BY-LAW NO. 41-2021

BEING A BY-LAW OF THE CORPORATION OF THE TOWN OF CARLETON PLACE WITH RESPECT TO DEVELOPMENT CHARGES

WHEREAS Section 2(1) of the *Development Charges Act, 1997, S.O. 1997, c. 27* (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 for increased capital costs required because of the increased need for services arising from development in the area to which the by-law applies; and

WHEREAS the Council of the Town of Carleton Place, at its meeting of March 9, 2021, approved a report entitled Town of Carleton Place 2020 Development Charges Background Study, as amended; and

WHEREAS the Council has given Notice in accordance with Section 12 of the Development Charges Act, 1997 of its development charges proposal and held a public meeting on February 9, 2021;

WHEREAS the Council has heard all persons who applied to be heard in objection to, or in support of, the development charges proposal at such public meeting and provided a subsequent period for written communications to be made; and

WHEREAS the Council, in adopting the Town of Carleton Place Development Charges Background Study on March 9, 2021, directed that development charges be imposed on land under development or redevelopment within the geographical limits of the municipality as hereinafter provided.

NOW THEREFORE, the Council of the Corporation of the Town of Carleton Place enacts as follows:

1. DEFINITIONS

In this by-law,

(1) “Accessory” means when used to describe a use, building, or structure, that the use, building, or structure is naturally or normally incidental, subordinate, and exclusively devoted to a min use, building, or structure located on the same lot therewith;

(2) “Act” means the *Development Charges Act, 1997, S.O. 1997, c. 27, as amended*;

(3) “affordable housing units“ for the purposes of Subsections 6(4) and 6(5), means as determined in accordance with Council’s policy.

(4) “apartment dwelling” means a dwelling consisting of four or more dwelling units, which units have a common entrance from street level and common halls and /or stairs, elevators, and yards;

(5) “bedroom” means any room used or designed or intended for use as sleeping quarters including but not limited to, a den, a study, a family room, or other similar use;

(6) “building” means a structure having a roof supported by columns or walls or directly on the foundation and used for the shelter and accommodation of persons, animals, or goods and without liming the foregoing, includes buildings as defined the *Building Code Act*;

(7) "capital costs" means costs incurred or proposed to be incurred by the municipality or a 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 buildings and structures,
- (d) to acquire, construct or improve facilities including:
  - (i) rolling stock, furniture and equipment with an estimated useful life of seven years or more,
  - (ii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act, 1984, S. 0, 1984, c. 57*,
  - (iii) furniture and equipment, other than computer equipment,
- (e) to undertake studies in connection with any matter under the Act and any of the matters in clauses (a) to (d), required for the provision of services designated in this 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;

(8) “Council” means the Council of the Corporation of the Town of Carleton Place;

(9) “development” includes redevelopment;

(10) “development charge” means a charge imposed pursuant to this by-law adjusted in accordance with Section 14;

(11) “dwelling unit” means a room or group of rooms in a dwelling used or intended to be used as a single independent and separate housekeeping unit containing a kitchen and sanitary facilities for its exclusive use, and has a private entrance from outside the dwelling or from a common hallway or stairway inside the dwelling, but does not include a room or suite of rooms in a hotel or motel;

(12) “existing” means existing as of the date of the passing of this By-law;

(13) “grade” means the average level of finished ground adjoining a building at all exterior walls;

(14) “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls;

(15) “industrial” means any building used for or in connection with,
- (a) manufacturing, producing, processing, storing, or distributing something and includes a greenhouse;
- (b) research or development in connection with manufacturing, producing, or processing something;
- (c) retail sales by a manufacturer, producer or processor of something manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production, or processing takes place; and
- (d) office for administrative purposes, if carried out with respect to manufacturing, producing, processing, storage, or distribution and in or attached to the building or structure used for that manufacturing, producing, storage, or distribution.

(16) “institutional development”, for the purposes of Subsection 7(2), means development of a building or structure intended for use:
- (a) as a long-term care home within the meaning of subsection 2 (1) of the Long Term Care Homes Act, 2007;
- (b) (b) as a retirement home within the meaning of subsection 2 (1) of the Retirement Homes Act, 2010;
- (c) (c) by any institution of the following post-secondary institutions for the objects of the institution:
  - (i) a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;
  - (ii) a college or university federated or affiliated with a university described in subclause (i); or
  - (iii) an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institute Act, 2017;
- (d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- (e) as a hospice to provide end of life care

(17) “non-profit housing development” for the purposes of Subsection 7(3), means development of a building or structure intended for use as residential premises by:

(a) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing;
(b) a corporation without share capital to which the *Canada Not-for-profit Corporation Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or
(c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

(18) “non-residential use” means land, buildings, or structures or portions thereof used, or designed or intended for a use other than a residential use;

(19) “other multiple” means any residential dwelling which is not a single-detached dwelling, a semi-detached dwelling, or an apartment dwelling;

(20) “rental housing” for the purposes of Subsection 7(2), means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

(21) “residential use” means land or buildings or structures or part thereof of any kind whatsoever used, designed or intended to be used as a residence for one or more individuals but does not include a hotel or motel;

(22) “semi-detached dwelling” means the whole of a dwelling divided vertically both above grade and below grade into two separate dwelling units;

(23) “single-detached dwelling” means a dwelling containing only a dwelling unit, or a dwelling unit and an accessory apartment, and not attached to another structure.

2. SCHEDULE OF DEVELOPMENT CHARGES

(1) Subject to the provisions of this by-law, development charges against land shall be calculated and collected in accordance with the base rates set out in Schedule "B", which relate to the services set out in Schedule "A".

(2) The development charge with respect to the use of any land, buildings or structures shall be calculated as follows:
(a) in the case of residential development, or the residential purloins of a mixed-use development, based upon the number and type of dwelling units;

(b) in the case of non-residential, or the non-residential portion of a mixed-use development, based upon the gross floor area of such development;

(3) Council hereby determine that the development of land, buildings or structures for residential or non-residential uses will require the provision, enlargement, expansion, or improvement of the services referenced in Schedule "B".

3. APPLICABLE LANDS

(1) Subject to Section 6, this by-law applies to all lands in the Town of Carleton Place, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act, 1990, c.A..31*.

(2) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to land that is owned by and used for purposes of:
(a) Town of Carleton Place, or any local board thereof;
(b) County of Lanark, or any local board thereof; and
(c) a board of education as defined in subsection 1(1) of the *Education Act*.

4. APPLICATION OF CHARGES

(1) Development charges shall be imposed on all lands, buildings, or structures that are developed for residential or non-residential uses if the development requires:
(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*;
(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, R.S.O. 1990, Chap. C.26, as amended*, or any successor thereof; or
(g) the issuing of a permit under the *Building Code Act* in relation to a building or structure.

(2) Subsection (1) shall not apply in respect of local services as described in s.s.59(2) (a) and (b) of the Act;

5. MULTIPLE CHARGES

(1) Where two or more of the actions described in Section 4(1) are required before land to which a development charge applies can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this by-law.

(2) Notwithstanding Subsection (1), if two or more of the actions described in Section 4(1) occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as designated in Schedule "A", an additional development charge on the additional residential units and/or non-residential gross floor area shall be calculated and collected in accordance with the provisions of this By-law.

6. EXEMPTIONS

(1) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in s.s. 2(3) of the Act, and s.s. 2(1) and 2(2) of O.Reg. 82/98, namely:

- (a) the enlargement of an existing dwelling unit;
- (b) the creation of one or two additional dwelling units in an existing single-detached dwelling, or structure ancillary to a single-detached dwelling, provided the total gross floor area of the additional one or two units does not exceed the gross floor area of the existing dwelling unit;
- (c) the creation of one additional dwelling unit in an existing semi-detached or row dwelling, or structure ancillary to a semi-detached or row dwelling, provided the total gross floor area of the additional one unit does not exceed the gross floor area of the existing dwelling unit;
- (d) the creation of the greater of one additional dwelling unit or 1% of the existing dwelling units in the building of an existing rental residential building, or structure ancillary to an existing rental residential building; or
- (e) the creation of one additional dwelling unit in any other type of existing residential building, or structure ancillary to any other type of existing residential building, provided that the total gross floor area of the additional one unit does not exceed the gross floor area of the smallest dwelling unit already contained in the residential building.

(2) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in s.s. 2(3.1) of the Act, and s.s. 2(3) of O.Reg. 82/98, subject to the following restrictions:

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	The proposed new detached dwelling must only contain two dwelling units. The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semidetached dwelling or row dwelling would be located.
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units. The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit. The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.

(3) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in s.4 of the Act, and s.1 of O.Reg. 82/98, namely:

(a) the enlargement of the gross floor area of an existing industrial building, if the gross floor area is enlarged by 50 percent or less;

(b) for the purpose of (a), the terms “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in O.Reg. 82/98 under the Act; and

(c) notwithstanding subsection (a), if the gross floor area is enlarged by more than 50 per cent, development charges shall be payable and collected and the amount payable shall be calculated in accordance with s.4(3) of the Act.

(4) Notwithstanding the provisions of this By-law, the person to whom the building permit was issued may upon completion of the initial sale or rental

of an Affordable Housing Unit, shall apply to the Chief Building Official for a refund of the Development Charge payable and shall provide such documentary evidence as is satisfactory to the Chief Building Official that the building qualifies as an Affordable Housing Unit.

(5) Upon receiving an application for a refund of the Development Charge in accordance with Subsection 6(4), and upon being satisfied that the building qualifies as an Affordable Housing Unit, the Chief Building Official may refund to the person to whom the building permit was originally issued a sum equal to the Development Charge that originally paid upon the issuance of the building permit.

7. TIMING OF CALCULATION AND PAYMENT

(1) Development charges are due and payable in full to the Corporation of the Town of Carleton Place on the date a building permit is issued for any land, buildings, or structures affected by the applicable development charge and a building permit with respect to a building or structure shall be withheld where the applicable development charge has not been paid pursuant to Section 28 of the Act.

(2) Notwithstanding Subsection 7(1), development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

(3) Notwithstanding Subsection 7(1), development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

(4) Despite subsections 7(1) to 7(3), 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.

(5) Interest for the purposes of subsections 7(2) to 7(3) shall be determined as the bank of Canada prime lending rate on the date of building permit issuance. Notwithstanding the foregoing, the interest rate shall not be less than 0%.

(6) If the development charge or any part thereof imposed by the Town of Carleton Place remains unpaid after the due date, in the absence of an agreement to address the amount unpaid amount per subsection 7(4),

then the amount unpaid shall be added to the tax roll as taxes as prescribed by in Section 32 of the Act.

8. SERVICE STANDARDS

(1) The approved service standards for the Town of Carleton Place are those contained in the Development Charges Background Study.

9. SERVICES IN LIEU

(1) Council may authorize an owner, through an agreement under Section 38 of the Act, to substitute the whole or such part of the development charge applicable to the owner's development as may be specified in an agreement by the provision at the sole expense of the owner, of services in lieu. Such agreement shall further specify that where the owner provides services in lieu in accordance with the agreement, Council shall give to the owner a credit against the development charge otherwise applicable to the development, equal to the reasonable cost to the owner of providing the services in lieu, provided such credit shall not exceed the total development charge payable by an owner to the municipality.

10. DEVELOPMENT CHARGE CREDITS

(1) Where residential space is being converted to non-residential space, the development charge equivalent that would have been payable on the residential space shall be deducted from the charge calculated on the non-residential space being added.

(2) Where non-residential space is being converted to residential space, the development charge equivalent that would have been payable on the non-residential space shall be deducted from the charge calculated on the residential units being added.

(3) An owner who has obtained a demolition permit and demolished existing dwelling units or a non-residential building or structure in accordance with the provisions of *the Building Code Act* shall not be subject to the development charge with respect to the development being replaced, provided that the building permit for the replacement residential units or non-residential building or structure is issued not more than five (5) years after the date of issuance of the demolition permit and provided that any dwelling units or non-residential gross floor area created in excess of what was demolished shall be subject to the development charge imposed under this By-law.

(4) No redevelopment credit shall be made in excess of the development charge payable for a redevelopment.

11. BY-LAW REGISTRATION

(1) A certified copy of this by-law may be registered on title to any land to which this by-law applies.

12. RESERVE FUNDS

(1) 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 was levied under this by-law.

(2) Council directs the Treasurer to divide the reserve fund(s) created hereunder into the separate subaccounts in accordance with the service categories set out in Schedule "A" to which the development charge payments shall be credited in accordance with the amounts shown, plus interest earned thereon.

(3) 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.

(4) Where any unpaid development charges are collected as taxes under Subsection (3), the monies so collected shall be credited to the development charge reserve fund or funds referred to in Subsection (1).

(5) The Treasurer is hereby directed to prepare an annual financial statement for the development charges reserve fund as prescribed under Section 12 of Ontario Regulation 82/98 and to submit the statement for Council's consideration and within 60 days thereafter.

13. BY-LAW AMENDMENT OR REPEAL

(1) Where this by-law or any development charge prescribed thereunder is amended or repealed by order of the Local Planning Appeals Tribunal or by resolution of the Council, the Treasurer shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.

(2) Refunds that are required to be paid under Subsection (1) shall be paid to the registered owner of the land on the date on which the refund is paid.

(3) Refunds that are required to be paid under Subsection (1) 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 day on which the refund is paid;

(b) interest shall be paid at the Bank of Canada rate in effect on the date of enactment of this by-law.

14. DEVELOPMENT CHARGE SCHEDULE INDEXING

(1) The development charges referred to in Schedule “B” shall be adjusted annually, without amendment to this by-law, on January 1st of each year, in accordance with s.7 of O. Reg. 82/98.

15. BY-LAW ADMINISTRATION

(1) This by-law shall be administered by the Treasurer.

16. SCHEDULES TO THE BY-LAW

(1) The following schedules to this by-law form an integral part of this by-law:
Schedule “A” – Designated Municipal Services Under this By-law
Schedule “B” – Schedule of Development Charge

17. SEVERABILITY

(1) If, for any reason, any provision, section, subsection, or paragraph of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all of 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.

18. SHORT TITLE

(1) This by-law may be cited as the Development Charge By-law.

19. REPEAL OF PREVIOUS BY-LAWS

(1) That By-law Nos. 76-2018 and 77-2018 are hereby repealed in their entirety.

20. DATE BY-LAW EFFECTIVE

(1) This by-law shall come into force and effect on the date of passing.

READ A FIRST TIME, SECOND TIME AND THIRD TIME AND FINALLY PASSED THIS 9TH DAY OF MARCH, 2021.

_____ _____

Doug Black, Mayor Stacey Blair, Clerk

SCHEDULE "A"
TO BY-LAW 41-2021

Designated Municipal Services/Class of Services Under this By-law

Municipal-wide Services/Class of Services

1. Roads and Related
2. Fire Protection
3. Parks & Recreation
4. Library
5. Child Care
6. Growth-Related Studies (class of service)

Urban Services

7. Wastewater
8. Water

SCHEDULE "B" TO BY-LAW 41-2021
THE CORPORATION OF THE TOWN OF CARLETON PLACE

Schedule of Development Charges

Service/Class	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:						
Roads and Related Services	1,931	1,201	1,132	1,791	818	13.72
Fire Protection Services	579	360	340	537	245	3.85
Parks & Recreation Services	3,262	2,029	1,913	3,026	1,382	4.29
Library Services	157	98	92	146	66	0.21
Child Care Services	325	202	191	301	138	0.00
Growth-Related Studies	113	70	66	105	48	0.75
Total Municipal Wide Services/Classes	**6,367**	**3,960**	**3,734**	**5,906**	**2,697**	**22.82**
Urban Services						
Wastewater Services	3,098	1,927	1,817	2,874	1,312	20.80
Water Services	2,585	1,608	1,516	2,398	1,095	18.51
Total Urban Services/Classes	**5,683**	**3,535**	**3,333**	**5,272**	**2,407**	**39.31**
GRAND TOTAL RURAL AREA	**6,367**	**3,960**	**3,734**	**5,906**	**2,697**	**22.82**
GRAND TOTAL URBAN AREA	**12,050**	**7,495**	**7,067**	**11,178**	**5,104**	**62.13**