



Municipality of
Dutton Dunwich

By-Law No. 2024-16

A BY-LAW TO ESTABLISH DEVELOPMENT CHARGES FOR THE MUNICIPALITY OF DUTTON DUNWICH

WHEREAS the Development Charges Act, 1997 (the "Act") provides that the Council of a Municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services; and

WHEREAS a Development Charges Background Study has been completed in accordance with the Act; and

WHEREAS Council has before it a report entitled "Municipality of Dutton Dunwich Development Charges Background Study" prepared by Watson and Associates Economists Ltd. dated January 31, 2024; and

WHEREAS Council approves the capital project listing set out in Chapter 4 of the D.C. Background Study dated January 31, 2024, subject to further annual review during the capital budget process; and

WHEREAS the Council of the Corporation of the Municipality of Dutton Dunwich has given notice of and held a public meeting on the 13th of March, 2024 in accordance with the Act and the regulations thereto and determined that no further public meeting is required; and

WHEREAS Council, whenever appropriate, request that grants, subsidies and other contributions be clearly designated by the donor as being to the benefit of existing development or new development, as applicable.

NOW THEREFORE the Municipal Council of the Corporation of the Municipality of Dutton Dunwich enacts as follows:

1.0 Definitions

1.1. In this by-law,

- 1) "Act" means the Development Charges Act, S.O. 1997, c. 27, as amended, or any successor thereto;
- 2) "Accessory use" means where used to describe a use, building, or structure, that the use, building or structure is naturally and normally incidental, subordinate in purpose of floor area or both, and exclusively devoted to a principal use, building or structure;
- 3) "Affordable residential unit" means a residential unit that meets the criteria set out in subsection 4.1(2) or 4.1(3) of the Act;
- 4) "Ancillary residential building" means a residential building that would be accessory to a detached dwelling, semi-detached dwelling, or row dwelling;
- 5) "Apartment unit" means any residential dwelling unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the residential units are connected by an interior corridor;
- 6) "Attainable residential unit" means a residential unit that meets the criteria set out in subsection 4.1(4) of the Act;

- 7) "Bedroom" means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen;
- 8) "Benefitting area" means an area defined by a map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;
- 9) "Board of education" means a board defined in subsection 1(1) of the Education Act, or any successor thereto;
- 10) "Building Code Act" means the Building Code Act, R.S.O. 1990, c.B.-13, as amended, or any successor thereto;
- 11) "Capital cost" means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of and as authorized by the municipality or local board;
 - i. To acquire land or an interest in land, including a leasehold interest;
 - ii. To improve land;
 - iii. To acquire, lease, construct or improve buildings and structures;
 - iv. To acquire, construct or improve facilities including:
 - a) furniture and equipment other than computer equipment;
 - b) Materials acquired for circulation, reference or information purposes by a library board as defined in the Public Libraries Act; and
 - c) Rolling stock with an estimated useful life of seven years or more; and
 - v. Interest on borrowing for those expenditures under clauses (i) to (iv) above that are growth-related.
- 12) "Commercial" means any non-residential development not defined under "institutional" or "industrial";
- 13) "Council" means the Council of the Municipality of Dutton Dunwich;
- 14) "Development" means 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;
- 15) "Development charge" means a charge imposed pursuant to this by-law;
- 16) "Dwelling room" means either:
 - a) Each bedroom used, designed, or intended for use by one or more persons living together in a lodging home, dormitories; or
 - b) In the case of a special care/special dwelling unit/room, each individual room or suite of rooms used, designed, or intended for use by one or two persons with or without exclusive sanitary and/or culinary facilities;
- 17) "Dwelling unit" means any part of a building or structure used, designed, or intended to be used as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;
- 18) "Existing industrial building" means an industrial building or buildings existing on site in the Municipality of Dutton Dunwich on the date of by-law passage or the first building constructed and occupied on a vacant site pursuant to site plan

approval under Section 41 of the Planning Act, R.S.O. c.P.13 subsequent to this by-law coming to effect for which full development charges were paid.

- 19) "Farm building" means that part of a bona fide farm operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;
- 20) "Grade" means the average level of finished ground adjoining a building or structure at all exterior walls;
- 21) "Gross floor area" means the total floor 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 other dwelling units or other portion of a building; In the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for any of the following:
 - a) A room or enclosed area within the building or structure above or below grade that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that services the building;
 - b) Loading facilities above or below grade;
 - c) A part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use.
- 22) "Industrial" means lands, buildings or structures used or designed or intended for or in conjunction with:
 - i. The production, compounding, processing, packaging, crating, bottling, packing, or assembling of raw or semi-processed goods or materials in not less than seventy-five percent of the total gross floor area of the building or buildings on a site ("manufacturing") or warehousing related to the manufacturing use carried on in the building or buildings;
 - ii. Research or development in connection with manufacturing in not less than seventy-five percent of the total gross floor area of the building or buildings on a site;
 - iii. Retail sales by a manufacturer, if the retail sales are at the site where the manufacturing is carried out, such retail sales are restricted to goods manufactured at the site, and the building or part of a building where such retail sales are carried out does not constitute greater than twenty-five percent of the total gross floor area of the building or buildings on the site; or
 - iv. Office or administrative purposes, if they are,
 - a) carried out with respect to manufacturing or warehousing; and
 - b) In or attached to the building structure used for such manufacturing or warehousing.
- 23) "Institutional" means lands, buildings or structures used or designed or intended for use by an organized body, society or religious groups for promoting a public or non-profit purpose;
- 24) "Interest rate" means the annual rate of interest as set out in section 26.3 of the Act;

- 25) "Local board" has the same definition as defined in the Development Charges Act, S.O. 1997;
- 26) "Local services" means those services, facilities or things which are under the jurisdiction of the municipality and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under Sections 51 or 53 of the Planning Act R.S.O. 1990, as amended or any successor thereto;
- 27) "Mezzanine" means an intermediate floor assembly between the floor and ceiling of any room or storey and includes an interior balcony;
- 28) "Municipality" means the Corporation of the Municipality of Dutton Dunwich;
- 29) "Non-profit housing development" means Development of a building or structure that meets the criteria set out in section 4.2 of the Act.
- 30) "Non-residential use" means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use and includes all commercial, industrial and institutional uses;
- 31) "Other multiple" means all residential units other than a single detached dwelling, semi-detached dwelling, apartment dwelling or a special care/special dwelling unit, including:
- 32) "Owner" means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;
- 33) "Place of Worship" means that part of a building or structure that is exempt from taxation as a place of worship under the Assessment Act, as amended or any successor thereto;
- 34) "Redevelopment" means the construction, erection or placing of one or more buildings on land where all or part of a building on such land has been previously demolished, or changing the use of all or part of a building from a residential purpose to a non-residential purpose or from a non-residential purpose to a residential purpose, or changing all or part of a building from one form of residential development to another form of residential development or from one form of non-residential development to another form of non-residential development;
- 35) "Regulation" means any regulation made pursuant to the Act;
- 36) "Rental housing" means development of a building or structure with four (4) or more residential units all of which are intended for use as rented residential premises;
- 37) "Residential use" means lands, buildings or structures of any kind whatsoever used, designed or intended to be used as living accommodations for one or more individuals;
- 38) "Semi-detached dwelling" means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but no other parts, attached or another dwelling unit where the residential units are not connected by an interior corridor;
- 39) "Services" (or "service") means those services set out in Schedule "A" to this by-law;
- 40) "Servicing agreement" means an agreement between a landowner and the municipality relative to the provision of municipal services to specified lands within the municipality;
- 41) "Single detached dwelling unit" means a residential building consisting of one dwelling unit and not attached to another structure and includes mobile homes;

- 42) "Special care/special dwelling" means a residence;
- a) Containing two or more dwelling rooms, which rooms have common entrance from street level;
 - b) Where the occupants have the right to use in common with other occupants, halls, stairs, yards, common room and accessory buildings; and
 - c) That is designed to accommodate persons with specific needs, including but not limited to, independent permanent living arrangements; and where support services, such as meal preparation, grocery shopping, laundry, housing, nursing, respite care and attending services are provided at various levels; and includes but is not limited to retirement homes or lodges, group homes, dormitories, and hospices

2.0 Designation of Services

2.1. The categories of services for which development charges are imposed under this by-law are as follows:

- a) Services Related to a Highway;
- b) Fire Protection Services; and
- c) Parks and Recreation Services.

2.2. Components of the services designated in Subsection 2.1 are described in Schedule "A".

3.0 Application of By-law Rules

3.1. Development charges shall be payable in the amounts set out in this by-law where:

- a) The lands are located in the area described in Subsection 3.2; and
- b) The development of the lands requires any of the approvals set out in Subsection 3.4 (a).

Area to Which By-law Applies

3.2. Subject to Subsection 3.3, this by-law applies to all lands in the geographic area of the Municipality.

3.3. This by-law shall not apply to lands that are owned by and used for the purposes of:

- a) The Municipality of Dutton Dunwich or a "local board" thereof;
- b) A "board of education" as defined in Section 1(1) of the Education Act, R.S.O. 1990;
- c) County of Elgin or a "local board" thereof;
- d) Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

Approvals for Development

3.4. a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires,

- i. the passing of a zoning by-law or amendment to a zoning by-law under Section 34 of the Planning Act, R.S.O. 1990;
 - ii. the approval of a minor variance under Section 45 of the Planning Act, R.S.O. 1990;
 - iii. a conveyance of land to which a by-law passed under Subsection 50(7) of the Planning Act, R.S.O. 1990, applies;
 - iv. the approval of a plan of subdivision under Section 51 of the Planning Act;
 - v. a consent under Section 53 of the Planning Act;
 - vi. the approval of a description under Section 50 of the Condominium Act, R.S.O. 1990; or
 - vii. the issuing of a permit under the Building Code Act S.O. 1990, in relation to a building or structure.
- b) No more than one development charge for each service designated in Subsection 2.1 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 Subsection 3.4(a) are required before the lands, buildings or structures can be developed.
- c) Despite Subsection 3.4(b), if two or more of the actions described in Subsection 3.4(a) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

Exemptions

3.5. Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to:

- a) An enlargement to an existing dwelling unit;
- b) The creation of additional dwelling units equal to the great of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary structure to the existing residential building.

3.6. Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to the creation of any of the following in existing houses:

- a) A second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit.
- b) A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.
- c) One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.

3.7. Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to the creation of any of the following new residential buildings:

- a) A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house, semi-detached house or rowhouse cumulatively will contain no more than one residential unit.
- b) A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units.
- c) One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units.

3.8. **Exemption for Industrial Development:**

- 1) Notwithstanding any other provision of this by-law, there shall be an exemption from the payment of development charges for Industrial Development.

3.9. **Other Exemptions/Reductions**

Notwithstanding the provision of this by-law, development charges shall not be imposed with respect to:

- Lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the Assessment Act, R.S.O. 1990;
- The development of non-residential farm buildings constructed for bona fide farming uses;
- Non-profit Housing Development;
- Affordable Residential Units required pursuant to section 34 and 16(4) of the Planning Act (Inclusionary Zoning)
- Notwithstanding subsections 3.2 and 3.4, as of the date on which section 4.1 of the Act is proclaimed into force, the following shall be exempt from Development Charges:
 - Affordable Residential Units; and
 - Attainable Residential Units

3.9.1. **Discounts for Rental Housing (for profit)**

The D.C. payable for rental housing development, where the residential units are intended to be used as a rented residential premises will be reduced based on the number of bedrooms in each unit as follows:

- Three (3) or more bedrooms – 25% reduction;
- Two (2) bedrooms – 20% reduction; and
- Fewer than two (2) bedrooms – 15% reduction.

Amount of Charges

Residential

- 3.10. The development charges described in Schedule B to this by-law shall be imposed on residential uses 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, according to the type of residential unit, and calculated with respect to each of the services according to the type of residential use.

Non-Residential Uses

3.11. The development charges described in Schedule B to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed-use building or structure, on the non-residential uses in the mixed-use building or structure and calculated with respect to each of the services according to the gross floor area of the non-residential use.

Mandatory Phase-in

3.12. The amount of the development charges described in Schedule B to this by-law shall be reduced in accordance with the Act.

Reduction of Development Charges Where Redevelopment

3.13. 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 within 5 years prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, 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, or in the case of a mixed-use building or structure, an amount calculated by multiplying the applicable development charge under Subsection 3.10 and of this by-law by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.
- b) In the case of a non-residential building or structure or, in the case of mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under subsection 3.11 by the gross floor area that has been or will be demolished or converted to another principal use; provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

Time of Payment of Development Charges

3.14. Development charges imposed under this section are payable upon issuance of the first building permit with respect to each dwelling unit, building or structure.

3.15. Notwithstanding subsection 3.14 development charges for rental housing and institutional developments are due and payable in 6 equal annual payments commencing with the first instalment payable on the earlier of the date the first occupancy permit is granted or the date of first occupancy, and each subsequent instalment, including interest calculated in accordance with section 26.3 of the Act.

3.16. Where the development of land results from the approval of a site plan or zoning by-law amendment received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under subsections 3.11 and 3.12 shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest in accordance with section 26.3 of the Act, payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest.

3.17. Despite sections 3.14 to 3.16, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.

4.0 Payment by Services

4.1. Despite the payments required under Subsections 3.10 and 3.11, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service for which a development charge is imposed under this by-law.

5.0 Indexing

5.1. Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, commencing on January 1, 2025 and each January 1 annually thereafter, in accordance with the Statistics Canada Quarterly Construction Price Statistics,

6.0 Schedules

The following schedules to this by-law form an integral part thereof:

Schedule "A" – Components of Services Designated in Subsection 2.1

Schedule "B" – Residential and Non-Residential Development Charges

7.0 Date By-law in Force

7.1. This by-law shall come into force upon passage.

8.0 Date By-law Expires

8.1. This by-law will expire as of 10 years from the date of passage, unless it is repealed at an earlier date.

READ a first and second time this 10th day of April, 2024.

READ a third time and finally passed this 10th day of April, 2024.

Original signed by:

Mike Hentz, Mayor

Original signed by:

Tara Kretschmer, Clerk

Schedule "A"
To By-law 2024-16

Designated Municipal Services Under this By-law

Services Related to a Highway

- Roads
- Bridges and Culverts
- Facilities
- Vehicles and Equipment

Fire Protection Services

- Fire Stations
- Fire Vehicles
- Small Equipment and Gear

Parks and Recreation Services

- Parkland Development
- Parks Amenities
- Park Vehicles and Equipment
- Recreation Facilities

Schedule "B"
To By-law 2024-16

Schedule of Development Charges

Services	Residential					Non-Residential
	Single and Semi-Detached Dwelling	Multiples	Apartments – 2 bedrooms +	Apartments – Studio and 1 bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	5,318	4,162	3,316	1,951	1,951	4.31
Fire Protection Services	2,015	1,577	1,256	739	739	1.63
Parks and Recreation Services	2,132	1,668	1,329	782	782	0.41
Total Municipal Wide Services	9,465	7,407	5,901	3,472	3,472	6.35

