East Gwillimbury

Town of East Gwillimbury

2024 DRAFT Area Specific Background Study

February 22, 2024

www.eastgwillimbury.ca

Draft Area Specific Development Charge Background Study

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Town of East Gwillimbury

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Executive Summary

The 2024 Town of East Gwillimbury Area Specific Development Charge Background Study has been completed in compliance with the provisions of the *Development Charges Act, S.O. 1997* (DCA) and the associated regulation *Ontario Regulation 82/98.* This background study is required to update the current area specific development charge by-law (By-law 2019-064), which expires May 22, 2024.

The area specific DC by-law provides for the recovery of water services only. The Yonge Street watermain is a completed capital project that was funded by an individual landowner. The Yonge Street watermain is an isolated piece of infrastructure with a very defined benefitting area, as shown on the map included in this appendix.

The costs associated with the Yonge Street watermain cost continue to be recovered through an area specific development charge. The inclusion of the project in an area specific by-law allows the Town to collect the appropriate funds from all benefitting landowners to reimburse the full cost of the works.

The area specific charge is unique from the balance of the program, as the charge is levied on a land basis as a cost per acre, which ensures all benefitting landowners contribute equally, regardless of built form.

The total cost of the works is $2.7 million, which will benefit 438 acres of land. This results in an area specific development charge of $6,269.99 per acre.

1.0 Introduction

Development Charges (DC) are fees imposed by municipalities to recover the capital costs incurred in servicing new development. The *Development Charges Act, S.O. 1997* (DCA) is the provincial legislation that governs the calculation and imposition of the charges for municipalities in Ontario. The 2024 Town of East Gwillimbury Area Specific Development Charge Background Study and By-law have been prepared in compliance with the requirements of the legislation and outline the methodology used in the calculation of the proposed development charge rates.

The DCA and associated *Ontario Regulation 82/98* (O. Reg. 82/98) require that a DC background study be prepared and include:

- A forecast of the amount, type and location of dwelling unit, population, and employment growth anticipated in the municipality;
- The average level of service provided by the municipality over the 15-year period immediately preceding the preparation of this study;
- A review of the ongoing and future capital works required to service new development. This includes an assessment of gross expenditures, alternative funding sources, the determination of growth and non-growth related components and eligible net capital costs;
- A forecast of the long term operating cost impacts associated with the capital projects proposed in the study for each service category; and,
- An asset management plan identifying annual provisions required for the eventual replacement of all assets proposed to be funded under the development charge by-law.

The DCA provides for a period of public review and comment regarding the proposed development charges. This process includes considering and responding to comments received by stakeholders and members of the public about the calculated charges and methodology used. Following completion of this process, and in accordance with the DCA and Council's review of the study, it is intended that Council will pass new development charges for the Town.

This study presents the background information, data inputs, policy review and analysis upon which the proposed development charges and by-law are based.

2.0 Development Charge Calculation Methodology

Several key steps are required in calculating municipal development charges, which are outlined in section 5 of the DCA. The determination of the DC rates focuses on aligning all growth-related capital costs with the development that will require servicing. This study incorporates an area specific approach for the recovery for the Yonge Street Watermain. This capital program has a very limited benefitting area, and has therefore been assessed on an area specific basis.

2.1 Area specific development charge

The Town is continuing an area specific development charge specific to the Yonge Street watermain purchase as the costs and benefits are uniquely localized in nature. The area specific approach for this service reflects the fact that the demand for, and the benefit from, the projects provided by the Town has a limited benefitting area. The geographic area that is included in the charge coincides with the specific area being serviced by the project. The area specific approach also facilitates front-end financing or credit agreements for the designated service, which is the case for this area specific charge.

2.2 Growth Forecast

The DCA requires municipalities to forecast the amount, type and location of new development during the established planning periods so that the required capital needs may be properly identified. For engineering services, such as roads, water and wastewater, the DCA allows the Town to select an appropriate planning period given the nature of the services being delivered. The development forecast included in this study is based on a period from 2023 to 2051, to coincide with the Town's Official Plan and infrastructure master plans.

For the geographic boundary of the area specific charge, the amount of net developable land area in acres has been forecasted.

2.3 Historic Service Levels

The DCA stipulates that the increase in the need for service attributable to anticipated development "must not include an increase that would result in the level of service

exceeding the average level of that service provided in the municipality over the 15-year period immediately preceding the preparation of the background study." (s.5(1)(4)).

As this Study and By-law only relates to engineering services and not general services (e.g. – Library, Indoor Recreation), no service level is calculated for the water services as legislated standards are used in lieu of measured service level per capita.

2.4 Capital program

A capital program has been prepared for water services in the defined service area. The program details the growth-related projects, gross costs, as well as their net capital costs, after making a number of required deductions, including alternative funding sources, capital grants, and non-growth-related shares, as required by the DCA.

The growth related capital forecast included in this study, ensures that the development charges imposed will pay for the projects that will be acquired or constructed to accommodate future anticipated development. Having had the service in the past is not sufficient to justify the capital program and the resulting development charge. Section 3 of the O. Reg 82/98, states that:

> "*For the purposes of paragraph 3 of subsection 5(1) of the Act, the council of a municipality has indicated that it intends to ensure that an increase in the need for service will be met if the increase in service forms part of an official plan, capital forecast or similar expression of the intention of the council and the plan, forecast or similar expression of the intention of the council has been approved by the council."*

The Town's development charge by-law contains recitals indicating council's intention to ensure that the increase in the need for each service will be met in the future.

2.4.1 Benefit to existing shares

Some projects that will service new development may, in part, provide a benefit to the existing community in East Gwillimbury. As required by the DCA, those portions of project costs must be removed from the calculation of the DC rate to ensure that the charges are only funding the shares of projects that will benefit new development. These shares have been deducted from gross project costs, where required, and will be funded from alternative sources.

2.4.2 Reserve balance

The Town's available development charge reserves are applied to capital projects within each service category. All positive reserve balances are assumed to fund a share of

project costs in the growth related capital program, thereby reducing the total amount to be funded by future DCs. All negative reserve balances are included in the capital program such that recovery of the balance can be sought through the development charge receipts within the planning period.

2.4.3 Calculation of post period benefit

Costs that service or benefit growth beyond the proposed planning period are considered to have a post period benefit. These shares are deducted from the development charge eligible costs but will be collected in future development charge by-laws.

3.0 Summary of the Growth Related Capital Program

The DCA requires that Council express its intent to provide future capital facilities at the level incorporated in the development charge calculation and that the capital costs necessary to provide the increased services be estimated. Town staff have prepared a growth-related capital program including works required to service anticipated growth, to the year 2051.

Council will be adopting the growth-related capital program that has been prepared for the purposes of the development charge calculation. It is assumed that future capital budgets and forecasts will continue to include the projects identified in this report, which are consistent with the growth planned to occur in the Town. It is acknowledged that changes to the capital forecast may occur through the Town's annual capital budget process.

The sole project of the proposed area specific by-law is for the recovery of the Yonge Street watermain, inclusive of administration costs. This completed project was included in the Town's previous area specific DC by-laws and the costs have been carried forward and indexed as per the acknowledgement memorandum between Yonge & Green Lane Developments Corporation and the Town of East Gwillimbury.

In total, the water services capital program amounts to $2.7 million. This accounts for the completed watermain works on both the east and west sides of Yonge Street. Also included in this amount are the administration costs that are associated with the transfer agreement. The costs are summarized below:

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AREA SPECIFIC DEVELOPMENT CHARGE CAPITAL PROGRAM

YONGE STREET WATERMAIN

Project Description	Indexed Project Cost (Jan 1/24)	LESS:		Total DC Eligible Cost	CAPITAL PROGRAM FUNDING			
		Alternative Funding Sources	Benefit to Existing Share		Existing Reserve Balance	Current Period 2023-2051	Post Period > 2051	Total DC Eligible Costs
Yonge Street Watermain								
Completed Capital Works Covered by a Credit Agreement								
1 Yonge Street Watermain Purchase - East Side (Fieldgate)	1,313,662	-	-	1,313,662	-	1,313,662	-	1,313,662
2 Yonge Street Watermain Purchase - West Side (Fieldgate)	1,351,145	-	-	1,351,145	-	1,351,145	-	1,351,145
3 Administration Costs for Yonge Street Watermain Transfer Agreement (Fieldgate)	81,447	-	-	81,447	-	81,447	-	81,447
Total Yonge Street Watermain Area Specific	**2,746,254**	**-**	**-**	**2,746,254**	**-**	**2,746,254**	**-**	**2,746,254**

4.0 Calculated Development Charges

As the area specific charge is designed to recover costs for the benefitting lands of a defined area, the area specific charge will be levied on a per acre charge for both residential and non-residential developments.

A summary of the area specific development charge is presented in the following table.

Yonge Street Watermain Area Specific Charge		
Growth Related Capital Program (Indexed)	$	2,746,254
Benefiting Land Area (in acres)		438
Development Charge per Acre	**$**	**6,269.99**

The calculation of the development charges does not include provisions for the statutory exemptions required under the DCA or any Town-specific exemptions noted in the by-law. Any exemptions result in a loss of development charge revenue for the affected types of development. In accordance with the Act, any revenue lost through exemptions may not be recovered by offsetting increases in other portions of the calculated charge.

5.0 Long Term Capital and Operating Costs

In accordance with the DCA, this section reviews the long term capital and operating costs associated with the capital infrastructure included in the development charge by-law. As this background study and proposed by-law deal solely with one previously completely water project, there is no additional operating costs associated with the capital program. Asset management provisions associated with the capital project have already been incorporated in the Town's 2022 Asset Management Plan that has been approved by Council.

6.0 Development Charge Policies

6.1 Area specific charge proposed

As required by the DCA, consideration must be given to the use of area rating. The Town currently has both a Town-wide and area-specific development charge by-law. It was decided that it is appropriate to recover most growth-related costs on a Town-wide basis, with the Yonge Street Watermain being recovered on an area-specific basis, given its limited benefitting area.

6.2 Updates to the DC by-law

The Town has a number of policies as they pertain to the administration of the development charges. The Town's DC credit policy and development charge interest policy are included in the Town-wide DC background study.

The revised by-law to be brought forward for Council consideration is in Appendix A. The rates included in the 2024 DC by-law will be effective once approval is received from Council.

Appendix A – Draft Area Specific Development Charge By-law

Town of East Gwillimbury

THE CORPORATION OF THE TOWN OF EAST GWILLIMBURY

BY-LAW NUMBER 2024-XX

BEING A BY-LAW FOR THE IMPOSITION OF AREA-SPECIFIC DEVELOPMENT CHARGES

WHEREAS subsection 2(1) of the *Development Charges Act, 1997*, S.O. 1997, c. 27 (hereinafter called 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 arising from the development of the area to which the by-law applies;

AND WHEREAS the Council of The Corporation of the Town of East Gwillimbury (hereinafter called the "Town") held a public meeting on April 9, 2024 to consider the enactment of a municipal-wide development charge by-law, in accordance with section 12 of the Act;

AND WHEREAS the Council of the Town 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 a development charges background study dated February 22, 2024 has been prepared ("the background study"), that indicates that the development of any land within the Town of East Gwillimbury will increase the need for services as defined herein;

AND WHEREAS copies of the background study and the proposed development charges by-law were made available to the public in accordance with section 12 of the Act;

AND WHEREAS the Council of the Town has heard all persons who applied to be heard and received written submissions whether in objection to, or in support of, the development charges proposal at the public meeting held on April 9, 2024;

AND WHEREAS on April 23, 2024, Council approved the Report titled "2024 Town-wide and Area-specific Development Charge Background Studies and By-laws", thereby updating its capital forecast where appropriate and indicated that it intends to ensure that the increase in the need for services to service the anticipated development will be met;

AND WHEREAS at its meeting held on April 23, 2024, Council expressed its intention that infrastructure related to post-2051 development shall be paid for by development charges;

AND WHEREAS Council has indicated its intent that the future excess capacity identified in the Development Charges Background Study, dated February 22, 2024, shall be paid for by development charges;

AND WHEREAS at its meeting held on April 23, 2024, Council approved the background study and determined that no further public meetings were required under section 12 of the Act.

NOW THEREFORE THE COUNCIL OF THE TOWN OF EAST GWILLIMBURY ENACTS AS FOLLOWS:

DEFINITIONS

1. In this by-law,

(1) "Act" means the *Development Charges Act, 1997,* S.O. 1997, c. 27, as amended or any successors thereto;

(2) "accessory use" means that the use, building or structure is naturally and normally incidental to or subordinate in purpose or both, and exclusively devoted to a principal use, building or structure;

(3) "agreement" means a contract between the municipality and an owner and includes any amendment thereto;

(4) "apartment building" means a residential building, other than a hotel, containing more than four dwelling units where the residential units are connected by an interior corridor;

(5) "apartment dwelling unit" means a dwelling unit in a duplex, triplex, fourplex, stacked townhouse,or apartment building, as these terms are defined in this by-law;

(6) "Bank of Canada rate" means the interest rate established by the Bank of Canada in effect on the date of the enactment of this by-law, as adjusted in accordance with this by-law;

(7) "building" means a structure occupying an area greater than ten square metres ($10m^2$) consisting of a wall, roof and floor or any of them or a structural system serving the function thereof, and includes an above-grade storage tank and an industrial tent;

(8) "Building Code Act" means the *Building Code Act*, S.O. 1992, c. 23, as amended, or any successor thereto;

(9) "capital cost" means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or under an agreement, required for the provision of services designated in the by-law within or outside of the municipality;

(a) to acquire land or an interest in land, including a leasehold interest;

(b) to improve land;

(c) to acquire, lease, construct or improve buildings and structures;

(d) to acquire, lease, construct or improve facilities including,

(i) rolling stock with an estimated life of seven (7) or more years,

(ii) furniture and equipment, other than computer equipment; and

(iii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*; and

(e) to undertake studies in connection with any matter under the Act and any of the matters in clauses (a) to (d);

(f) to prepare the development charge background study required before the enactment of this by-law; and

(g) to recoup interest paid on money borrowed to pay for the costs described in clauses (a) to (d).

(10) "council" means the council of the municipality;

(11) "derelict building" means a building or structure that is vacant, neglected, poorly maintained, and unsuitable for occupancy which may include a building or structure that:

(a) is in a ruinous or dilapidated condition;

(b) the condition of which seriously depreciates the value of land or buildings in the vicinity;

(c) is in such a state of non-repair as to be no longer suitable for human habitation or business purposes;

(d) is an allurement to children who may play there to their danger;

(e) constitutes a hazard to the health or safety of the public;

(f) is unsightly in relation to neighbouring properties because the exterior finish of the building or structure is not maintained, or:

(g) is a fire hazard to itself or to surrounding lands or buildings;

(12) “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;

(13) “development charge” means a charge imposed under this by-law adjusted in accordance with section 15;

(14) “duplex” means a building that is divided horizontally into two dwelling units, each of which has an independent entrance either directly to the outside or through a common vestibule;

(15) “dwelling unit” means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons, excluding a hotel;

(16) “farm building” means that part of a bona fide farming operation encompassing barns, silos and other development ancillary to an agricultural use, but excluding a residential use, a retail use associated therewith or a commercial greenhouse;

(17) “fourplex” means a building that is divided horizontally or a combination of vertically and horizontally into four dwelling units, each of which has an independent entrance either directly to the outside or through a common vestibule;

(18) “grade” means the average level of finished ground adjoining a building or structure;

(19) "gross floor area" means in the case of a non-residential building or structure or the non-residential portion of a mixed-use building or structure, the aggregate of the areas of each floor, whether 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 a non-residential and a residential use, excluding, in the case of a building or structure containing an atrium, the sum of the areas of the atrium at the level of each floor surrounding the atrium above the floor level of the atrium, and, for the purposes of this definition, notwithstanding any other section of this By-law, the non-residential portion of a mixed-use building is deemed to include one-half of any area common to the residential and non-residential portions of such mixed-use building or structure;

(20) "group home" means a residential building or the residential portion of a mixed use building containing a single housekeeping unit supervised on a 24 hour a day basis on site by agency staff on a shift rotation basis, funded wholly or in part by any governmental and licensed, approved or supervised by the Province of Ontario under any general or special act, for the accommodation of not less than 3 and not more than 8 residents, exclusive of staff;

(21) "heritage building" means an individual building or structure designated under Part IV of the *Ontario Heritage Act*, R.S.O. 1990, c. O.18, or any successor legislation, or a building or structure designated under Part V of the *Ontario Heritage Act*, R.S.O. 1990, c. O.18, or any successor legislation, which has been identified as a significant heritage resource in a conservation district plan or a building or structure listed in the Town of East Gwillimbury Inventory of Heritage Buildings;

(22) "industrial" means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

(23) "institutional" means lands, buildings or structures used or designed or intended for use by an organized body, society or religious group for promoting a public or non-profit purpose and shall include, without limiting the generality of the foregoing, places of worship, medical clinics and special care facilities;

(24) "large apartment" means an apartment dwelling unit that is 700 square feet or larger in size;

(25) "live-work unit" means a unit which contains separate residential and non-residential areas intended for both residential and non-residential uses concurrently, and shares a common wall with direct access between the residential and non-residential areas;

(26) "local board" means a local board as defined in the Act;

(27) "local services" means those services, facilities or things which are intended to be under the jurisdiction of the municipality and are within the boundaries of or related to or are necessary to connect lands to services and an application has been made in respect of the lands under Sections 51 or 53 of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, or any successor legislation;

(28) "mixed-use development" means a building or structure used, designed or intended for a combination of residential and non-residential uses;

(29) "mobile home" means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer;

(30) "multiple dwelling unit" includes townhouses, mobile homes, group homes and all other residential uses that are not included in the definition of "single detached dwelling", a "semi-detached dwelling", "large apartment" and "small apartment" and excluding a hotel;

(31) "municipality" means The Corporation of the Town of East Gwillimbury;

(32) "non-profit housing development" 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 (Ontario) applies, that is in good standing under that Act and whose primary object is to provide housing;

b. a corporation without share capital to which the Not-for-profit Corporations Act, 2010 (Ontario) applies, that is in good standing under that Act and whose primary object is to provide housing; or

c. a corporation without share capital to which the Canada Not-for-profit Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing; or

d. a non-profit housing co-operative that is incorporated or continued under the Co- operative Corporations Act (Ontario), that is in good standing under that Act and whose primary objective is to provide housing;

(33) "non-residential" means lands, buildings or structures or portions thereof used, or designed or intended for other than residential use, including the non-residential portion of a live-work unit;

(34) "office" means premises used for conducting the affairs of businesses, professions, services, industries, governments, or like activities, in which the chief product of labor is the processing and/or storage of information rather than the production and distribution of goods. For the purposes of this definition, research establishments and data processing facilities are considered to be offices;

(35) "owner" means the owner(s) of land or a person(s) who has made application for an approval for the development of land upon which a development charge is imposed;

(36) "place of worship" means a building or structure that is used primarily for worship;

(37) "Planning Act" means the *Planning Act*, R.S.O. 1990, c. P.13, as amended or any successor thereto;

(38) "public hospital" means that part of a building or structure that is defined as a public hospital under the *Public Hospitals Act*, R.S.O. 1990, c. P.40;

(39) "private school" means an educational institution operated on a non-profit basis, excluding any dormitory or residence necessary to such private school, that is used primarily for the instruction of students in courses of study approved or authorized by the Minister of Education and Training;

(40) "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, or changing the use of a building or structure from residential to non-residential, from non-residential to residential or Non-Retail to Retail and vice versa;

(41) "Region" means the Regional Municipality of York;

(42) "regulation" means any regulation made pursuant to the Act;

(43) "rental housing" means a building with four or more dwelling units, all of which are intended for use as rented residential premises;

(44) "residential" means lands, buildings or structures used, designed or intended for use as a residence for one or more individuals, and shall include, but is not limited to a single detached dwelling, a semi-detached dwelling, a townhouse, a stacked townhouse, an apartment dwelling unit, a group home, a multiple dwelling unit, a mobile home, a residential dwelling unit accessory to a non-residential use, and the residential portion of a live-work unit, but shall not include a lodging house licensed by a municipality or a hotel;

(45) "retail use" means premises used or designed or intended for use for the sale or rental or offer for sale or rental of goods or services to the general public for consumption or use and shall include, but not be limited to, a banquet hall or a funeral home, but shall exclude offices;

(46) “self storage building” means a building or part of a building consisting of individual storage units, which are accessible by the users, that are used to provide storage space to the public;

(47) “semi-detached dwelling” means a residential building divided vertically into and comprising two dwelling units, each of which has a separate entrance and access to grade;

(48) “services” means services designated in this by-law or in an agreement under section 44 of the Act;

(49) “single detached dwelling” means a completely detached residential building consisting of one dwelling unit;

(50) “small apartment” means an apartment dwelling unit that is less than 700 square feet in size;

(51) “special care facilities” means lands, buildings or structures used or designed or intended for use for the purpose of providing residential accommodation, supervision, nursing care or medical treatment, which do not comprise dwelling units, that are licensed, approved or supervised under any special or general Act;

(52) “stacked townhouse” means a residential building, other than a duplex, triplex or fourplex, townhouse or apartment building, containing at least 3 dwelling units, each dwelling unit being separated from the other vertically and/or horizontally and each dwelling unit having an entrance to grade shared with no more than 3 other units;

(53) “temporary buildings or structures” means a building or structure designed or constructed, erected or placed on land and which is demolished or removed from the lands within 36 months of building permit issuance;

(54) “temporary sales centre” means a building or structure, including a trailer, that is designed or intended to be temporary, or otherwise intended to be removed from the land or demolished after use and which is used exclusively as an office or presentation centre, or both, for new building sales and is to be removed within 60 days after occupancy of last unit;

(55) “townhouse” means a residential building other than an apartment building, that is vertically divided into a minimum of three dwelling units, each of which has an independent entrance to grade , and each of which shares a common wall with adjoining dwelling units above grade;

(56) “triplex” means a building that is divided horizontally or a combination of horizontally and vertically into three dwelling units, each of which has an independent entrance to the outside or through a common vestibule.

SCHEDULE OF DEVELOPMENT CHARGES

2.

(1) Subject to the provisions of this by-law, a development charge against land shall be calculated and collected in accordance with the 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, including a dwelling unit accessory to a non-residential development, or the residential portion of a mixed-use development, based upon the number and type of dwelling units; and

(b) In the case of non-residential development, based upon the gross floor area of the building or structure or part thereof to be used for the non-residential development.

(3) Council hereby determines that the development of land, buildings or structures for residential and non-residential uses will require the provision, enlargement, expansion or improvement of the services referenced in Schedule “A”.

APPLICABLE LANDS

3.

(1) This by-law applies to all lands identified under Schedule “C” whether or not the land or use is exempt from taxation under s. 3 of the *Assessment Act*, R.S.O. 1990, c. A.31, as amended, or any successor thereto.

(2) The development of land within the Town may be subject to one or more development charges by-laws of the Town.

(3) This by-law shall not apply to land, buildings or structures within the municipality that are owned by or used by:

(a) a board of education as defined by subsection 1(1) of the *Education Act*, R.S.O. 1990, c. E.2, as amended, or any successor thereto;

(b) the municipality or any local board thereof;

(c) the Region or any local board thereof;

(4) This by-law shall not apply to land, buildings, or structures within the municipality that are used for the purposes of:

(a) the relocation of a heritage building;

(b) a public hospital receiving aid under the *Public Hospitals Act*, R.S.O. 1990, c. M.19, as amended, or any successor thereto;

(c) a place of worship

(d) a mobile temporary sales centre;

(e) farm buildings

(f) a university, a college of applied arts and technology or post-secondary institution in Ontario;

(g) a private school; and

(h) a temporary building or structure provided that:

(i) the status of the building or structure as a temporary building or structure is maintained in accordance with the provisions of this by-law;

(ii) upon application being made for the issuance of a permit under the *Building Code Act, 1992* in relation to a temporary building or structure on land to which a development charge applies, the owner shall submit security in the form of cash or a letter of credit satisfactory to the Town Treasurer in the full amount of the development charges otherwise payable, to be drawn upon in the event that the temporary building or structure is not removed or demolished within 36 months of building permit issuance and development charges thereby become payable;

(iii) On or before 36 months from the date of issuance of a building permit, the owner shall provide, to the Town Treasurer's satisfaction, evidence that the temporary building or structure was demolished or removed from the lands, whereupon the Town shall return the security to the owner without interest;

(iv) In the event the owner does not provide satisfactory evidence of such demolition or removal of the temporary building or structure within 36 months of building permit issuance it shall be deemed conclusively not to be, nor ever to have been, a temporary building or structure for the purposes of this by-law and, subject to any agreement entered into pursuant to section 10 of this by-law, the Town shall, without prior notification to the owner, transfer the cash or draw upon the letter of credit provided pursuant to clause (ii) above and transfer the amount so drawn into the appropriate development charges reserve funds; and

(v) The timely provision of satisfactory evidence of the demolition or removal of the temporary building or structure shall be solely the owner's responsibility.

(5) This by-law shall not apply to development creating or adding an accessory use or structure not exceeding 100 square metres of gross floor area;

(6) This by-law does not apply with respect to approvals related to the residential development of land, buildings or structures that would have the effect only of:

(a) Permitting the enlargement of an existing dwelling unit;

(b) Creating one or two additional dwelling units in an existing single detached dwelling;

(c) Creating one or two additional dwelling units in an existing dwelling unit in a semi-detached dwelling; or

(d) Creating one additional dwelling unit in any other existing residential building, not including a mixed-use building.

(7)

(a) Notwithstanding clauses (b) to (d) inclusive of subsection 3(6), a development charge shall be imposed and payable with respect to the creation of any additional dwelling units if the cumulative gross floor area of the additional dwelling units exceeds the gross floor area of the existing dwelling unit referred to in clauses (b) and (c) of subsection 3(6) or the smallest existing dwelling unit in the existing residential building, referred to in clause (d) of subsection 3(6).

(b) For the purposes of sections 3(6) and 3(7) of this by-law, "existing" dwelling unit shall refer to the original unit on the lot, prior to the first expansion.

(c) For the purposes of determining the gross floor area of an existing dwelling unit pursuant to clause (a) of subsection 3(7), the gross floor area shall be the maximum gross floor area of the dwelling unit that existed in the three years preceding the application for a building permit in respect of the additional dwelling unit.

(8) For the purposes of the exemption for enlargement of existing industrial buildings set out in section 4 of the Act, the following provisions shall apply;

(a) For the purpose of this subsection 3(8), “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in O. Reg. 82/98 under the Act, as amended;

(b) For the purposes of interpreting the definition of “existing industrial building” contained in the regulation, regard shall be had for:

(i) the classification of the lands pursuant to the *Assessment Act*, R.S.O. 1990, c. A.31 or successor legislation, and in particular whether more than 50 per cent of the gross floor area of the building or structure has an industrial tax class code for assessment purposes; and

(ii) the legal existence of said structure through the building permitting process.

(c) Notwithstanding clause 3(8)(b) above, distribution centres, warehouses other than retail warehouses, the bulk storage of goods and truck terminals shall be considered to be industrial uses or buildings;

(d) The gross floor area of an existing industrial building shall be defined as the gross floor area of the industrial building as it existed prior to the first enlargement in respect of that building;

(e) The enlargement of the gross floor area of the existing building must be attached to the existing industrial building;

(f) The enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility;

(g) The enlargement shall be for a use for or in connection with an industrial purpose as set out in this by-law;

(h) If the enlargement complies with the provisions of this subsection 3(8) and is equal to 50 per cent or less of the gross floor area of an existing industrial building, the amount of the development charge in respect of the enlargement is nil; and

(i) If the enlargement is more than 50 per cent of the gross floor area of an existing industrial building, and it otherwise complies with the provisions of this subsection 3(8), development charges are payable on the amount by which the enlargement exceeds 50 per cent of the gross floor area of the existing building before the enlargement.

(9) Clauses (b) and (d) to (i) inclusive of subsection 3(8) shall apply, with necessary modifications, to an enlargement of an existing office.

(10) In the case of lands, buildings or structures used or designed or intended for use for both non-retail uses and retail uses, the development charges otherwise applicable to such development shall be determined on the following basis:

(a) as between the non-retail uses and the retail uses, the principal use of the development shall be that use which has the greater gross floor area, such principal use being the use of 55% or greater of the total gross floor area. If no single use has 55% or greater of the total gross floor area, then the development charge payable on the total gross floor area shall be the average of the two retail and industrial/office/institutional charges payable;

(b) the development charges applicable to such principal use as determined under paragraph (a), provided that there is a principal use determined under paragraph (a), shall be applied to the total non-residential gross floor area of the development;

APPROVALS FOR DEVELOPMENT

4. A development charge shall apply to, and shall be calculated and collected in accordance with the provisions of this by-law on land to be developed for residential and non-residential use, where the development requires,

(1) the passing of a zoning by-law or an amendment thereto under section 34 of the *Planning Act* or successor legislation;

(2) the approval of a minor variance under section 45 of the *Planning Act* or successor legislation;

(3) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* or successor legislation applies;

(4) the approval of a plan of subdivision under section 51 of the *Planning Act* or successor legislation;

(5) a consent under section 53 of the *Planning Act* or successor legislation;

(6) the approval of a description under the *Condominium Act*, R.S.O. 1991, c. C. 26 or the *Condominium Act*, *1998*, S.O. 1998, c. 19 as amended, or successor legislation; or

(7) the issuing of a permit under the *Building Code Act,* or successor legislation, in relation to a building or structure.

LOCAL SERVICE INSTALLATION

5. Nothing in this by-law prevents Council from requiring, as a condition of an approval under section 51 or 53 of the *Planning Act,* that the owner, at his or her own expense, shall install or pay for such local services related to or within the plan of subdivision or related to the severance of the lands, as council may require, or that the owner pay for local connections to water mains, sanitary sewers and/or storm drainage facilities installed at the owner's expense, or administrative, processing, or inspection fees.

MULTIPLE CHARGES

6.

(1) Where two or more of the actions described in section 4 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 6(1), if two or more of the actions described in section 4 occur at different times, and if the subsequent action results in increased, additional or different development, then additional development charges on any additional residential units and/or non-residential gross floor area shall be calculated and collected in accordance with the provisions of this by-law.

(3) If a development does not require a building permit but does require one or more of the approvals described in section 4, then, the development charge shall nonetheless be payable in respect of any increased, additional or different development permitted by such approval.

CREDIT FOR PROVISION OF SERVICES

7. As an alternative to the payment by the means required under Section 10, council may, by agreement entered into with the owner, accept the provision of services in full or partial satisfaction of the development charges otherwise payable. Such agreement shall further specify that where the municipality agrees to allow the performance of work that relates to a service, the municipality shall give to the person performing the work a credit equal to the reasonable cost of doing the work against the development charge otherwise applicable to the development, without interest, unless such interest is specifically authorized by council, provided such credit shall not exceed the total amount of development charges payable by an owner to the municipality and provided that no such credit shall be given for any part of the cost of services that relates to an increase in the level of service that exceeds the average level of service described in paragraph 4 of subsection 5(1) of the Act. The reasonable cost of doing the work and the amount of the credit therefore, shall be finally determined by the Town's General Manager of Infrastructure and Environmental Services.

REDUCTION OF CHARGE FOR REDEVELOPMENT

8. Where, as a result of the redevelopment of land, a building or structure existing on the land within 60 months prior to the date of the 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, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

    (1) In the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge pursuant to this by-law by the number and type of dwelling units that have been demolished or converted to another principal use; and

    (2) 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 pursuant to this by-law by the gross floor area that has been demolished or converted to another principal use.

    (3) Notwithstanding section 8(1) and 8(2), where the Council of the municipality deems a property to contain a derelict building or structure and that it is in the best interest of the community for the derelict building to be demolished, the Council of the municipality may extend the reduction of development charges to a maximum of 120 months from the date of the demolition permit to the date of the building permit to facilitate redevelopment.

(4) Despite any other provision in this by-law, any reduction is allowed against a development charge otherwise payable pursuant to this by-law shall not exceed in total the amount of the development charge otherwise payable pursuant to this by-law.

(5) For the purposes of section 8, the onus is on the applicant to produce evidence to the satisfaction of the Town, acting reasonably to establish the following:

(a) The number of dwelling units that have been or will be demolished or converted to another principal use: or

(b) The non-residential gross floor area that has been or will be demolished or converted to another principal use; and

(c) In the case of a demolition, that the dwelling units and/or non-residential gross floor area were demolished with 60 months prior to the date of the payment of development charges in regard to the redevelopment. The 60 month time frame shall be calculated from the date of the issuance of the demolition permit.

CREDITS, EXEMPTIONS, RELIEF AND ADJUSTMENTS NOT CUMULATIVE

9. Only one (1) of the applicable credits, exemptions, reductions or adjustments in this by-law shall be applicable to any development or redevelopment. Where the circumstances of a development or redevelopment are such that more than one credit, exemption, relief or adjustment provided for in this by-law could apply, only one credit, exemption, relief or adjustment shall apply and it shall be the credit, exemption, relief or adjustment that results in the lowest development charges payable pursuant to this by-law.

NO REFUNDS ARISING FROM CREDITS, EXEMPTIONS, RELIEF OR ADJUSTMENTS

10. Notwithstanding anything in this by-law to the contrary, whenever a credit, exemption, relief or adjustment is allowed against a development charge otherwise payable pursuant to this by-law and the amount of such credit(s), exemption(s), relief or adjustment(s) exceeds the amount of the development charges otherwise payable pursuant to this by-law , no further credit(s), exemption(s), relief or adjustment(s) shall be allowed against any other development charges payable and no refund shall be payable.

TIMING OF CALCULATION AND PAYMENT

11.

(1) (a) A development charge for each building or structure shall be calculated and payable in full in cash or by certified cheque or by entering into agreement for the performance of work for credit, on the date of the issuance of a building permit for the use to which the development charge applies.

(b) Notwithstanding subsection 11(1)(a), development charges for non-profit housing developments are due and payable in 21 equal annual payments commencing with the first instalment payable on the date of occupancy. Subsequent instalments shall include interest as required in the Town's Council-approved Development Charge Interest Policy, as may be revised from time to time.

(c) Notwithstanding subsection 11(1)(a), development charges for rental housing and institutional developments are due and payable in six (6) installments commencing with the first installment payable on the date of first occupancy certificate issued. Subsequent instalments shall include interest as required in the Town's Council-approved Development Charge Interest Policy, as may be revised from time to time.

(d) Where the development of land results from the approval of a site plan or zoning by-law amendment application 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 Section 11 shall be calculated on the rates set out in Schedule "B" on the date that a complete planning application was submitted, including interest. Where both planning applications apply, development charges under Section 11 shall be calculated on the rates in effect on the day of the latter planning application, including interest as required in the Town's Council-approved Development Charge Interest Policy, as may be revised from time to time.

(e) Notwithstanding subsection 11(1)(a) an owner and the Town may enter into an agreement respecting the timing of the payment of a development charge, or a portion thereof, and the terms of such agreement shall then prevail over the provisions of this By-law.

(2) Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full.

(3) Subject to subsection 11(5), if, following the issuance of all building permits for a development, including 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 11(1), 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 11(1), a refund shall become payable by the Town to the person who originally made the payment referred to in subsection 11(1) 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 11(1) 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 11(1) and the gross floor area used or intended to be used for a non-residential purpose for which building permits were issued.

(4) Subsections 11(3) 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.

(5) Notwithstanding subsections 11(1) to 11(4), 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.

(6) Any refunds payable pursuant to subsections 11(3) and (4) shall be calculated and paid without interest.

RESERVE FUND(S)

12.

(1) Monies received from payment of development charges shall be maintained in separate reserve funds and shall be spent for capital costs determined under paragraphs 2 to 8 of subsection 5(1) of the Act.

(2) The amounts contained in the reserve fund established under this section shall be invested in accordance with section 418 of the *Municipal Act, 2001,* S.O. c.25. Any income received from investment of the development charge reserve fund or funds shall be credited to the development charge reserve fund or funds in relation to which the investment income applies.

(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 pursuant to subsection 12(3) above, the monies so collected shall be credited to the

development charge reserve funds referred to in subsection 12(1).

(5) The Treasurer of the municipality shall, in each year, furnish to council a statement in respect of the reserve fund established hereunder for the prior year which statement shall contain the prescribed information.

BY-LAW AMENDMENT OR REPEAL

13.

(1) Where this by-law or any development charge prescribed thereunder is amended or repealed either by order of the Local Planning Appeal Tribunal or by council, the Treasurer shall calculate the amount of any overpayment to be refunded as a result of said amendment or repeal and make such payment in accordance with the provisions of the Act.

(2) Refunds that are required to be paid under subsection 13(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 date on which the refund is paid; and

(b) Interest shall be calculated quarterly at the Bank of Canada rate, adjusted on the first business day of January, April, July and October in each year.

PHASING AND TRANSITION

14.

(1) The development charges set out in this by-law are not subject to phasing and are payable in full, subject to the credits, exemptions, relief and adjustments herein.

INDEXING

15. The development charges referred to in Schedule “B” shall be increased, if applicable, semi-annually without amendment to this by-law, on the first day of January and the first day of July, of each year, commencing July 1, 2024, in accordance with the Statistics Canada Quarterly, *Construction Price Statistics* (Catalogue No. 62-007).

BY-LAW REGISTRATION

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

BY-LAW ADMINISTRATION

17. This by-law shall be administered by the Treasurer of the municipality.

SCHEDULES TO THE BY-LAW

18. The following Schedules to this by-law form an integral part of this by-law:

Schedule "A"	– Schedule of Municipal Services
Schedule "B"	– Schedule of Development Charges
Schedule "C"	– Map of the area to which this by-law applies

FRONT ENDING AGREEMENTS

19. The Town may enter into one or more front ending agreements under section 44 of the Act.

DATE BY-LAW EFFECTIVE

20. This by-law shall come into force and effect on and after May 20, 2024.

DATE BY-LAW EXPIRES

21. This by-law shall continue in force and effect for a term of ten (10) years from its date of enactment, unless it is repealed at an earlier date.

HEADINGS FOR REFERENCE ONLY

22. 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.

INTERPRETATION

23. Nothing in this by-law shall be construed to commit or require the municipality to authorize or proceed with any specific capital project at any specific time. Each of the provisions of this by-law are severable and, if any provision hereof should for any reason be declared invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

REPEAL

24. By-law No. 2019-064 and any amendments made thereto are hereby repealed as of the date this by-law comes into force and effect.

SHORT TITLE

25. The by-law may be cited as the “Town of East Gwillimbury Area-Specific Development Charge By-law”.

ENACTED and PASSED this 23rd day of April, 2024.

_____
Virginia Hackson, Mayor

_____
Tara Lajevardi, Municipal Clerk

Schedule "A"

BY-LAW NO. 2024-XX

SCHEDULE OF MUNICIPAL SERVICES

AREA-SPECIFIC SERVICES

1. Water Services

Schedule "B"

BY-LAW NO. 2024-XX

SCHEDULE OF DEVELOPMENT CHARGES

	Charge per acre
Yonge Street Watermain	$6,269.99

Schedule “C”

BY-LAW NO. 2024-XX

AREA TO WHICH THIS BY-LAW APPLIES