PORT COLBORNE

Subject: **2025 Development Charges Summary – Treasurer's Statement**

To: **Council**

From: **Financial Services Department**

Report Number: 2026-68

Meeting Date: June 23, 2026

Recommendation:

That Financial Services Department 2026-68 be received.

Purpose:

This report has been prepared to satisfy the reporting requirements of Section 43 of the *Development Charges Act, 1997,* as amended (DCA).

Following the enactment of Bill 60 (*Fighting Delays, Building Faster Act, 2025*), which came into effect on November 27, 2025, starting in 2026, municipalities are required to do the following annually:

- Present the Treasurer's Statement to Council by June 30.
- Submit the statement to the Ministry of Municipal Affairs and Housing by July 15.

Background:

Pursuant to Section 43 of the DCA, the Treasurer of a municipality shall, each year, give the Council a financial statement (Treasurer's Statement) relating to development charge by-laws and reserve funds. In addition to providing the Treasurer's Statement to Council, the Treasurer's Statement should also be made available to the public and, if requested, be provided to the Minister of Municipal Affairs and Housing.

On October 22, 2024, Council approved the new Development Charges by-law (By-law 7278/100/24) which has permitted the City to collect an appropriate amount of revenue to properly fund growth-related capital projects and expands the breadth of developments which the City can collect Development Charges (DC) on. This will ensure the City will have capital funds available going forward to keep growth-related projects off the tax and water bills of residents and ensures that growth pays for growth.

Discussion:

Appendix A, the attached Treasurer's Statement for the period of January 1, 2025, to December 31, 2025, was prepared pursuant to Section 43 of the DCA. This is the first full year under the City's most recent DC by-law, which better equipped the City to collect DC funding on building permits and has allowed the DC reserves to grow at an appropriate rate to fund the identified growth-related projects identified in the DC Background Study (DCBS). The by-law and background study will be updated as required in advance of expiration in 2034.

It is important to note that due to project funding, the current balances of the fire and administration reserves are negative. This is permissible under the DCA so long as the overall balance of the total DC reserves is positive. Related fire and administration projects which were funded using DCs are identified in **Appendix B**. These projects are identified and included in the DCBS and are incorporated into the rates charged. It is expected that the negative reserve balances will become positive after collections in 2026.

No projects for roads, water, wastewater or library were funded in 2025 as the projects identified in the DCBS have not commenced at this time. It is anticipated that projects identified in the Study will be funded in future years as works occur. The City expects to incur the full capital costs for all projects as identified in the study.

Internal Consultations:

DC are calculated by the Supervisor of Asset Management based on the residential unit count or non-residential gross floor area information provided by the Building Services Department, as part of the building permit application process. They are then collected at the time of building permit issuance for non-residential construction, or at occupancy for residential construction. Construction types that trigger a DC payable and the timing in which the charge is paid is set out in the City's DC by-law and the DCA.

Financial Implications:

DC are an important component of the City's long-term financial plan, based on the underlying principle of growth paying for growth. In 2025, the City collected $989,339 of parkland dedication and $366,008 of development charges. Of the DCs collected, $225,247 was allocated to fund growth-related capital projects identified in the DCBS. A summary of DC-funded projects can be found in **Appendix B** of this report. The City will continue to collect DCs for future construction and apply the collections towards capital projects in 2026.

Appendix C of this report shows the current DC rates for the City that are in place until October 22, 2026, at which point the rates will be indexed based on the non-residential consumer price index (CPI) at that time.

Public Engagement:

This Development Charges Treasurer's Statement will be available on the City's website as required by the DCA. The Development Charges By-law and Background Study is also available on the City's website.

Strategic Plan Alignment:

This report is administrative in nature, as required by the *Development Charges Act, 1997*. The City's Development Charge program is guided by the following pillars of the strategic plan:

- Environment and Climate Change
- Welcoming, Livable, Healthy Community
- Economic Prosperity
- Increased Housing Options
- Sustainable and Resilient Infrastructure

Conclusion:

Staff recommend that Financial Services Department Report 2026-68 be received.

Appendices:

a. 2025 Development Charges Treasurer's Statement

b. Summary of Projects Funded with Development Charges in 2025

c. Current City Development Charges Rates

d. Supplemental Information to the 2025 Development Charges Treasurer's Statement

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.

2025 Development Charges Treasurer's Statement

	Roads	Water	Wastewater	Fire	Public Works - Facilities and Fleet	Administration	Parks and Recreation	Library	Total Development Charges (DC)	Parkland Dedication	Total DC and Parkland Dedication
Opening Balance	104,590	170,900	100,271	11,052	5,192	17,572	190,775	9,572	**609,924**	1,134,860	**1,744,784**
Add: Collections	29,094	67,032	132,544	21,505	30,779	13,841	62,888	8,324	**366,008**	989,339	**1,355,346**
Add: Interest	6,424	11,022	8,980		140		10,341	741	**37,646**	87,860	**125,506**
Less: Capital Expenditures (A)				(75,000)	(35,971)	(53,423)	(60,853)		**(225,247)**		**(225,247)**
Ending Balance	**140,108**	**248,954**	**241,795**	**(42,443)**	**140**	**(22,010)**	**203,150**	**18,637**	**788,330**	**2,212,058**	**3,000,388**

(A) No projects for Roads, Water, Wastewater or Library were funded in 2025 as the projects identified in the Development Charges Background Study have not commenced at this time. It is anticipated that projects identified in the Study will be funded in future years as works occur. The City expects to incur the full capital costs for all projects as identified in the Study.

Summary of Projects Funded with Development Charges 2025

DC Category	DC Background Study Reference	Project Number	Project Name	DC Funding - 2025	Levy Funding - 2025	Total Actual Funding - 2025	Total Future DC Commitments - 2025 (A)	Total Debt Outstanding - 2025 (B)
Fire	Table 5-5 (24)	25C-FI-BF2	Fire Masterplan	75,000	6,408	81,408	-	-
Parks and Recreation	Table 5-5 (23)	25C-PA-BF3	Parks and Recreation Masterplan	60,853	-	60,853	51,647	-
Administration	Table 5-5 (18)	25C-PL-BF6	Offical Plan & Design Standards	52,828	-	52,828	82,172	-
Administration	Table 5-5 (16)	25C-PL-BF7	Development Charge Study	525	-	525	29,475	-
Administration	Table 5-5 (20)	25C-PL-BF8	Offical Plan Zoning By-Law Update	70	-	70	66,130	-
Public Works	Table 5-2 (1) and (2)	n/a	Operations Centre Growth Related Debt - Principal and Interest	35,971	703,123	739,094	3,547,024	11,351,095
Total Funding - 2025				**225,247**	**709,531**	**934,779**	**3,776,448**	**11,351,095**

(A) Commitments are calculated using the Total Potential DC Recoverable Cost per the Development Charges Background Study less DC Funding in 2025. It is anticipated that all projects with no spending will have the DCs committed fully spent by the time the project is completed.

(B) The total outstanding debt including interest for the Operations Centre is $16.28M

City of Port Colborne Development Charge Rates Table - with 3.94% Annual Indexation October 23, 2025 to October 22, 2026 Rates per unit and Square Foot						
Category of Service	**Residential (per unit)**					**Non-Residential**
	Single and Semi-Detached Dwelling	**Multiples**	**Apartments 2+ Bedrooms**	**Apartments - Bachelor and 1 Bedroom**	**Special Care/Special Dwelling Units**	**Non-Residential (per sq.ft. of Gross Floor Area)**
Services Related to a Highway	$2,420	$1,874	$1,694	$1,120	$928	$1.16
Public Works (Facilities and Fleet)	$2,540	$1,968	$1,778	$1,176	$974	$1.22
Fire Protection Services	$1,776	$1,376	$1,244	$822	$681	$0.85
Parks and Recreation Services	$5,216	$4,039	$3,653	$2,415	$2,000	$0.47
Library Services	$689	$533	$482	$319	$264	$0.06
Growth Studies	$1,144	$887	$801	$530	$439	$0.55
Total Municipal Wide Services	**$13,785**	**$10,677**	**$9,652**	**$6,382**	**$5,286**	**$4.31**
Wastewater (if available)	$11,905	$9,220	$8,336	$5,510	$4,564	$5.45
Water (if available)	$6,042	$4,679	$4,231	$2,797	$2,317	$2.76
Total Urban Services	**$31,732**	**$24,576**	**$22,219**	**$14,689**	**$12,167**	**$12.52**
Wastewater Only	**$25,690**	**$19,897**	**$17,988**	**$11,892**	**$9,850**	**$9.76**
Water Only	**$19,827**	**$15,356**	**$13,883**	**$9,179**	**$7,603**	**$7.07**

Supplemental Information to the 2025 Development Charges Treasurer's Statement

1. Description of the Service for which each fund was established under by-law 7278/100/24:

Service Category	**Description of Service**
Services Related to a Highway – Roads	The fund is used for growth-related projects for roads and roads related structures.
Public Works (Facilities and Fleet)	The fund is used for growth-related projects for City facilities and fleet vehicles.
Fire Services	The fund is used for growth-related projects for fire facilities, vehicles and small equipment and gear.
Parks and Recreation Services	The find is used for growth-related projects for parkland development, parkland amenities, trails, parks and recreation vehicles and equipment and recreation facilities.
Library Services	The fund is used for growth-related projects for library facilities and equipment.
Growth Studies	The find is used for growth-related projects for growth studies relating to transportation, water services, wastewater services, stormwater services, fire protection services, parks and recreation services and planning.
Water Services	The fund is used for growth-related projects for water infrastructure.
Wastewater Services	The fund is used for growth-related projects for wastewater infrastructure.

2. For Credits (ie. Prepayments, front-ending projects) in relation to the service or category for which the fund was established:

   No credits have been received, used or are outstanding for the previous year.

3. The amount of money borrowed from the DC reserve during the previous year and the purpose for which it was borrowed:

   No money was borrowed.

4. The amount of interest accrued during the previous year on money borrowed from the fund by the municipality:

   No interest was accrued as no money was borrowed.

5. The amount and source of any money used by the municipality to repay, in the previous year, money borrowed from the fund, or interest on such money:

   No source of money to repay as no money was borrowed.

6. A schedule that identifies credits recognized under section 17 and, for each credit organized, sets out the value of the credit, the service against which the credit is applied and the funds used to finance the credit:

   No schedule as there are no credits to recognize per section 17.

7. Statement respecting additional levies under Section 59.1(1) and (2) of the *Development Charges Act, 1997*, as amended:

   In accordance with Section 59.1(1) and (2) the City of Port Colborne has not imposed any additional payments nor required the construction of a service not authorized under the *Development Charges Act, 1997*, as amended.