

**THE CORPORATION OF THE
TOWNSHIP OF DRUMMOND/NORTH ELMSLEY**

BY-LAW NO. 2014-044

2014 DEVELOPMENT CHARGES BY-LAW

**BEING A BY-LAW OF THE CORPORATION OF THE TOWNSHIP OF DRUMMOND/
NORTH ELMSLEY WITH RESPECT TO DEVELOPMENT CHARGES**

WHEREAS Section 2(1) of the *Development Charges Act*, S. O. 1997, (hereinafter called the *Act*) enables the Council of a municipality to pass by-laws for the imposition of development charges against land located in the municipality where the development of the land would increase the need for municipal services as designated in the by-law;

AND WHEREAS the Council of the Corporation of the Township of Drummond/North Elmsley has undertaken and adopted the recommendations of a Study entitled " Township of Drummond/North Elmsley Development Charges Background Study", dated August 2014;

AND WHEREAS the Council of the Corporation of the Township of Drummond/North Elmsley has given notice of and held a public meeting on August 12, 2014 for the purpose of providing both information and opportunity to the Public to understand the Development Charge Proposal;

AND WHEREAS the Council of the Corporation of the Township of Drummond/North Elmsley has indicated its intentions to pass a By-law under the *Development Charges Act*, 1997, and to impose development charges on land subject to development or redevelopment within the geographical limits of the Township of Drummond/North Elmsley, as hereinafter provided;

NOW THEREFORE the Council of the Corporation of the Township of Drummond/North Elmsley exacts as follows:

PART 1

DEFINITIONS

1. For the purpose of the By-law, the definitions and interpretations given in this Section shall apply:
 - (i) Act, the Act or Development Charges Act, 1997 shall have the same meaning and shall mean the *Development Charges Act*, 1997, S.O. 1997, and all regulations made hereunder.
 - (ii) Capital Cost shall mean costs incurred or proposed to be incurred by a municipality or local board thereof directly or under an agreement,
 - (a) to acquire land or an interest in land;
 - (b) to improve land;

- (c) to acquire construct or improve building and structures,
 - (d) to acquire , construct or improve facilities including:
 - i) rolling stock, furniture and equipment; and
 - ii) material acquired for circulation, reference or information purposes by a library board as defined in *The Public Libraries Act*, R.S.O. 1990, Chapter P.44, and
 - (e) to undertake studies in connection with any of the matters in clauses (a) to (d) required for the provision of services designated in a development charge by-law within or outside the municipality, including interest on borrowing for those expenditures under clauses (a), (b), (c) and (d) that are growth related;
- (iii) Development includes redevelopment;
 - (iv) Development Charge shall mean a charge imposed, with respect to growth-related net capital costs, against land in accordance with Part 3 of this By-law.
 - (v) Development Charge By-law shall mean a by-law passed under Section 2 of *The Development Charges Act*, S.O. 1997.
 - (vi) Dwelling Unit shall mean one or more habitable rooms designed or intended to be used as a domestic establishment and in which separate kitchen and sanitary facilities are provided for the exclusive use of the occupants with a private entrance from outside the building or from a common hallway or stairway inside the building.
 - (vii) Accessory Dwelling Unit shall mean a dwelling unit which is part of and accessory to a permitted non- residential building other than an automobile service station or commercial garage.
 - (viii) Grade shall mean the average level of finished ground adjoining a dwelling unit at all exterior walls.
 - (ix) Gross Floor Area shall mean in the case of a residential use building or structure or in the case of a mixed-use building or structure with respect to the residential use portion thereof, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from another dwelling unit or other portion of a building.
 - (x) Growth-related Net Capital Cost shall mean the portion of the net capital cost of services that is reasonably attributable to the need for such net capital cost that results or will result from development in the municipality;
 - (xi) Municipal Board shall mean the Ontario Municipal Board;
 - (xii) Net Capital Cost shall mean the capital cost less capital grants, subsidies and

other contributions made to the Township of Drummond/North Elmsley or that Council anticipates will be made, including conveyances or payments under sections 41, 50 and 52 of *The Planning Act*, R.S.O. 1990, as amended, in respect of the capital cost;

- (xiii) Non-Residential Building shall mean development other than residential development as defined herein, and includes development for commercial and industrial uses.
- (xiv) Owner shall mean the owner of land or a person who has made application for an approval for development of land upon which a development charge is imposed;
- (xv) Prescribed shall mean prescribed by regulations made under the *Development Charges Act*, S.O. 1997.
- (xvi) Residential Building shall mean a building used or intended to be used for human habitation containing one or more dwelling units in which all domestic functions may be carried on.
 - (a) Accessory Dwelling shall mean a single dwelling which is accessory to a permitted non-residential use, located on the same lot therewith and is occupied either by the family of the owner such non-residential use or by a family of a person employed on the lot where such dwelling is located;
 - (b) Converted Dwelling shall mean a building originally designed as a single detached dwelling which has been altered or converted so as to provide therein not more than four dwelling units, with or without separate entrances, non of which shall be located in the cellar of the dwelling but which may be located partially in the basement;
 - (c) Duplex Dwelling shall mean a building that is divided horizontally into two dwelling units each of which has an independent entrance;
 - (d) Single Detached Dwelling shall mean a residential building consisting of one dwelling unit and not attached to another dwelling unit above grade;
 - (e) Semi-Detached Dwelling shall mean a residential building that is divided vertically into two dwelling units;

- (f) Triplex Dwelling shall mean a residential building that is divided horizontally into three dwelling units each of which has an independent entrance.
- (xvi) Services shall mean services designated in this by-law or an agreement made under *The Development Charges Act S.O. 1997* as applicable;

PART 2

APPLICATION

Designated Area

2. The designated area within which development charges are imposed by this By-law are all lands and associated buildings and structures within the geographic territorial limits of the Township of Drummond/North Elmsley.

Designated Municipal Services

3. The designated municipal services for which development charges are imposed are those services identified in Schedule 1 to this By-law.

Designated Uses

4. The Development Charges established by this by-law shall apply to all residential development within the Township of Drummond/North Elmsley where the development of the land would increase the need for services and the development requires:
- (a) the passing of a zoning by-law or of an amendment thereto under section 34 of *The Planning Act, R.S.O. 1990*; or
 - (b) the approval of a minor variance under section 45 of *The Planning Act, R.S.O. 1990*;
or
 - (c) a conveyance of land to which a by-law passed under section 50(7) of *The Planning Act, R.S.O. 1990* applies; or
 - (d) the approval of a plan of subdivision under section 51 of *The Planning Act, R.S.O. 1990*; or
 - (e) a consent under section 53 of *The Planning Act, R.S.O. 1990*; or
 - (f) the approval of a description under section 9 of *The Condominium Act, R.S.O. 1998*;
or
 - (g) the issuing of a permit under *The Building Code Act, R.S.O. 1992* in relation to a building or structure

5. Development charges are adopted and imposed for the following residential uses:
 - (a) single detached dwelling
 - (b) semi-detached dwelling
 - (c) duplex dwelling
 - (d) triplex dwelling
 - (e) converted dwelling
 - (f) accessory dwelling

6. This By-law shall not apply to land, buildings or structures that are owned by and used for the purposes of:
 - (a) The Corporation of the Township of Drummond/North Elmsley or any board thereof; or
 - (b) The County of Lanark or any local area municipality thereof and any boards thereof.

7. For the purposes of the residential charge, only development or redevelopment for the purpose of creating a new dwelling or dwellings shall be subject to the provision of this By-law.

8. Where two or more actions referred to by Section 4(a)-(g) of this By-law are required before land, to which the development charge applies, can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this By-law.

9. No development charge may be imposed with respect to:
 - (a) local services installed at the expense of the owner within a plan of subdivision as a condition of approval under Section 51 of *The Planning Act*, R.S.O. 1990, P.13;
 - (b) local services installed at the expense of the owner as a condition of approval under Section 50 of *The Planning Act*, 1990, R.S.O. 1990, P.13; or
 - (c) local connections to water mains, sanitary sewers and storm drainage facilities installed at the expense of the owner including amounts imposed under a By-law passed under Section 204 of *The Municipal Act*, 2001 S.O. 2001 c.25;

10. If an owner or a former owner has, before the coming into force of this By-law, paid all or any portion of a charge related to development pursuant to an agreement under Section 50, or 51 of *The Planning Act*, 1990, or a predecessor thereof with respect to land within the area to which this By-law applies, a credit for the amount of the charge already paid shall be granted within the calculation of the development charge applied under this By-law.

11. If an owner or former owner has before the coming into force of this By-law entered into an agreement subject to Section 50, or 51 of *The Planning Act*, 1990, or a predecessor therefore, which includes provisions for payment of the development charge related to development but said charge has not been paid, the provisions of the said agreement shall prevail to the extent of any conflict with this By-law.
12. Development charges as set out in Part 3 of this by-law shall apply to residential development but only insofar as:
 - (a) the growth-related net capital costs are attributable to that use; and
 - (b) the growth-related net capital cost of each service is attributable to the service or standard of service being provided at the time the development charges are being calculated.

PART 3

DEVELOPMENT CHARGES

13. The development charges imposed pursuant to this By-law with respect to the designated residential use of any land, building or structure shall be calculated in relation to:
 - (a) a residential building; or
 - (b) a residential portion of a mixed-use development;based upon the number and type of new dwelling units proposed.
14. Subject to the exceptions granted by this Part, Development Charges applied to development for the purposes of creating new dwelling units shall be calculated and collected as described in Schedule 1 for the following residential unit types”

Residential Unit Type

Accessory dwelling or dwelling unit
Converted dwelling
Duplex dwelling
Single detached dwelling
Triplex dwelling
Semi-detached dwelling

15. Subject to Section 16, a Development Charge By-law shall not impose a development charge with respect to:
 - (a) a building permit for a residential dwelling that does not result in the creation of an additional dwelling unit;

- (b) the creation of one or two additional dwelling units in an existing single detached dwelling; or
 - (c) the creation of one additional dwelling unit in any other existing residential building.
16. A development charge may be imposed under Section 15(b) if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.
17. A development charge may be imposed under Section 15(c) if the additional unit has a gross floor area greater than:
- (a) in the case of semi-detached or triplex dwelling, the gross floor area of the existing dwelling unit; and
 - (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.

PART 4

ADMINISTRATION

Timing of Calculation of Payment

18. A development charge shall be calculated and payable in full in money or by provision of services as may be agreed upon by credit granted by the *Act*, on the date that a Building Permit is issued in relation to a building or structure on land to which a development charge applies.
19. Where a development charge applies to land in relation to which a completed building permit has been submitted, the building permit shall not be issued until the development charge has been paid in full.

Reserve Funds

20. Monies received from payment of development charges shall be maintained in a separate Reserve Fund, and shall be used only to meet the growth-related net capital costs for which the development charge provided for under this By-law, is levied.
21. The Reserve Fund created hereunder shall be divided into separate accounts for the purpose of recording development charge payments and allocation of interest earned thereon. The respective accounts and the proportion of the development charge that shall be credited to each account are detailed on Schedule 2 to this By-law.
22. Income received from investment of the development charge Reserve Funds shall be credited on a pro rata basis to the above mentioned development charge accounts in relation to which the investment income applies.

Unpaid Development Charges

23. Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected as taxes.
24. Where any unpaid development charges are collected as taxes under Section 23 the monies so collected shall be credited to the development charge Reserve Fund referred to in Section 20.

Reporting

25. The Treasurer of the Corporation of the Township of Drummond/North Elmsley shall, on or before March 1st each year, furnish to Council a statement in respect of the Reserve Fund for the prior year established hereunder and containing the information as prescribed under Section 12 of *Ontario Regulation 82/98* and shall submit the statement for Council's consideration and within 60 days thereafter, to submit such statement to the Minister of Municipal Affairs and Housing.

Overpayment

26. Where this By-law or any development charge prescribed hereunder is amended or repealed either by order of the Ontario Municipal Board or by resolution of the Council of the Corporation of the Township of Drummond/North Elmsley, the Clerk of the Township of Drummond/North Elmsley shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.
27. Refunds that are required to be paid under Section 26 shall be paid with interest to be calculated as follows:
 - (a) Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;
 - (b) Interest shall be paid at the Bank of Canada rate in effect on the later of,
 - (i) the date of enactment of this By-law, or
 - (ii) the date of the last quarterly adjustment thereof, in accordance with the provisions of subsection (4) of the *Act*.

Indexing of Development Charges

28. The development charges referred to in this By-law may be adjusted annually without amendment to this By-law, as of the First day of January in accordance with the Statistics Canada Quarterly, Construction Price Statistics, unless the Council determines to waive any part or all of such adjustment.
29. This By-law shall be administered by the Treasurer of the Corporation of the Township of Drummond/North Elmsley.

30. Notwithstanding any other provision of this By-law, where a completed building permit application has been lodged with the Township of Drummond/North Elmsley prior to the date of enactment of this By-law, the development charge in effect prior to the date of enactment of this By-law shall apply.

Schedule

31. The following schedules to this By-law form an integral part of this By-law:

Schedule 1	Designated Municipal Services
Schedule 2	Reserve Fund Accounts

Effective Date

32. This By-law shall come into force and effect September 1, 2014.

Date By-law Expires

33. This By-law shall continue in force and effect for a term not exceeding five years from September 1, 2014, unless it is repealed at an earlier date by subsequent By-law.

Severability

34. It is the declared intention of the Council of the Township of Drummond/North Elmsley that any section or part thereof or any Schedule or part thereof which may be held to be void or ineffective shall not be deemed to affect the validity of any other section or Schedule to this By-law.

Short Title

35. This By-law may be cited as the Development Charges By-law for the Township of Drummond/North Elmsley.

Repeal of Previous By-laws

36. By-law No.2009-054 is hereby repealed effective September 1, 2014

READ a first and second time this 26th day of August, 2014.

READ a third time and passed this 26th day of August, 2014.

Aubrey Churchill, Reeve

Cindy Halcrow, Clerk Administrator

SCHEDULE 1

DESIGNATED MUNICIPAL SERVICES

Category of Municipal Service	Service Component Applicable to this By-law				
	Sept 1, 2014	Sept 1, 2015	Sept 1, 2016	Sept 1, 2017	Sept 1, 2018
Administration /Development Charges Study (2%)	\$50.00	\$52.50	\$55.00	\$57.50	\$60.00
Road Systems (87%)	\$2,175.00	\$2,283.75	\$2,392.50	\$2,501.25	\$2,610.00
Facilities (11%)	\$275.00	\$288.75	\$302.50	\$316.25	\$330.00
Total (100%)	\$2,500.00	\$2,625.00	\$2,750.00	\$2,875.00	\$3,000.00

SCHEDULE 2

RESERVE FUND ACCOUNTS

Service Account Name	Percentage of Development Charge to be credited to Service Account
Administration/Development Charge Study	2%
Road Systems	87%
Facilities	<u>11%</u>
	100%