TOWN OF CORNWALL
RESOLUTION

DATE: **September 24, 2025**

COMMITTEE: **UTILITY (U)**

MOTION NUMBER: **U 09-2025 ~ Capital Contribution Bylaw 2nd Reading**

MOTION CARRIED V 5-0

MOTION LOST _____

MOTION WITHDRAWN _____

Moved by Councillor E Barnes **Elaine Barnes**

Seconded by Councillor _____ **Corey Frizzell** Steven Campbell

RESOLVED:

Whereas: The Capital Contribution Bylaw clarifies when and under what conditions that the Town and/or Water and Sewer Utility may contribute to capital costs of the installation of water and sewer infrastructure projects;

And Whereas: The Capital Contribution Bylaw applies to the installation of oversized and premature infrastructure development that the Town deems to be in the best interest of the Town;

And Whereas: The Capital Contribution Bylaw (Development Charge) is a requirement for the Housing Accelerator Fund (HAF) and completes the commitments the Town has made under this funding program;

And Whereas: Council has considered the process for the use of the Capital Contribution Bylaw and deemed it to be in the best interest of the Town;

Therefore, be it Resolved: That the Capital Contribution Bylaw, Bylaw # 2025-02, is hereby read and approved for the second time.

Town of Cornwall
so much to offer...

Town of Cornwall, PEI
Utility Capital Contribution Bylaw
Bylaw # 2025 – 02

WHEREAS the Council of the Town of Cornwall desires to provide clarity upon which occasions, and under which conditions, the Town may contribute to a developer's costs for Capital Water and Sewer Infrastructure (collectively, "Utility Services") in The Town;

AND WHEREAS the Council of the Town of Cornwall, by Council resolution dated October 23, 2024, approved the adoption of a Utility Master Plan prepared by the engineering firm exp., dated May 23, 2024 (the "Master Plan");

AND WHEREAS the Master Plan provides a detailed condition assessment of the Town's utility systems and provides detailed recommendations to guide future growth and capital projects required to maintain the utility systems, including cost estimates;

AND WHEREAS the Council has considered the specified facilities and services in relation to the anticipated need for infrastructure growth in Utility Services;

AND WHEREAS the Council has considered the estimated timing of the introduction or expansion of the specified facilities and services.

THEREFORE, IT IS ENACTED by the Council of the Town of Cornwall as follows:

1. Title

1.1 This Bylaw shall be known as, and may be cited as, the "Utility Capital Contribution Bylaw."

2. Authority

2.1 *Municipal Government Act*, R.S.P.E.I. 1988, Cap. P-12.

3. Definitions

3.1 "Act" means the *Municipal Government Act*, R.S.P.E.I. 1988, Cap. P-12.

3.2 "Applicant" means a person or corporation that applies to the Town for a Development Permit or a Subdivision approval seeking a capital contribution for the installation of municipal Utility Services.

3.3 "Application" means an application submitted to the Town for a Development Permit or a Subdivision.

3.4 "Bylaw" means this this Utility Capital Contributions Bylaw.

3.5 "Capital Contribution" means the value of the cost of municipal Utility Services that the Town of Cornwall Water and Sewer Utility, or the Town, agrees to pay to, or on behalf of, a developer for oversized or premature municipal utility infrastructure.

3.6 "Council" means the mayor and other members of the Council of the Town of Cornwall.

3.7 "Capital Contribution Agreement" means an agreement between the Town and the Applicant which sets out the details of the Capital Contribution the Town will contribute and, where the Applicant is not the Property Owner, the Property Owner shall be included as a party to the Capital Contribution Agreement.

3.8 "Master Plan" means the utility master plan prepared by the engineering firm exp. and adopted by the Town of Cornwall resolution dated October 23, 2024.

3.9 "Town" means the Town of Cornwall, or the Cornwall Water and Sewer Utility as the context requires.

3.10 "Zoning Bylaw" means the Town of Cornwall Zoning & Development Bylaw # 422, as amended from time to time.

3.11 All capitalized words or terms used and not otherwise defined herein shall have the respective meanings ascribed to such words or terms in the Zoning Bylaw.

4. Application

4.1 This Bylaw applies to all land in the Town, with the following exceptions:

a) where a Development Permit has been issued for the land prior to the effective date of this Bylaw and has not expired;

(b) where a Subdivision approval has been granted for the land prior to the effective date of this Bylaw and the Subdivision agreement between the Developer and the Town did not include the requirement to pay a Development Charge; and

(c) where a Development Permit application or a Subdivision application has been submitted for the land, and the Town has determined that the application is complete, prior to the effective date of this Bylaw.

5. Capital Contribution Report

5.1 The Town upon receiving an application for new development that requests assistance with the installation of Utility Services, may, pursuant to the Water and Sewer Utility Bylaw, and after considering the Master Plan, and the Town of Cornwall Municipal Servicing Standards, contribute funds to the installation of municipal Utility Services infrastructure if:

(a) the proposal contains Town mandated oversizing of the Utility Services infrastructure; or

(b) there is premature installation of Utility Services infrastructure, that the Town in its sole judgement considers beneficial to the Town; and

(c) the proposal meets the current and long-term development goals of the Town.

5.2 If the Town is of the opinion that a Capital Contribution may be warranted, pursuant to 5.1 above, the Town shall commission an appropriate professional report, this report shall:

(a) establish the specified facilities and services required in relation to the anticipated development;

(b) establish the need for incurring the eligible costs of the specified facilities and services in the Town;

(c) provide the estimated timing of the introduction or expansion of the specified facilities and services;

(d) be based upon empirical evidence including any necessary assumptions that are reasonable, correct and credible;

(e) be prepared and analyzed by a suitable and competent professional in compliance with generally accepted engineering principles; and

(f) recommend the amount, if any, that the Town may contribute to the costs of the proposed installation of municipal Utility Services.

6. Capital Contribution

6.1 If the Capital Contribution Report, in 5.2 above recommends that the Town provides a contribution to the installation of the municipal Utility Services under consideration in the report, the Town may contribute that amount, or any other amount that the Town considers appropriate in the circumstances; such circumstances may include but are not limited to:

(a) availability of municipal or infrastructure program related funds; and

(b) conformance with the Master Plan.

6.2 Any Town contribution commitment made under this Bylaw shall be disbursed upon completion, satisfactory to the Town, of the project.

7. Capital Contribution Agreements

7.1 Council shall require that a Capital Contribution Agreement be signed between the Town and the Applicant outlining the details of the Capital Contribution.

7.2 The Capital Contribution Agreement shall include the following:

(a) Names of the parties;
(b) Details of the Application;
(c) Details of the approval of the Application;
(d) Amount of the Capital Contribution;
(e) Method and timing of payment, including whether payment will be made in instalments;
(f) Details of the Utility Services to be installed in exchange for the Capital Contribution; and
(g) Details of the security, if applicable.

7.3 The Capital Contribution Agreement shall bear the signatures of the proper signatories for the parties.

7.4 The provisions of the Capital Contribution Agreement may be incorporated into the terms and conditions of a Subdivision Agreement and/or Development Agreement, where appropriate, as determined by the Town.

7.5 The Capital Contribution Agreement shall be registered at the Queens County Registry Office at the Applicant's expense either on its own or as part of a Development/Subdivision Agreement.

8. Effective Date

8.1 This Bylaw shall be effective on the date of formal adoption below.

First Reading:

This Bylaw was read and formally approved by a majority of Council members present at the Council meeting held on the 27th day of August 2025.

Second Reading:

This Bylaw was read and formally approved by a majority of Council members present at the Council meeting held on the _____ day of _____ 2025.

Formal Adoption by Council:

This Bylaw was formally adopted by a majority of Council members present at the Council meeting held on the _____ day of _____ 2025.

Signatures

_____
Minerva McCourt, Mayor

_____
Kevin Coady, Chief Administrative Officer

This Utility Capital Contribution Bylaw, Bylaw 2025-01, adopted by the Council of the Town of Cornwall on the

_____ day of _____ 2025 is certified to be a true copy.

_____ _____
Kevin Coady, Chief Administrative Officer **Date**