC, we made several oral and written submissions in relation to Niagara Region's Development Charge By-law, later passed on August 21, 2022 as By-law 2022-71. We retained a land economist, who provided written questions and comments on our behalf, and we presented at the June 30, 2022 public meeting (letters attached). We provided many detailed comments, but to summarize, we expressed a significant concern that a 350% increase in Regional Development Charges since 2019 will have a chilling effect on our industry.

To our surprise, our questions and comments were ignored. We did not even receive the courtesy of an acknowledgement of our written submissions, let alone a substantive response or dialogue with Staff or its consultants to try to work through our questions and comments for potential solutions.

We are disappointed by this experience but hopeful that the following Transit DC comments will be given more attention.



The proposed Transit DC for hotels/motels (commercial) is 120% greater than the City of Niagara Falls transit charge which it is replacing. This is in addition to the 350% increase on hotels/motels since 2019 made through the August 2022 Niagara Region Development Charge By-law 2022-71.

The proposed Transit DC is inflated since it includes disallowed items. Specifically, proposed "Bus Stop Rebranding", "Conventional Bus Wraps", and "Specialized Bus Wraps" are ineligible for Development Charges and should be removed from the Transit DC. What can be included is clearly set out in the *Development Charges Act, 1997*: only capital costs that "increase the need for service" attributable to development. The fact that buses need to be rebranded and re-wrapped as a result of transit amalgamation is not an increase in service. These costs are a capital measure outside of any service increase; thus, its cost must be paid through a source that is not development charges from new hotels/motels and other uses.

Additionally, we have concerns with other assumptions and methodologies in the proposed Transit DC. The proposed benefit-to-existing and post-period benefit assumptions and calculations do not accurately reflect the share attributable to new development, including the hotel/motel (commercial) sector.

We also have outstanding questions and issues relating to ridership calculations:

- Regarding the 2019 Annual Ridership, the Technical Appendix sets out that on-demand services in Pelham, Lincoln, West Lincoln, NOTL Wainfleet, Grimsby and Port Colborne started in 2020. However, Table 4 shows 2019 annual ridership. The Technical Appendix does not identify how the Region determined the 2019 ridership estimates given it only started offering this service in 2020.
- The ridership estimates for Pelham, Lincoln, West Lincoln, NOTL Wainfleet, Grimsby and Port Colborne are based on the on-demand service. However, if the Region moves to more frequent transit service in these areas, it could result in more existing residents using transit and a higher benefit-to-existing estimate. The Technical Appendix does not set out this consideration and, as a result, we are concerned that the growth-related share is too large.
- Table 4 appears to show N.R.T. On Demand for Pelham, Lincoln, West Lincoln, NOTL, Wainfleet, Grimsby and Port Colborne twice. On this basis, we question whether ridership was double-counted.



The Region should revisit its Transit DC to incorporate the above comments. We prefer these comments received appropriate attention at this time, prior to passing the Transit DC, to avoid the need to resolve these issues through an Ontario Lands Tribunal appeal. More broadly, the Association hopes to improve our relationship with the Region to our mutual economic benefit.

Kind regards,

A handwritten signature in blue ink, appearing to read "Chris Mason", is written over a light blue circular background.

Chris Mason
Chair, Niagara Falls Canada Hotel Association