



 **Watson
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ECONOMISTS LTD.

Addendum #1 to the December 21, 2020 Development Charges Background Study

Town of Grimsby

April 14, 2021

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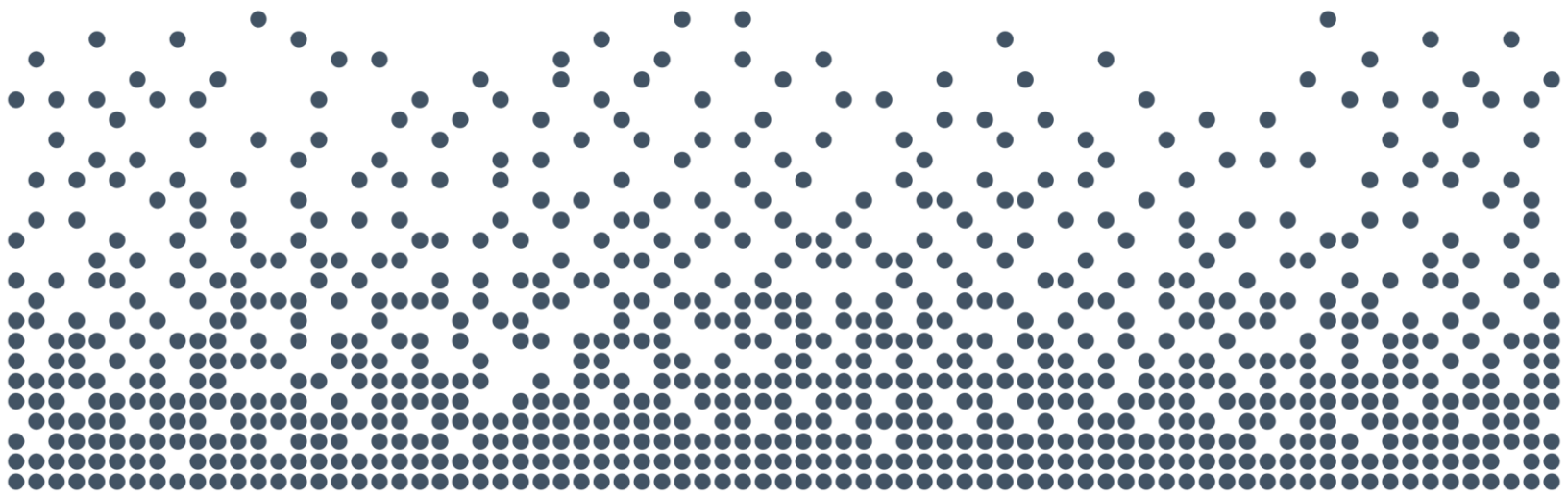
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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development Charges
D.C.A.	Development Charges Act



Addendum Report to the December 21, 2020 Development Charges Background Study



1. Background

Commensurate with the provisions of the Development Charges Act, 1997, as amended (D.C.A.), the Town has undertaken a Development Charges (D.C.) Background Study, released the study, held a public meeting, and passed D.C. by-law No. 21-14, in accordance with the D.C.A. The following provides a summary of the key dates in the development charge by-law process:

December 21, 2020 – Release of the D.C. Background Study and draft by-law

January 8, 2021 – Notice of Public Meeting

February 1, 2021 – Public Meeting of Council

March 22, 2021 – Passage of Development Charges By-law

April 8, 2021 – Notice of Passage of Development Charges By-law

Subsequent to the passage of the by-law, it was discovered that the rates included in Schedule B to the by-law, related to Multiples, Apartments – 2 Bedrooms+, and Apartments – Bachelor and 1 Bedroom, were identified incorrectly for Services Related to a Highway and Public Works. As such, the purpose of this addendum report is to provide for the correction to the schedule of charges in line with the calculated rates included in Chapter 6 to the December 21, 2020 D.C. background study. This refinement will provide the necessary background report to amend by-law 21-14.

2. Discussion

This section of the addendum report provides an explanation for the above-noted refinement.

2.1 Correction to By-law Schedule of Development Charges

The development charges, as per Chapter 6 of the D.C. Background Study calculated the residential development charges on a per capita basis. The per capita rates were then multiplied by average persons per unit for various types of units and result in the calculated charges. The calculations were undertaken correctly, however, when compiling the schedule to the by-law the charges related to multiples and the two apartment categories were incorrectly included as they relate to the Services Related to a Highway and Public Works components of the charges. This resulted in:



- Lower charges being identified in the by-law schedule than the calculated rates, for “Multiple” units and “Apartments – 2 bedrooms +” units; and
- higher charges being identified in the by-law schedule than the calculated rates for “Apartments – Bachelor and 1 Bedroom” units.

2.2 Overall Changes in the D.C. Calculation

Based on the correction noted above, the total calculated development charge for multiple units is \$12,029, apartments units with 2 or more bedrooms is \$11,218 per unit, and apartments – bachelor & 1 bedroom is \$6,859 per unit in the Urban Area. Note that these rates do not include the parking services charges which form part of by-law 21-15, which amends by-law 16-73.

The tables below summarize the corrected calculated charges vs. the charges included in Schedule B to By-law 21-14 for each of the three types of units that were incorrect.

Table 2-1
Comparison of Residential Development Charges for Multiple Units
As per By-law 21-14 and this Addendum Report

Service	As per By-law 21-14 (March 22, 2021)	As per Addendum Report (April 12, 2021)
Municipal Wide Services:		
Services Related to a Highway	\$2,635	\$2,826
Public Works	\$117	\$126
Fire Protection Services	\$692	\$692
Parks and Recreation Services	\$4,630	\$4,630
Library Services	\$1,153	\$1,153
Growth Studies	\$1,110	\$1,110
Total Municipal Wide Services	\$10,337	\$10,537
Urban Specific Services:		
Stormwater Drainage and Control Services	\$879	\$879
Wastewater Services	\$272	\$272
Water Services	\$341	\$341
Total Urban Specific Services	\$1,492	\$1,492
Grand Total - Urban Area	\$11,829	\$12,029



Table 2-2
Comparison of Residential Development Charges for
Apartment – 2 Bedroom+ Units
As per By-law 21-14 and this Addendum Report

Service	As per By-law 21- 14 (March 22, 2021)	As per Addendum Report (April 12, 2021)
Municipal Wide Services:		
Services Related to a Highway	\$1,611	\$2,635
Public Works	\$72	\$117
Fire Protection Services	\$646	\$646
Parks and Recreation Services	\$4,318	\$4,318
Library Services	\$1,075	\$1,075
Growth Studies	\$1,035	\$1,035
Total Municipal Wide Services	\$8,757	\$9,826
Urban Specific Services:		
Stormwater Drainage and Control Services	\$820	\$820
Wastewater Services	\$254	\$254
Water Services	\$318	\$318
Total Urban Specific Services	\$1,392	\$1,392
Grand Total - Urban Area	\$10,149	\$11,218



Table 2-3
Comparison of Residential Development Charges for
Apartment – Bachelor and 1 Bedroom Units
As per By-law 21-14 and this Addendum Report

Service	As per By-law 21-14 (March 22, 2021)	As per Addendum Report (April 12, 2021)
Municipal Wide Services:		
Services Related to a Highway	\$2,826	\$1,611
Public Works	\$126	\$72
Fire Protection Services	\$395	\$395
Parks and Recreation Services	\$2,640	\$2,640
Library Services	\$657	\$657
Growth Studies	\$633	\$633
Total Municipal Wide Services	\$7,277	\$6,008
Urban Specific Services:		
Stormwater Drainage and Control Services	\$501	\$501
Wastewater Services	\$155	\$155
Water Services	\$195	\$195
Total Urban Specific Services	\$851	\$851
Grand Total - Urban Area	\$8,128	\$6,859

2.3 Requirement for Public Process

As the correction to the by-law schedule of development charges resulting in an increase to the multiple and 2+ bedroom apartment rates, along with the decrease in the rate for the bachelor & 1 bedroom apartment rate, it is necessary to undertake the public process required as per the D.C.A. This includes issuing a background report, which this addendum report acts as, holding public meeting and providing notice of the public meeting, and passage of an amending by-law. This report provides a draft amending by-law to correct Schedule B to by-law 21-14.



3. Process for the Adoption of the Development Charges By-law

Sections 1 & 2 provide for a summary of the revisions to the Town's Development Charges By-law 21-14. If Council is satisfied with the above correction, this addendum report will be considered for approval by Council along with the amending By-law provided in Appendix A.



Appendix A

Draft Amending By-law to
Development Charges By-law 21-
14



THE CORPORATION OF THE TOWN OF GRIMSBY

BY-LAW NO. 21-XX

A BY-LAW TO AMEND BY-LAW 21-14, RESPECTING DEVELOPMENT CHARGES FOR THE TOWN OF GRIMSBY

Whereas the Town of Grimsby (the “Town”) enacted By-law 21-14 pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass By-laws for the imposition of development charges against land;

And Whereas the Town has undertaken an addendum to the development charges background study pursuant to the Act which has provided updated Schedule B to By-law 21-14;

And Whereas the Council of the Town of Grimsby (“Council”) has before it a report entitled “Town of Grimsby Addendum #1 to the December 21, 2020 Development Charges Background Study” prepared by Watson & Associates Economists Ltd., dated April 14, 2021 (the “addendum study”);

And Whereas the addendum study and proposed amending By-law were made available to the public on April 14, 2021 and Council gave notice to the public pursuant to Section 12 of the Act.

And Whereas Council, on June 21, 2021 held a meeting open to the public, pursuant to Section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE Council hereby enacts as follows:

1. By-law 21-14 is hereby amended as follows:

- A. By replacing Schedule “B” to By-law 21-14 with a revised Schedule “B”, as attached.



By-law read a first and second time this 21st day of June, 2021.

By-law read a third time and finally passed this 21st day of June, 2021.

J.A. Jordan, Mayor

S.Kim, Town Clerk



Schedule "B"
To By-law 21-14
Schedule of Development Charges

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	Industrial (per sq.ft. of Gross Floor Area)	Non-Industrial (per sq.ft. of Gross Floor Area)
Town-Wide Services/Classes:							
Services Related to a Highway	4,155	2,826	2,635	1,611	1,468	1.25	2.65
Public Works	185	126	117	72	65	0.06	0.11
Fire Protection Services	1,018	692	646	395	360	0.29	0.65
Parks and Recreation Services	6,809	4,630	4,318	2,640	2,406	0.31	0.67
Library Services	1,695	1,153	1,075	657	599	0.08	0.17
Growth Studies	1,632	1,110	1,035	633	577	0.47	1.00
Total Town-Wide Services/Classes	15,494	10,537	9,826	6,008	5,475	2.46	5.24
Urban Services							
Stormwater Drainage and Control Services	1,293	879	820	501	457	0.15	0.33
Wastewater Services	400	272	254	155	141	0.12	0.25
Water Services	502	341	318	195	177	0.15	0.31
Total Urban Services	2,195	1,492	1,392	851	775	0.42	0.89
GRAND TOTAL RURAL AREA	15,494	10,537	9,826	6,008	5,475	2.46	5.24
GRAND TOTAL URBAN AREA	17,689	12,029	11,218	6,859	6,250	2.88	6.13