



Staff Report

Finance and IT Services

Report To: Council
Meeting Date: May 19, 2020
Report Number: FAF.20.088
Subject: Development Charges – 63 Arthur Street West Follow-up
Prepared by: Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

A. Recommendations

THAT Council receive Staff Report FAF.20.088 entitled “Development Charges – 63 Arthur Street West Follow-up”;

AND THAT Council uphold the Development Charges By-law 2019-17 and levy the Development Charges as a Row and Other Multiple/Hotel rate.

B. Overview

At the May 4, 2020 Council meeting, Council received a correspondence (Attachment #1) from Mr. Will Goertz of TRICON Management Systems Inc. In the letter Mr. Goertz asked that the Town levy Development Charges at the non-residential rate rather than residential. This report is bringing additional information forward for Council’s consideration.

C. Background

The Town started the Development Charges Background Study and By-law update in 2018 and approved as By-law 2019-17 (Attachment #2) by Council on April 24, 2019. This By-law was accompanied by the mandatory background study. The by-law and background study are in place until April 2024 at which time the Town will have to revise both.

The Development Charges Act does not specifically state how a hotel unit should be charged (residential versus non-residential). With this flexibility some municipalities charge at residential (similar to the Town), some as non-residential, and some as a specific hotel charge.

D. Analysis

Definitions within Planning documents (i.e. Official Plan & Zoning Bylaw) and the Development Charges By-law were harmonized to the greatest extent possible; however, some differences were accommodated to account for how certain uses were anticipated to demand Town services and should be treated/defined in Development Charges Bylaw. In the context of

Development Charges By-law 2019-17 hotel units were included in many definitions the two most important are the "Hotel Unit" definition and the "Residential Use". Both definitions from the by-law are included below.

- "hotel unit" means one or more habitable rooms used, designed or intended to be used as a sleeping accommodation unit by one or more persons, and may be used by the travelling or vacationing public or for recreational purposes, but not containing its own culinary facilities and for the purposes of the by-law is defined as an other multiple dwelling unit.
- "residential use" means land, buildings or structures or portions thereof used, designed or intended to be used for human habitation as a home, residence or living accommodation for one or more individuals and includes commercial resort units, hotel or motel units.

First the residential use definition in the Development Charges Bylaw categorized hotel units as residential and therefore not non-residential and the hotel unit definition states that they will be charged out other multiple dwellings. This information is also contained on the Town's annual Development Charges pamphlet.

While the Town was working through updating the Development Charges the Planning Department had a few potential hotel developments that were anticipated and staff wanted to ensure that hotels were included and specifically laid out in both the background study and the by-law.

Looking at Appendix A Tables 11 Forecast Area-Specific Residential Dwellings and 12 Forecast Area-Specific Population in New Dwelling, hotel units are included in the residential growth forecast. When completing the background study hotel units were included in the different calculations which in turn effects the charges. Similar to other build types (single/semi for example) these units were given a unit forecast count as well as a PPU (persons per unit) count which allow the Town to get to a charge. The PPU counts were set using Census data and Hotels were put in line with Other Multiples at 2.0 PPUs.

If Council wanted to change Hotel Units from residential to non-residential the Town would have to open up the background study, re-do the forecasts and go through the public consultation process again. The last update cost the Town \$60,000, staff would estimate that this type of update would not cost as much but would be a similar price point.

Staff pooled neighbouring and similar municipalities as well as similar, that information is contained in the chart below.

Municipality	Charge Type
Meaford	Multi-Residential
Collingwood	Non-Residential
Grey Highlands	Non-Residential
West Grey	Non-Residential

Municipality	Charge Type
Owen Sound	Non-Residential
Grey County	Non-Residential
District of Muskoka	Residential
Gravenhurst	Residential
Clearview	Non-Residential

E. The Blue Mountains Strategic Plan

The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational and Operational Excellence

Objective #4: To Be a Financially Responsible Organization

F. Environmental Impacts

None.

G. Financial Impact

The chart below shows the different calculation between the current treatment of a hotel unit and the ask included in the letter.

Development Charge	Residential Treatment	Non-Residential Treatment
Soft Charges	\$58,090	\$14,648
Roads and Related	\$85,990	\$24,705
Water	\$140,540	\$46,322
Wastewater	\$141,170	\$53,078
Demolition Credit	\$(53,222)	\$(53,222)
Total	\$372,568	\$85,531

Please note that whatever type of development charge is levied the developer will receive the demolition credit for a single/semi dwelling.

Council always has the ability to levy something different than what is outlined in the by-law; however, when they do so the Town then needs to pay the difference. The Town is not allowed to lower Development Charges for one development and levy them against another which is what would happen in this case if the by-law and background study are not followed.

If Council were to levy the non-residential rate, the Town would be giving an exemption of \$287,037 for this development which would require a funding source in 2020. This amount can be further broken down into Taxation (Soft and Roads) \$104,728, Water \$94,218, and Wastewater \$88,092.

Another item to note is Parks and Recreation and Library are not included in the non-residential development charge as per the Development Charges Act.

If Council wishes to grant this exemption a draft resolution has been written for their consideration.

AND THAT Council direct staff to levy the Non-Residential rate for the development at 63 Arthur Street West;

AND THAT Council direct staff to bring forward a report to funding the \$287,037 exemption.

H. In consultation with

Ruth Prince, Director of Finance and IT Services
Nathan Westendorp, Director of Planning and Development Services

I. Public Engagement

The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets at finance@thebluemountains.ca.

J. Attached

1. Correspondence from Mr. Will Goertz of TRICON Management Systems Inc.
2. By-law 2019-17

Respectfully Submitted,

Sam Dinsmore
Deputy Treasurer/Manager of Accounting and Budgets

Ruth Prince
Director of Finance and IT Services

For more information, please contact:
Sam Dinsmore
finance@thebluemountains.ca
519-599-3131 extension 274



TRICON Management Systems Inc.

April 9, 2020

Ruth Prince, Dir. of Finance/Treasurer
Town of Blue Mountains
32 Mill Street
P.O. Box 310
Thornbury, ON N0H 2P0

Re: Development Charges as related to April 2, 2020 Pre-Consultation Meeting for 63 Arthur St. W., Thornbury

Dear Ms. Prince,

We have proposed a ten (10) suite boutique hotel on a severed portion at 63 Arthur St. W. and we were advised that the development charges would be a total of \$425,780. These charges would represent approximately 25% of the total cost of the development and would not make the project financially viable.

It would be appreciated if Council would consider granting relief and applying charges at the regular commercial rate of \$240.90 per sq. m. which is typical in all other municipalities. Without such relief we would have to abandon this project.

The courtesy of a prompt reply would be greatly appreciated.

Sincerely,

A black rectangular box redacting the signature of Will Goertz.

Will Goertz, President

The Corporation of The Town of The Blue Mountains

By-Law Number 2019 – 17

Being a By-law to establish Development Charges for the Corporation of The Town of The Blue Mountains

WHEREAS subsection 2(1) of the *Development Charges Act, 1997*, c. 27 (hereinafter called “the Act”) provides that the council of a municipality may pass By-laws for the imposition of development charges against land to pay for increased capital costs required because of increased needs for services arising from development in the area to which the by-law applies;

AND WHEREAS the Council of The Corporation of the Town of The Blue Mountains (“Town of The Blue Mountains”) has given Notice in accordance with Section 12 of the Act, of its intention to pass a by-law under Section 2 of the said Act;

AND WHEREAS the Council of the Town of The Blue Mountains has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposal at a public meeting held on March 11, 2019;

AND WHEREAS the Council of the Town of The Blue Mountains had before it a report entitled Development Charges Background Study dated February 6, 2019 (the “Study”) prepared by Hemson Consulting Ltd., wherein it is indicated that the development of any land within the Town of The Blue Mountains will increase the need for services as defined herein;

AND WHEREAS copies of the Study were made available on February 6, 2019 and copies of the proposed development charges by-law were made available on February 25, 2019 to the public in accordance with Section 12 of the Act;

AND WHEREAS the Council of the Town of The Blue Mountains on March 11, 2019 approved the Study, dated February 6, 2019, in which certain recommendations were made relating to the establishment of a development charge policy for the Town of The Blue Mountains pursuant to the Act;

AND WHEREAS by resolution adopted by Council of The Corporation of the Town of The Blue Mountains on March 11, 2019, Council determined that the increase in the need for services attributable to the anticipated development as contemplated in the Study dated February 6, 2019, as amended, including any capital costs, will be met by updating the capital budget and forecast for the Town of The Blue Mountains, where appropriate;

AND WHEREAS by resolution adopted by Council on March 11, 2019, Council approved the Study, as amended, and determined that no further public meetings were required under Section 12 of the Act;

AND WHEREAS by resolution adopted by Council of The Corporation of the Town of The Blue Mountains on March 11, 2019, Council determined that the future excess capacity identified in the Study, as amended, dated February 6, 2019, shall be paid for by the development charges contemplated in the said Study, or other similar charges;

AND WHEREAS the Council of the Town of The Blue Mountains has given consideration of the use of more than one development charge by-law to reflect different needs for services in different areas, also known as area rating or area specific development charges, and has determined that for the services, and associated infrastructure proposed to be funded by development charges under this by-law, that it is fair and reasonable that the charges be calculated on an area-specific and Town-wide uniform basis;

AND WHEREAS the Study dated February 6, 2019, as amended, includes an Asset Management Plan that deals with all assets whose capital costs are intended to be funded under the development charge by-law and that such assets are considered to be financially sustainable over their full life-cycle;

AND WHEREAS the Council of the Town of The Blue Mountains will give consideration to incorporate the Asset Management Plan outlined in the Study, as amended, within the Town of The Blue Mountains' ongoing practices and current and/or future corporate Asset Management Strategies.

Now Therefore Council of The Corporation of the Town of The Blue Mountains hereby enacts as follows:

Definitions

1. In this By-law,

"accessory apartment" means a dwelling unit, whether contained within an existing or proposed single detached dwelling, semi-detached dwelling, or multiple dwelling or located in an accessory building to a single detached dwelling, a semi-detached dwelling or multiple dwelling including but not limited to a structure constructed above an existing garage or other structure separate from the primary dwelling unit, which comprises an area less than the gross floor area of the primary dwelling unit and is not capable of being legally conveyed as a separate parcel of land from the primary dwelling unit;

"Act" means the *Development Charges Act, 1997*, S.O. 1997, c.27;

"agricultural use" means lands, buildings, or structures, excluding any portion thereof used as a dwelling unit, used, designed or intended to be used for the purpose of a bona fide farming operation including, but not limited to, animal husbandry, bee keeping, dairying, fallow, field crops, fish farming, forestry, fruit farming, horticulture, livestock, market gardening, pasturage, poultry keeping, the growing, raising, packing, treating, storing, and sale of produce produced on the premises, and other activities customarily carried on in the field of agriculture, including the cultivation of cannabis;

"air-supported structure" means an air supported structure as defined in the *Building Code Act*;

"apartment" means any dwelling unit within a building containing more than three dwelling units where the units are connected by an interior corridor;

"board" means a board of education, public school board, secondary school board, Catholic school board, Protestant school board, or a board as defined in Subsection 1(1) of the *Education Act*, R.S.O. 1990, c.E.2, as amended;

"building or structure" means a structure occupying an area greater than ten square metres consisting of a wall, roof, and floor or any of them or a structural system serving the function thereof including an air-supported structure, excluding a farm building;

"Building Code Act" means the *Building Code Act*, S.O. 1992, c.23, as amended, and all Regulations thereto including the Ontario Building Code, 1997, as amended;

"cannabis production facility" means the use of land, buildings or structures for the processing, testing, destruction, packaging and shipping of cannabis and for the purposes of the by-law is defined as a non-residential use;

"commercial conference centre meeting space use" means land, buildings or structures used, designed or intended to be used for commercial meetings such as civic, educational, political, religious and social functions including convention centre and facility meeting space;

“commercial maintenance facility use” means ski lift facilities, service and maintenance facility related to a ski resort or service and maintenance facility related to a golf course;

“commercial recreational facility use” means land, buildings or structures used, designed or intended to be used for commercial indoor recreational use excluding institutional public hall use;

“commercial restaurant use” means land, buildings or structures used, designed or intended to be used for the purpose of offering food or beverages for sale to the public for consumption and includes such uses as a restaurant, drive-in restaurant, drive-thru restaurant, take-out restaurant, dining room, lunch room, bake shop, cafeteria, coffee shop, ice cream parlour, snack bar, or tavern including related storage;

“commercial other use” means land, buildings or structures used, designed, or intended to be used for the purpose of an office, buying, selling, leasing and renting articles, commodities, goods, merchandise, substances or wares, including related storage or the supplying of services as distinguished from such uses as manufacturing or assembling of goods including all non-residential uses not otherwise defined and excluding commercial conference centre meeting space use, commercial maintenance facility use, and commercial restaurant use;

“commercial resort unit” means one room or a group of rooms in a building used or designed or intended to be used by one or more persons, as a single commercial accommodation unit within a commercial resort unit complex (i) in which food preparation and sanitary facilities are provided for the exclusive use of such person or persons; (ii) which has a private entrance from a common hallway or entrance either inside or outside the building; (iii) which is part of a rental or lease management program which consists of a minimum of ten such units in one building or group of buildings; (iv) which is not used or designated as a principal residence; and (v) which has been established to provide accommodation for gain or profit; and shall be considered a residential dwelling unit;

“commercial resort unit with separate designated lock off unit” means a commercial resort unit having a single adjacent room or suite with a shared door in the common wall between the main part of the unit and the adjacent room or suite, with a private entrance from the common hallway or entrance either inside or outside the building for each of the main part of the unit and the adjacent room or suite, with each of the main part of the unit and the adjacent room or suite designated as separate condominium units in accordance with a declaration and description, and where the gross floor area of the adjacent room or suite does not exceed 46.5 square metres;

“Council” means the Council of The Corporation of the Town of The Blue Mountains;

“development” means any use or proposed use in respect of land that requires one or more of the actions referred to in Section 7 of this By-law, including the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof, and includes redevelopment;

“development charge” means a charge imposed pursuant to this By-law;

“dwelling unit” means one or more habitable rooms designed or intended to be used together as a single and separate housekeeping unit by one or more persons, containing its own culinary facilities, or facilities for the installation of cooking equipment, and sanitary facilities, including a commercial resort unit and a commercial resort unit with separate designated lock off unit;

“farm building” means a farm building as defined in the *Building Code Act*;

“Fire Services” includes, but is not limited to, rescue services and emergency services;

“floor” includes a paved, concrete, wooden, gravel, or dirt floor;

“grade” means the average level of proposed or finished ground adjoining a building or structure at all exterior walls;

“gross floor area” means the sum total of the total areas of all floors in a building, structure, or dwelling unit whether at, above, or below-grade, measured between the exterior faces of the exterior walls of the building or structure or from the centre line of a common wall separating two uses, or from the outside edge of a floor where the outside edge of the floor does not meet an exterior or common wall, and:

- (a) includes the floor area of a mezzanine and air-supported structure and the space occupied by interior walls partitions;
- (b) excludes any parts of the building or structure used for the parking and loading of vehicles;
- (c) excludes the floor area of a hallway directly adjacent to a Commercial Resort Unit, a hotel unit or a motel unit; and
- (d) where a building or structure does not have any walls, the gross floor area of the building or structure shall be the total of the area of all floors, including the ground floor, that are directly beneath the roof of the building or structure;

“hotel unit” means one or more habitable rooms used, designed or intended to be used as a sleeping accommodation unit by one or more persons, and may be used by the travelling or vacationing public or for recreational purposes, but not containing its own culinary facilities and for the purposes of the by-law is defined as an other multiple dwelling unit;

“industrial other use” shall have the same meaning as the term “existing industrial building” in *Ont. Reg. 82/98* made under the Act excluding intensive industrial use;

“institutional public hall use” means land, buildings or structures used, designed or intended to be used for a non-commercial meetings and recreation including arena or community centre;

“institutional other use” means land, buildings or structures used, designed or intended to be used for a non-commercial purpose by any organization, group, or association for religious, charitable, education, health or welfare purposes excluding institutional public hall use and institutional church use;

“intensive industrial use” shall have the same meaning as the term “existing industrial building” in *Ont. Reg. 82/98* made under the Act where the use, due to the nature of its operation or materials used therein, would be considered obnoxious by reason of or emissions such as smoke, noise, dust, fumes, odours, or vibrations;

“local board” means municipal service board, municipal business corporation, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power under any general or special act with respect to the affairs or purposes of the Town, but excluding a board, a conservation authority, any municipal business corporation not deemed to be a local board under *O. Reg. 168/03* made under the *Municipal Act, 2001*, S. O. 2001, c.25, and any corporation created under the *Electricity Act, 1998*, S. O. 1998, c. 15, Sch. “A”;

“mezzanine” means a mezzanine as defined in the *Building Code Act*;

“motel unit” means one or more habitable rooms used, designed or intended to be used as a sleeping accommodation unit by one or more persons, and may be used by the travelling or vacationing public or for recreational purposes, but not containing its own culinary facilities;

“non-residential use” means land, buildings or structures or portions thereof used, designed or intended to be used for a purpose other than for residential use;

“owner” means the owner of land or any person authorized by such owner to make one or more applications described in Section 7 of this By-law for the development of such land;

“other multiple” mean residential buildings not including single detached dwellings, semi-detached dwellings or apartment dwellings and shall include a hotel unit and motel unit;

“place of worship” means land, buildings or structures used, designed, or intended to be used for a place of worship or for the purpose of a cemetery or burial ground and exempt from taxation under the *Assessment Act*, R.S.O. 1990, c.A.31, as amended;

“private ski club lodge use” means base lodge associated with a private ski club resort that does not provide night skiing;

“protracted” means in relation to a temporary building or structure the persistence of its construction, erection, placement on land, alteration or of an addition to it for a continuous period exceeding eight months;

“Public Works” includes, but is not limited to, lands, buildings, structures, equipment and fleet;

“redevelopment” means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land, changing the use of a building or structure from residential to non-residential or from non-residential to residential or changing a building or structure from one type of residential development to another or from one type of non-residential development to another;

“residential use” means land, buildings or structures or portions thereof used, designed or intended to be used for human habitation as a home, residence or living accommodation for one or more individuals and includes commercial resort units, hotel or motel units;

“Roads & Related Services” include, but are not limited to, land, bridges, culverts, structures, drainage ditches, highways, roadways, sidewalks, signal lights, storm sewers and street lights;

“Sanitary Sewage System” means all land, buildings, structures, works, facilities and things related to sanitary sewer services including, but not limited to, all works for the collection, transmission, treatment, and disposal of sewage;

“semi-detached dwellings” mean a residential building divided vertically into dwelling units each of which has a separate entrance and access at grade;

“services” means services designated in this By-law including Schedule B to this By-law or in agreement under Section 44 of the Act, or both;

“Service Area” means lands in one of Service Areas 1 to 12 as shown on Schedule “A” to this By-law being Service Area 1 Craigleith, 2 Castle Glen, 3 Osler, 4 Thornbury Easy, 5 Thornbury West, 6 Clarksburg, 7 Lora Bay SA1, 8 Lora Bay SA2, 9 Lora Bay SA3, 10 Camperdown and 11 Swiss Meadows;

“Service Area 12” means all lands in the geographic area of the Town of The Blue Mountains that are not located in Service Area 1 to 11 inclusive as shown on Schedule “A” to this By-law;

“single detached dwellings” mean residential buildings, each of which contain a single dwelling unit, that are not attached to other buildings;

“temporary building or structure” means a building or structure constructed or erected or placed on land for a continuous period not exceeding eight months, or an addition or alteration to a building or structure that has the effect of increasing the gross floor area thereof for a continuous period not exceeding eight months;

“Town” means the Corporation of the Town of The Blue Mountains, including the former Town of Thornbury and the former Township of Collingwood;

“Waterworks System” means all land, buildings, structures, works, facilities and things related to water services including, but not limited to, all works for the production, treatment, storage, supply, transmission and distribution of water.

Rules

2. For the purpose of complying with Section 6 of the Act:
 - (a) the area to which this By-law applies shall be the area described in Section 3 of this By-law;
 - (b) the rules developed under paragraph 9 of Subsection 5(1) of the Act for determining if a development charge is payable in any particular case and for determining the amount of the charge shall be as set forth in Sections 4 through 17, inclusive, and Section 27 of this By-law;
 - (c) the exemptions, partial exemptions and credits provided for by such rules shall be the exemptions, partial exemptions and credits set forth in Sections 18 through 22, inclusive, of this By-law, the indexing of charges shall be in accordance with Section 15 of this By-law, and there shall be no phasing in of development charges as provided in Subsection 16(1) of this By-law; and
 - (d) the redevelopment of land shall be in accordance with the rules set forth in Section 22 of this By-law.

Lands Affected

3. This By-law applies to all lands in the geographic area of the Town, whether or not the land is exempt from taxation under the *Assessment Act*, R.S.O. 1990, c.A.31, as amended. In addition to this By-law, lands in the Town may also be subject to area-specific development charges by-laws.

Designation of Services

4. It is hereby declared by Council that all development within the area to which this By-law applies will increase the need for services.
5. The development charge applicable to a development as determined under this By-law shall apply without regard to the services required or used by an individual development.
6. Development charges shall be imposed for the following categories of services (refer to Schedule B) to pay for the increased capital costs required because of increased needs

for services arising from development:

- (a) General Government;
- (b) Library Services;
- (a) Fire Services;
- (b) Police Department Services;
- (c) Parks & Recreation Services;
- (d) Public Works;
- (e) Parking & By-law;
- (f) Solid Waste;
- (g) Town-wide Roads & Related Services;
- (h) Castle Glen Roads & Related Services;
- (i) Waterworks System; and
- (j) Sanitary Sewage System.

Approvals for Development

7. Development charges shall be imposed against all lands, buildings or structures within the area to which this By-law applies if the development of such lands, buildings or structures requires any of the following approvals:
 - (a) the passing of a zoning by-law or of an amendment to a zoning by-law under Section 34 of the *Planning Act*;
 - (b) the approval of a minor variance under Section 45 of the Planning Act, R.S.O. 1990, c. C.26, as amended, or Section 9 of the Condominium Act, 1998, S. O. 1998, C. 19, as amended, or its predecessor Act
 - (c) a conveyance of land to which a by-law passed under Subsection 50(7) of the *Planning Act* applies;
 - (d) the approval of a plan of subdivision under Section 51 of the *Planning Act*;
 - (e) a consent under Section 53 of the *Planning Act*;
 - (f) the approval of a description under Section 50 of the *Condominium Act*; or
 - (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.
8. No more than one development charge under this by-law for each service designated in Section 6 shall be imposed upon any lands, buildings or structures to which this By-law applies even though two or more of the actions described in Section 7 are required before the lands, buildings or structures can be developed.
9. Notwithstanding Section 8 and Section 13, if two or more of the actions described in Section 7 occur at different times, additional development charges shall be imposed in respect of any increased or additional development permitted by that action.

10. Where a development requires an approval described in Section 7 after the issuance of a building permit and no development charge has been paid, then the development charge shall be paid prior to the granting of the approval required under Section 7.
11. If a development does not require a building permit but does require one or more of the approvals described in Section 7, then the development charge shall nonetheless be payable in respect of any increased or additional development permitted by such approval required for the increased or additional development being granted.
12. Nothing in this By-law prevents Council from requiring, as a condition of an agreement under Section 51 or Section 53 of the *Planning Act*, that the owner, at his or her own expense, install such local services related to a plan of subdivision or within the area to which the plan relates, as Council may require in accordance with the local service policies of the Town in effect at the time, or that the owner pay for local connections to storm drainage facilities installed at the owner's expense, or administrative, processing, or inspection fees.

Basis for Calculation of Development Charges

13. The development charge with respect to the development of any land, buildings or structures shall be calculated as follows:
 - (1) in the case of residential development, or the residential portion of a mixed-use development, based upon the number and type of dwelling units and the Service Area in which the development occurs;
 - (2) in the case of non-residential development, or the non-residential portion of a mixed-use development, based upon the gross floor area of such development, the Service Area in which the development occurs, and the type of development; and,
 - (3) in the case of a type of development not described above, based upon the number and type of units and/or gross floor area portions of such development and the Service Area in which the development occurs.

Amount of Development Charges

14. The amount of the development charge shall be imposed as follows:
 - (1) the development charges described in Schedules C-1, C-2 and C-3 to this By-law shall be imposed on residential development of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed-use building or structure, on the residential component of the mixed-use building or structure, calculated for each dwelling unit by type;
 - (2) the development charges described in Schedule D to this By-law shall be imposed on the non-residential development of land, buildings, or structures and, in the case of a mixed-use building or structure, on the non-residential portion of the mixed-use building or structure, and calculated on the gross floor area of the non-residential use; and,
 - (3) in the case of a type of development not described above, the development charges described in Schedules C-1, C-2 and C-3 and D, as the case may be, shall be imposed on the portions of the development.

Indexing of Development Charges

15. The development charges imposed pursuant to this By-law may be adjusted annually without amendment to this By-law, commencing January 1, 2020 and on January 1 of each year thereafter, in accordance with the most recently available Statistics Canada

Phasing, Timing of Calculation and Payment

16. (1) The development charges set out in this By-law are not subject to phasing in and are payable in full, subject to the exemptions and credits herein, from the date this By-law comes into force.
- (2) Subject to Subsection (3), Subsection (4), Section 21, and Section 22, the development charge shall be calculated as of and shall be payable on the date the first building permit is issued in relation to a building or structure on land to which the development charge applies.
- (3) Notwithstanding Subsection (2) the Town-wide Roads & Related Services, Castle Glen Roads & Related Services, Sanitary Sewage System, and Waterworks System services components of the development charges for residential developments that require approval of a plan of subdivision under Section 51 of the *Planning Act* or a consent under Section 53 of the *Planning Act* and for which a subdivision agreement or consent agreement is executed by the owner shall be calculated and shall be payable immediately upon the owner executing the agreement, pursuant to Section 26 of the Act. The terms of such agreement shall then prevail over the other provisions of this section.
- (4) If at the time of issuance of a building permit or permits for any development for which payments have been made pursuant to subsection 16(2) and subsection 16(3), the total number and type of dwelling units for which building permits have been and are being issued, or the gross floor area used or intended to be used for a non-residential purpose for which building permits have been and are being issued, is greater than that used for the calculation and payment referred to in subsection (1), an additional payment shall be required and shall be calculated by multiplying the applicable charge shown in Schedules C-1, C-2 and C-3 or D, by:
- (a) in the case of residential development, the difference between the number and type of dwelling units for which building permits have been and are being issued and the number and type of dwelling units for which payments have been made pursuant to subsection 16(2), subsection 16(3) and this subsection; and
- (b) in the case of non-residential development, the difference between the gross floor area used or intended to be used for a non-residential purpose for which building permits have been and are being issued and the gross floor area used or intended to be used for a non-residential purpose for which payments have been made pursuant to subsection 16(2), subsection 16(3) and this subsection.
- (5) Subject to subsection 16(7), if, following the issuance of all building permits for all development in a subdivision or for all development on a block within that subdivision that had been intended for future development and for which payments have been made pursuant to subsection 16(2) and subsection 16(3), the total number and type of dwelling units for which building permits have been issued, or the gross floor area used or intended to be used for a non-residential purpose for which building permits have been issued, is less than that used for the calculation and payment referred to in subsection 16(2) and subsection 16(3), a refund shall become payable by the Town to the person who originally made the payment referred to in subsection 16(2) and subsection 16(3) which refund shall be calculated by multiplying the applicable development charge in effect at the time such payments were made by:
- (a) in the case of residential development, the difference between the number of dwelling units by type for which payments were made pursuant to subsection

16(2) and subsection 16(3) and the number of dwelling units by type for which building permits were issued; and

- (b) in the case of non-residential development, the difference between the gross floor area used or intended to be used for a non-residential purpose for which payments were made pursuant to subsection 16(2) and subsection 16(3) and the gross floor area used or intended to be used for a non-residential purpose for which building permits were issued.
- (6) Subsections 16(4) and 16(5) shall apply with necessary modifications to a development for which development charges have been paid pursuant to a condition of consent or pursuant to an agreement respecting same.
- (7) Notwithstanding subsections 16(1) to 16(6), the Town may require and where so required an owner shall enter into an agreement, including the provision of security for the owner's obligations under the agreement, pursuant to section 27 of the Act and, without limiting the generality of the foregoing, such an agreement may require the early payment of the development charges hereunder. The terms of such agreement shall then prevail over the provisions of this By-law.
- (8) Any refunds payable pursuant to subsections 16(5) and 16(6) shall be calculated and paid without interest.

Payment by Money or the Provision of Services

17. (1) Payment of development charges shall be by cash or by cheque.
- (2) In the alternative to payment by the means provided in Subsection (1), the Town may, by an agreement entered into with the owner under Section 38 of the Act, accept the provision of services in full or partial satisfaction of the development charge otherwise payable provided that:
- (a) if the Town and the owner cannot agree as to the reasonable cost of the work performed, the reasonable cost of the work shall be determined by the Town's Treasurer; and
 - (b) if the credit exceeds the amount of the charge for the service to which the work relates,
 - (i) the excess amount shall not be credited against the charge for any other service, unless the Town has so agreed in an agreement under Section 38 of the Act; and
 - (ii) in no event shall the Town be required to make a cash payment to the credit holder.
- (3) Nothing in this By-law prevents Council from requiring, as a condition of any approval given under the *Planning Act* that the owner, at the owner's expense, installs such local services as Council may require in accordance with the local service policies of the Town in effect at the time.

Rules for Exemption Relating to the Creation of Additional Dwelling Units

18. This By-law does not apply with respect to approvals related to the residential development of land, buildings or structures that would have the affect only,
- (1) of permitting the enlargement of an existing dwelling unit;

- (2) of creating a maximum of two additional dwelling units in an existing single detached dwelling where the total gross floor area of the additional dwelling unit or units is less than or equal to the gross floor area of the dwelling unit already in the building;
- (3) of creating a maximum of one additional dwelling unit in an existing semi-detached dwelling or row dwelling where the gross floor area of the additional dwelling unit is less than or equal to the gross floor area of the dwelling unit already in the building; or
- (4) of creating a maximum of one additional dwelling unit in any existing other residential building where the gross floor area of the additional dwelling unit is less than or equal to the gross floor area of the smallest dwelling unit already in the building.

Rules for Exemption Relating to Industrial Enlargement

19. (1) If a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable is the following:
 - (a) if the gross floor area is enlarged by 50 per cent or less, the amount of the development charge in respect of the enlargement is zero; and
 - (b) if the gross floor area is enlarged by more than 50 per cent, development charges are payable on the amount by which the enlargement exceeds 50 per cent of the gross floor area before the enlargement.
- (2) For the purpose of this Section only the terms “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in *Ont. Reg. 82/98* made under the Act.
- (3) In this Section, for greater certainty in applying the exemption herein:
 - (a) the gross floor area of an existing industrial building shall be determined as of the date this By-law comes into force; and
 - (b) the gross floor area of an existing industrial building is enlarged where there is a bona fide increase in the size of the existing building and the enlarged area is attached to existing industrial building and is used for or in connection with an industrial purpose as set out in Subsection 1(1) of *O. Reg. 82/98*. Without limiting the generality of the foregoing, the exemption in this Section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor or other passageway, or through a shared below grade connection such as a service tunnel, foundation, footing or a parking facility.
- (4) For the purpose of interpreting the definition of “existing industrial building” contained in *O. Reg. 82/98*, regard shall be had for the classification of the lands in question pursuant to the Assessment Act, R. S. O. 1990, c. A.31, as amended, and in particular: whether the lands fall within a tax class such that taxes on the land are payable at an industrial rate; and, whether more than 50% of the gross floor area of the building or structure on the land has an industrial property code for assessment purposes.

Categories of Exempt Uses

20. The following categories of uses are hereby designated as being exempt from the payment of development charges:
- (1) land, buildings or structures owned by and used for the purposes of a municipality and exempt from taxation under Section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31, as amended;
 - (2) lands, buildings or structures owned by and used for the purposes of a board and exempt from taxation under Section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31;
 - (3) buildings or structures used as public hospitals governed by the *Public Hospitals Act*, R.S.O. 1990, c.P.40, as amended;
 - (4) land, buildings or structures used for place of worship use and exempt from taxation under the *Assessment Act*, R.S.O. 1990, c.A.31, as amended;
 - (5) land, buildings or structures for agricultural use which do not receive municipal sanitary sewer or water supply services;
 - (6) accessory apartments;
 - (7) non-residential development that is smaller than 232 square meters in gross floor area, this exemption does not apply to buildings that are greater than 232 square meters; and
 - (8) Fire Protection Services portion of the Development Charges is not imposed if a sprinkler system is provided in the residential or non-residential buildings where sprinklers are not required to comply with the Ontario Building Code.

Categories of Partial Exempt Uses

21. (1) The following categories of uses are hereby designated as being partially exempt from the payment of development charges:
- (a) Single-detached dwellings that are less than 115 square metres in gross floor area shall pay the "Other Multiples/Hotel" Dwelling Unit rate shown in Schedule C-2.
 - (b) Semi-detached dwellings that are less than 115 square metres in gross floor area shall pay the "Other Multiples/Hotel" Dwelling Unit rate shown in Schedule C-2.
- (2) For the purpose of this Section the term "gross floor area" shall exclude the total area of all floors located below grade.

Temporary Buildings or Structures

22. (1) Subject to Subsections (2) and (3), temporary buildings or structure shall be exempt from the payment of development charges.
- (2) In the event that a temporary building or structure becomes protracted, it shall be deemed not to be nor ever to have been a temporary building or structure, and the development charges required to be paid under this By-law shall become payable on the date the temporary building or structure becomes protracted.

- (3) Prior to the Town issuing a building permit for a temporary building or structure, the Town may require an owner to enter into an agreement, including the provision of security for the owner's obligation under the agreement, pursuant to Section 27 of the Act providing for all or part of the development charge required by Subsection (2) to be paid after it would otherwise be payable. The terms of such agreement shall then prevail over the provisions of this By-law.

Rules for the Redevelopment of Land

23. (1) Despite any other provision of this By-law, where as a result of the redevelopment of land, a building or structure existing on the same land has been demolished in order to facilitate redevelopment, or converted from one principal use to another principal use on the same land, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:
 - (a) in the case of a residential building or structure, an amount equivalent to the applicable development charge for the Residential Type of the existing dwelling that has been or will be demolished or converted to another principal use; or
 - (b) in the case of a non-residential building or structure, an amount calculated by multiplying the applicable development charge by the Gross Floor Area that has been or will be demolished or converted to another principal use; or
 - (c) in the case of a mixed-use building or structure, by an amount calculated by the residential unit type for the existing residential use portion and by gross floor area for the non-residential use portion, of the unit that has been or will be demolished or converted to another principal use.
- (2) The amount of any reduction or credit permitted shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.
- (3) Any reduction or credit applicable hereunder shall only apply provided that a building permit for the redevelopment has been issued within five (5) years of the date of the issuance of a permit for the demolition of any building or structure on the same lands.
- (4) If the lands are unserviced at the time it is demolished, water or wastewater development charges will not be credited. Water or wastewater development charges (or the equivalent) will be due upon servicing.
- (5) For greater certainty, and without limiting the generality of the foregoing, no credit shall be allowed where the demolished building or structure or part thereof prior to the demolition or conversion would have been exempt from the payment of development charges pursuant to this By-law (e.g. temporary structures).

Rules with Respect to Existing Agreements

24. If there is a conflict between this By-law and an agreement made between the Town and the owner or former owner of land before the coming into force of this By-law and the owner or former owner of the land agreed to pay all or a portion of a charge related to development under the agreement with respect to the land or provided services in lieu of payment, then the provisions of the agreement prevail over the By-law to the extent of the conflict. The extent of the conflict shall be determined on a service by service basis. Notwithstanding the allocation of total development charges within an existing agreement, the development charges may be reallocated by the

Town to services set out in this By-law.

Reserve Funds

25. (1) Development charge payments received by the Town pursuant to this By-law shall be maintained in a separate reserve fund or funds for each service to which the development charge relates and shall be spent only for the capital costs determined under paragraphs 2 to 8 of Subsection 5(1) of the Act.
- (2) Notwithstanding anything herein to the contrary, the Town may borrow money from a reserve fund and repay the amount used plus interest at a rate not less than the Bank of Canada rate updated on the first business day of every January, April, July, and October.

Interest

26. The Town shall pay interest on a refund under Subsection 18(3) and Subsection 25(2) of the Act at a rate equal to the Bank of Canada rate on the date this By-law comes into force.

Front Ending Agreements

27. The Town may enter into agreements under Section 44 of the Act.

Schedules

28. The following Schedules to this By-law form an integral part of this By-law.

Schedule A	Service Area Boundaries
Schedule B	Designated Services
Schedule C	Development Charges per Residential Dwelling Unit
Schedule D	Development Charges per Square Metre of Non-Residential Gross Floor Area

By-law Registration

29. A certified copy of this By-law may be registered in the by-law register in the Land Registry Office against all land in the Town and may be registered against title to any land to which this By-law applies.

Date By-law Effective

30. This By-law comes into force and effect from and after date of its enactment.

Date By-law Expires

31. This By-law expires five years after the date on which it comes into force.

Repeal

32. By-law No.2014-51 (as revised by By-law No. 2014-60) is hereby repealed effective on the date this By-law comes into force.

Headings for Reference Only

33. The headings inserted in this By-law are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

Severability

34. If, for any reason, any provision, Section, Subsection or paragraph of this By-law is held invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

And further that this By-law shall come into force and take effect upon the enactment thereof.

Enacted and passed this 24th day of April, 2019.

Alar Soever, Mayor

Corrina Giles, Town Clerk

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule A



THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule B

Designated Services

Categories of Services

1. General Government
2. Public Library
3. Fire Services
4. Police Department
5. Parks and Recreation
6. Public Works
7. Parking and By-law
8. Solid Waste
9. Town-wide Roads and Related Services
10. Castle Glen Roads and Related Services
11. Waterworks System
12. Sanitary Sewage System

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule C-1

DEVELOPMENT CHARGES FOR "SINGLE AND SEMI-DETACHED" DWELLING UNITS

MUNICIPAL SERVICE

Service Area	General Government	Library	Fire	Police	Parks & Recreation	Public Works	Parking & By-law	Solid Waste	Roads & Related	Water	Sanitary Sewer	Total Charge
1. Craigleith	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$6,093	\$4,513	\$28,042
2. Castle Glen	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$12,416	\$9,438	\$7,615	\$36,499
3. Osler	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$21,296	\$21,975	\$60,707
4. Thornbury East	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$3,313	\$8,951	\$29,700
5. Thornbury West	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$17,004	\$17,083	\$51,522
6. Clarksburg	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$10,477	\$18,273	\$46,185
7. Lora Bay - SA1	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$9,937	\$17,085	\$44,457
8. Lora Bay - SA2	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$4,208	\$10,270	\$31,914
9. Lora Bay - SA3	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$4,208	\$9,876	\$31,520
10. Camperdown	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$2,983	\$15,567	\$35,984
11. Swiss Meadows	\$384	\$1,193	\$416	\$126	\$2,787	\$1,004	\$925	\$195	\$10,405	\$0	\$0	\$17,436

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule C-2

DEVELOPMENT CHARGES FOR "OTHER MULTIPLES/HOTEL" DWELLING UNITS

MUNICIPAL SERVICE

Service Area	General Government	Library	Fire	Police	Parks & Recreation	Public Works	Parking & By-law	Solid Waste	Roads & Related	Water	Sanitary Sewer	Total Charge
1. Craigleith	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$4,875	\$3,610	\$22,433
2. Castle Glen	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$9,933	\$7,551	\$6,092	\$29,199
3. Osler	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$17,037	\$17,580	\$48,565
4. Thornbury East	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$2,650	\$7,161	\$23,760
5. Thornbury West	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$13,603	\$13,666	\$41,218
6. Clarksburg	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$8,382	\$14,618	\$36,948
7. Lora Bay - SA1	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$7,949	\$13,668	\$35,566
8. Lora Bay - SA2	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$3,367	\$8,216	\$25,531
9. Lora Bay - SA3	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$3,367	\$7,901	\$25,216
10. Camperdown	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$2,821	\$13,976	\$30,743
11. Swiss Meadows	\$307	\$954	\$332	\$101	\$2,230	\$803	\$740	\$156	\$8,324	\$0	\$0	\$13,948

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule C-3

DEVELOPMENT CHARGES FOR "APARTMENT" DWELLING UNITS

MUNICIPAL SERVICE

Service Area	General Government	Library	Fire	Police	Parks & Recreation	Public Works	Parking & By-law	Solid Waste	Roads & Related	Water	Sanitary Sewer	Total Charge
1. Craigleith	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$3,656	\$2,708	\$16,825
2. Castle Glen	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$7,449	\$5,663	\$4,569	\$21,899
3. Osler	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$12,778	\$13,185	\$36,424
4. Thornbury East	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$1,988	\$5,371	\$17,820
5. Thornbury West	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$10,202	\$10,250	\$30,913
6. Clarksburg	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$6,286	\$10,964	\$27,711
7. Lora Bay - SA1	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$5,962	\$10,251	\$26,674
8. Lora Bay - SA2	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$2,525	\$6,162	\$19,148
9. Lora Bay - SA3	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$2,525	\$5,926	\$18,912
10. Camperdown	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$2,658	\$12,386	\$25,503
11. Swiss Meadows	\$230	\$716	\$249	\$76	\$1,672	\$602	\$555	\$117	\$6,243	\$0	\$0	\$10,461

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

By-law No. 2019 - 17

Schedule D

DEVELOPMENT CHARGES PER SQUARE METRE OF NON-RESIDENTIAL GROSS FLOOR AREA

MUNICIPAL SERVICE

Service Area	General Government	Library	Fire	Police	Parks & Recreation	Public Works	Parking & By-law	Solid Waste	Roads & Related	Water	Sanitary Sewer	Total Charge
1. Craigleith	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$24.48	\$19.90	\$110.52
2. Castle Glen	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$62.23	\$48.65	\$29.18	\$164.68
3. Osler	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$199.16	\$192.40	\$457.70
4. Thornbury East	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$14.62	\$48.57	\$129.33
5. Thornbury West	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$77.85	\$89.21	\$233.20
6. Clarksburg	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$93.69	\$153.05	\$312.88
7. Lora Bay - SA1	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$44.80	\$82.54	\$193.48
8. Lora Bay - SA2	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$17.54	\$88.80	\$172.48
9. Lora Bay - SA3	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$17.54	\$62.89	\$146.57
10. Camperdown	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$20.91	\$100.23	\$187.28
11. Swiss Meadows	\$3.10	\$0.00	\$3.35	\$1.01	\$0.00	\$8.11	\$7.47	\$1.58	\$41.52	\$0.00	\$0.00	\$66.14