TOWNSHIP OF WELLINGTON-NORTH

DEVELOPMENT CHARGES BY-LAW REVIEW AND UPDATE

DFA Infrastructure International Inc.

June 19th 2025

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June 19, 2025

Jerry Idialu
Director of Finance/Treasurer
Township of Wellington North
7490 Sideroad 7 W, P.O. Box 125
Kenilworth, Ontario
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Re: Development Charges By-Law Review and Update

Dear Mr. Idialu

Please find attached a copy of the above captioned report. If you have any questions please let me know.

Respectfully Submitted by,

DFA Infrastructure International Inc.

Derek Ali, MBA, P.Eng.
President

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Appendicies

1 Introduction

1.1 Background

The Township of Wellington North (Township) passed its current Development Charges (DC) By-law 027-22 on February 22, 2022. Since this date the Province of Ontario has passed several Acts which have amended the Development Charges Act 1997 (D.C.A.), and therefore the requirements on municipalities when imposing development charges. While these amendments are not reflected in By-law 027-22 the Township is still required to comply with them, thereby creating some confusion by both staff and the development community when processing development applications. To address this issue Township has retained DFA Infrastructure International Inc. (DFA) to prepare a background study and an amending DC by-law to ensure all new legislative requirements are reflected in By-law 027-22.

1.2 Purpose

The primary purpose of this document is to detail recent amendments to the D.C.A, and to present an amending by-law that would ensure the Township's development charges by-law meets the new legislative requirements under the D.C.A.

2 Requirements for Amending a Development Charges By-Law

The requirements to be undertaken by a municipality when amending a development charges by-law are in essence the same as when passing a new development charges by-law. The requirements are as follows:

- completing a development charges background study (with necessary modification), and
- holding at least one public meeting.

The Township must ensure the background study is made available to the public at least 60 days prior to the passing of the amending DC by-law by posting the study on the Township's website. The Township must also hold at least one public meeting, giving at least 20-days notice, and ensure the proposed amending DC by-law and background study are made available to the public at least two weeks prior to the meeting.

As the amendment to By-law 027-22 would be considered "housekeeping" in nature the background study would be limited in scope and only reflect the necessary changes needed to codify into the Township's development charges by-law the new statutory requirements as contained in D.C.A. amending legislation passed since February 22, 2022. This report will represent the background study as required under the D.C.A..

3 Recent Amendments to the *Development Charges Act 1997*

Since the Township passed Development Charges By-law # 027-22 on February 22, 2022 the Province has enacted several separate Acts that have amended the D.C.A.. Below are the Acts and a summary of the amendments that are specific to the D.C.A.. Detailed excerpts (specific to changes in the D.C.A.) from these acts are as provided in Appendix, A, B, C and D.

3.1 Bill 23-*More Homes Built Faster Act, 2022*

Bill 23-*More Homes Built Faster Act, 2022* was introduced on October 25, 2022, receiving Royal Assent on November 28,2022. This Act amends the D.C.A. as follows:

- Provision for the Additional Residential Unit Exemption has been moved from the regulation to the D.C.A., with changes to wording and display
- Housing services has been removed as an Eligible Service;

- New Statutory Exemptions has been provided for Affordable Units, Attainable Units, and Inclusionary Zoning Units. (Bill 134- Affordable Homes and Good Jobs Act, 2023 noted below provides the definition of “affordable”, “attainable” and “inclusionary zoning units” under the D.C.A.)
- New Statutory Exemption has been provided for Non-Profit Housing;
- Historical Level of Service (used in calculating the service level cap) has been extended to a 15-year period instead of the previous 10-year period;
- Capital Cost definition has been revised to remove studies and for prescribed services for which land or an interest in land will be restricted;
- Mandatory Phase-in of a development charge where by-laws are passed after January 1, 2022, as follows:
  - Year 1 – 80% of the maximum charge;
  - Year 2 – 85% of the maximum charge;
  - Year 3 – 90% of the maximum charge;
  - Year 4 – 95% of the maximum charge; and
  - Year 5 to expiry – 100% of the maximum charge.
- Development charge by-law expiry will now be a maximum of 10 years after the date the by-law comes into force;
- Development charges for Rental Housing developments will now receive a discount as follows:
  - Three or more bedrooms – 25% reduction;
  - Two bedrooms – 20% reduction; and
  - All other bedroom quantities – 15% reduction.
- The Maximum Interest Rate for Installments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications will now be set at the average prime rate plus 1%; and
- Municipalities are now required to spend or allocate at least 60% of their reserve fund at the beginning of the year for water, wastewater, and services related to a highway.

3.2 Bill 134 - *Affordable Homes and Good Jobs Act, 2023*

Bill 134-*Affordable Home and Goods Jobs Act, 2023* was introduced on September 28, 2023, receiving Royal Assent on December 4,2023.

The D.C.A. includes provisions exempting affordable and attainable residential units from development charges. Bill 134 amends these provisions that set out when a residential unit would be considered to be an affordable or attainable residential unit.

Bill 134 changes the definition of, and provides for clarity in respect to, affordable housing and attainable housing as introduced by Bill 23. Bill 134 also introduced the “Affordable Residential Units bulletin” which sets out the market-based (i.e., average purchase prices and market rents) and income-based thresholds that are to be used to determine the eligibility of a residential unit for an exemption from development charges. The current bulletin is effective as of June 1, 2024, and is applicable across Ontario.

It should be noted that the units to which the exemptions and exclusions apply must be subject to agreements that provide for them to remain affordable residential units for 25 years. Units must also be sold or rented on an arm's length basis.

A copy of the most recently published “Affordable Residential Units bulletin” is provided in Appendix E.

3.3 Bill 185- *Cutting Red Tape to Build More Homes Act, 2024*

Bill 185-*Cutting Red Tape to Build More Homes Act, 2024* was introduced on April 10, 2024, receiving Royal Assent on June 6,2024. This Act amends the DCA as follows:

- Reintroduces studies, previously removed under Bill 23, as an eligible cost for services, including costs for the preparation of a D.C. background study;
- Removes the mandatory phase-in that was introduced in Bill 23;
- Reduces the time period for the determination of a development charge applicable to site plan and zoning by-law amendment applications, whereby the time period between the building permit issuance and planning application approval is reduced to 18 months from two years (note, the two-year time period still applies to applications received and approved between January 1, 2020, and June 5, 2024);
- Permits the repeal of the date the development charges by-law expires (allowing for the 10-year by-law term provided in the D.C.A.);
- Allows minor development charges by-law amendments to be undertaken without the statutory public process if the amendment is related to the inclusion of study costs, the removal of the mandatory phase-in of a development charges by-law, and the removal a by-law expiry date. This is only applicable for by-laws passed between November 28, 2022, and June 6, 2024, (Township’s development charges by-law was passed February 22, 2022). Moreover, minor amendments must be undertaken within 6 month of the Cutting Red Tape to Build More Homes Act 2024 coming into effect. As such the Township must still follow the statutory public process when amending By-law 027-22 as noted above; and
- Permits municipalities to publish a development charges public notice on municipal websites where newspapers of general circulation are not available.

3.4 Bill 17 - *Protect Ontario by Building Faster and Smarter Act, 2025*

Bill 17- *Protect Ontario by Building Faster and Smarter Act, 2025* was introduced on May 12, 2025, receiving Royal Assent on June 5,2025. This Act amends the D.C.A. as follows:

- New Statutory Exemption has been provided for Long-Term Care Homes;
- Added exceptions to when amending a DC by-law a municipality is not required to undertake the prescribed rules such as preparing a background study and holding a public meeting;
- For residential development, other than rental housing development, development charges are now paid either on the day a permit is issued under the Building Code Act, 1992 authorizing occupation of the building or on the day the building is first occupied, whichever comes first. Also, a person required

to pay a development charge for residential development may pay the charge before the day it is payable even in the absence of an agreement; and

- The Act allows that if two or more services are deemed to be one service, a credit that relates to any one of those services may be used towards a part of a development charge that relates to any of those services.

4 Conclusions

It should be noted that not all the above noted amendments to the D.C.A will require changes to the Township's development charges by-law, such as changes to the protocol for calculating development charge rates. An example would include the change in the historical level of service term used in calculating the service level cap (from a term of 10-years to a term of 15-years).

Below is a list of the changes required to be incorporated into the Township's development charges By-law to ensure that the requirements of the D.C.A are met. The proposed amending DC by-law to be presented to Council for approval can be found in Appendix F.

A- A number of definitions will be amened/added to the DC by-law. including definitions related to:
   - Rental Housing Development
   - Non-Profit Housing Development
   - Affordable Residential Units bulletin
   - Affordable Residential Unit
   - Attainable Residential Unit
   - Inclusionary Zoning Residential Unit
   - Long-Term Care Home

B- Changes will be made to the wording and presentation regarding the residential intensification exemptions

C- Exemptions will be added for the following types of development:
   - Non-Proft Housing
   - Inclusionary Zoning Units
   - Affordable Units
   - Attainable Units

D- Rental Housing Developments will be granted discounts based on the number of bedrooms contained in each unit

E- Changes will be made to the timing of payment of residential development charges

F- A reduction to the time period will be made for the determination of a development charge applicable to site plan and zoning by-law amendment applications

5 Next Steps

Below are the steps that will need to be taken by the Township for the approval of the proposed amending DC by-law:

- Release of DC Background Study to the public (upon Council's first review of study/proposed amending DC by-law)
- Advertise notice of public meeting (upon Council's first review of study/proposed amending DC by-law)
- Public Meeting under the D.C.A. (at least 20 days of notice of public meeting)
- Passing of amending DC by-law by Council (at least 60 days of by-law being made available to the public)
- Advertise notice of passage of amending DC By-law (within 20 days of passage of the amending DC by-law)
- Last day for appeal of amending DC By-law (40 days after passage of amending DC by-law)

APPENDICIES

Appendix A

Bill 23-More Homes Built Faster Act, 2022 (Schedule 3)

SCHEDULE 3
DEVELOPMENT CHARGES ACT, 1997

1 Section 1 of the *Development Charges Act, 1997* is amended by adding the following definition:

"rental housing development" means development of a building or structure with four or more residential units all of which are intended for use as rented residential premises; ("aménagement de logements locatifs")

2 (1) Subsections 2 (3) and (3.1) of the Act are repealed and the following substituted:

Same

(3) An action mentioned in clauses (2) (a) to (g) does not satisfy the requirements of subsection (2) if the only effect of the action is to permit the enlargement of an existing residential unit.

Exemption for residential units in existing rental residential buildings

(3.1) The creation of the greater of the following in an existing rental residential building, which contains four or more residential units, is exempt from development charges:

1. One residential unit.
2. 1% of the existing residential units.

Exemption for residential units in existing houses

(3.2) The creation of any of the following is exempt from development charges:

1. 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.
2. 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.
3. 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.

Exemption for additional residential units in new residential buildings

(3.3) The creation of any of the following is exempt from development charges:

1. 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.
2. A third 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 no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units.
3. 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.

(2) Paragraph 17 of subsection 2 (4) of the Act is repealed.

(3) Section 2 of the Act is amended by adding the following subsection:

Deemed amendment of by-law

(4.0.1) If a by-law under this section imposes development charges to pay for increased capital costs required because of increased needs for housing services, the by-law is deemed to be amended to be consistent with subsection (4) as it reads on the day subsection 2 (2) of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

3 The Act is amended by adding the following section:

Exemption for affordable and attainable residential units

Definitions

4.1 (1) In this section,

"affordable residential unit" means a residential unit that meets the criteria set out in subsection (2) or (3); ("unité d'habitation abordable")

"attainable residential unit" means a residential unit that meets the criteria set out in subsection (4). ("unité d'habitation à la portée du revenu")

Affordable residential unit, rented

(2) A residential unit intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:

1. The rent is no greater than 80 per cent of the average market rent, as determined in accordance with subsection (5).
2. The tenant is dealing at arm's length with the landlord.

Affordable residential unit, ownership

(3) A residential unit not intended for use as a rented residential premises shall be considered to be an affordable residential unit if it meets the following criteria:

1. The price of the residential unit is no greater than 80 per cent of the average purchase price, as determined in accordance with subsection (6).
2. The residential unit is sold to a person who is dealing at arm's length with the seller.

Attainable residential unit

(4) A residential unit shall be considered to be an attainable residential unit if it meets the following criteria:

1. The residential unit is not an affordable residential unit.
2. The residential unit is not intended for use as a rented residential premises.
3. The residential unit was developed as part of a prescribed development or class of developments.
4. The residential unit is sold to a person who is dealing at arm's length with the seller.
5. Such other criteria as may be prescribed.

Average market rent

(5) For the purposes of paragraph 1 of subsection (2), the average market rent applicable to a residential unit is the average market rent for the year in which the residential unit is occupied by a tenant, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario.

Average purchase price

(6) For the purposes of paragraph 1 of subsection (3), the average purchase price applicable to a residential unit is the average purchase price for the year in which the residential unit is sold, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario.

Arm's length

(7) For the purposes of this section, in the determination of whether two or more persons are dealing at arm's length, section 251 of the *Income Tax Act* (Canada) applies with necessary modifications.

Affordable residential unit, exemption from development charges

(8) The creation of a residential unit that is intended to be an affordable residential unit for a period of 25 years or more from the time that the unit is first rented or sold is exempt from development charges.

Same, agreement

(9) A person who, but for subsection (8), would be required to pay a development charge and the local municipality shall enter into an agreement that requires the residential unit to which subsection (8) applies to be an affordable residential unit for a period of 25 years.

Attainable residential unit, exemption from development charges

(10) The creation of a residential unit that is intended to be an attainable residential unit when the unit is first sold is exempt from development charges.

Same, agreement

(11) A person who, but for subsection (10), would be required to pay a development charge and the local municipality shall enter into an agreement that requires the residential unit to which subsection (10) applies to be an attainable residential unit at the time it is sold.

Standard form agreement

(12) The Minister of Municipal Affairs and Housing may establish standard forms of agreement that shall be used for the purposes of subsection (9) or (11).

Registration of agreement

(13) An agreement entered into under subsection (9) or (11) may be registered against the land to which it applies and the municipality is entitled to enforce the provisions of the agreement against the owner and, subject to the *Registry Act* and the *Land Titles Act*, against any and all subsequent owners of the land.

Transition

(14) Subsection (8) does not apply with respect to a development charge that is payable before the day section 3 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

Non-application of *Legislation Act, 2006*

(15) Part III (Regulations) of the *Legislation Act, 2006* does not apply to,

(a) a bulletin referred to in this section; or

(b) a standard form of agreement established under subsection (12).

4 The Act is amended by adding the following sections:

Exemption for non-profit housing development

Definition

4.2 (1) In this section,

"non-profit housing development" means the development of a building or structure intended for use as a residential premises and developed by,

(a) a corporation to which the *Not-for-Profit Corporations Act, 2010* 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 *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing, or

(c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

Exemption

(2) A non-profit housing development is exempt from development charges.

Transition

(3) Subsection (2) does not apply with respect to a development charge that is payable before the day section 4 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

Same

(4) For greater certainty, subsection (2) applies to future instalments that would have been payable in accordance with section 26.1 after the day section 4 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

Exemption for inclusionary zoning residential units

Exemption

4.3 (1) The creation of a residential unit described in subsection (2) is exempt from development charges unless a development charge is payable with respect to the residential unit before the day section 4 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

Application

(2) Subsection (1) applies in respect of residential units that are affordable housing units required to be included in a development or redevelopment pursuant to a by-law passed under section 34 of the *Planning Act* to give effect to the policies described in subsection 16 (4) of that Act.

5 (1) Paragraph 4 of subsection 5 (1) of the Act is amended by striking out "10-year period" and substituting "15-year period".

(2) Section 5 of the Act is amended by adding the following subsection:

Transition, par. 4 of subs. (1)

(1.1) For greater certainty, paragraph 4 of subsection (1), as it read immediately before the day subsection 5 (1) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force, continues to apply in respect of a development charge by-law in force on that day.

(3) Paragraph 1 of subsection 5 (3) of the Act is amended by adding "except in relation to such services as are prescribed for the purposes of this paragraph" at the end.

(4) Paragraphs 5 and 6 of subsection 5 (3) of the Act are repealed.

(5) Section 5 of the Act is amended by adding the following subsection:

Transition

(3.1) For greater certainty, subsection (3), as it read immediately before the day subsection 5 (4) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force, continues to apply in respect of a development charge by-law in force on that day.

(6) Subsection 5 (6) of the Act is amended by adding the following paragraph:

4. In the case of a development charge by-law passed on or after the day subsection 5 (6) of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force, the rules must provide that,

   i. any development charge imposed during the first year that the by-law is in force is no more than 80 per cent of the maximum development charge that could otherwise be charged in accordance with this section,

   ii. any development charge imposed during the second year that the by-law is in force is no more than 85 per cent of the maximum development charge that could otherwise be charged in accordance with this section,

   iii. any development charge imposed during the third year that the by-law is in force is no more than 90 per cent of the maximum development charge that could otherwise be charged in accordance with this section, and

   iv. any development charge imposed during the fourth year that the by-law is in force is no more than 95 per cent of the maximum development charge that could otherwise be charged in accordance with this section.

(7) Section 5 of the Act is amended by adding the following subsections:

Special rule

(7) Subsection (8) applies to a development charge imposed by a development charge by-law passed on or after January 1, 2022 and before the day subsection 5 (7) of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force, unless the development charge was payable before the day subsection 5 (7) of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

Same

(8) The amount of a development charge described in subsection (7) shall be reduced in accordance with the following rules:

1. A development charge imposed during the first year that the by-law is in force shall be reduced to 80 per cent of the development charge that would otherwise be imposed by the by-law.
2. A development charge imposed during the second year that the by-law is in force shall be reduced to 85 per cent of the development charge that would otherwise be imposed by the by-law.
3. A development charge imposed during the third year that the by-law is in force shall be reduced to 90 per cent of the development charge that would otherwise be imposed by the by-law.
4. A development charge imposed during the fourth year that the by-law is in force shall be reduced to 95 per cent of the development charge that would otherwise be imposed by the by-law.

Same, interpretation

(9) For the purposes of subsections (7) and (8), a development charge is deemed to be imposed on the day referred to in subsection 26.2 (1) that applies to the development charge.

6 (1) Subsection 9 (1) of the Act is amended by striking out "five years" and substituting "10 years".

(2) Section 9 of the Act is amended by adding the following subsection:

Transition

(1.1) For greater certainty, subsection (1), as it reads on and after the day subsection 6 (1) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force, does not apply with respect to a development charge by-law that, before that day, had expired pursuant to subsection (1) as it read before that day.

7 (1) Paragraphs 1 to 3 of subsection 26.1 (2) of the Act are repealed and the following substituted:

1. Rental housing development.
2. Institutional development.

(2) Subsection 26.1 (3) of the Act is repealed and the following substituted:

Annual instalments

(3) A development charge referred to in subsection (1) shall be paid in equal annual instalments beginning on the earlier of the date of the issuance of a permit under the *Building Code Act, 1992* authorizing occupation of the building and the date the building is first occupied, and continuing on the following five anniversaries of that date.

(3) Subsection 26.1 (7) of the Act is amended by striking out "not exceeding the prescribed maximum interest rate" at the end and substituting "not exceeding the maximum interest rate determined in accordance with section 26.3".

8 (1) Subsection 26.2 (1) of the Act is amended by striking out "The total amount" at the beginning and substituting "Subject to subsection (1.1), the total amount".

(2) Section 26.2 of the Act is amended by adding the following subsections:

Discount, rental housing development

(1.1) In the case of rental housing development, the amount determined under subsection (1) shall be reduced in accordance with the following rules:

1. A development charge for a residential unit intended for use as a rented residential premises with three or more bedrooms shall be reduced by 25 per cent.
2. A development charge for a residential unit intended for use as a rented residential premises with two bedrooms shall be reduced by 20 per cent.
3. A development charge for a residential unit intended for use as a rented residential premises not referred to in paragraph 1 or 2 shall be reduced by 15 per cent.

Same, transition

(1.2) Subject to subsection (1.3), subsection (1.1) does not apply in respect of a development charge for a development in respect of which a building permit was issued before the day subsection 8 (2) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force.

Same, exception

(1.3) Despite subsection (7), paragraphs 1 to 3 of subsection (1.1) apply to any part of a development charge payable under an agreement under section 27 that is in respect of a prescribed development and that was entered into before the day that subsection 8 (2) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force, other than a part of the development charge that is payable under the agreement before the day the development was prescribed for the purposes of this subsection.

(3) Subsection 26.2 (3) of the Act is amended by striking out "at a rate not exceeding the prescribed maximum interest rate" and substituting "at a rate not exceeding the maximum interest rate determined in accordance with section 26.3".

9 The Act is amended by adding the following section:

Maximum interest rate

26.3 (1) In this section,

"adjustment date" means January 1, April 1, July 1 or October 1; ("date de rajustement")

"average prime rate", on a particular date, means the mean, rounded to the nearest hundredth of a percentage point, of the annual rates of interest announced by each of the Royal Bank of Canada, The Bank of Nova Scotia, the Canadian Imperial Bank of Commerce, the Bank of Montreal and The Toronto-Dominion Bank to be its prime or reference rate of interest in effect on that date for determining interest rates on Canadian dollar commercial loans by that bank in Canada. ("taux préférentiel moyen")

Same

(2) For the purposes of subsections 26.1 (7) and 26.2 (3), the maximum interest rate that a municipality may charge shall be determined in accordance with the following rules:

1. A base rate of interest shall be determined for April 1, 2022 and for each adjustment date after April 1, 2022 and shall be equal to the average prime rate on,
   i. October 15 of the previous year, if the adjustment date is January 1,
   ii. January 15 of the same year, if the adjustment date is April 1,
   iii. April 15 of the same year, if the adjustment date is July 1, and

iv. July 15 of the same year, if the adjustment date is October 1.

2. The base rate of interest in effect on a particular date shall be,

   i. the base rate for the particular date, if the particular date is an adjustment date, and

   ii. the base rate for the last adjustment date before the particular date, otherwise.

3. The maximum rate of interest that may be charged, in respect of a particular day after June 1, 2022, shall be an annual interest rate that is one percentage point higher than the base rate of interest in effect for that day.

Transition

(3) Subsection (2) does not apply in respect of a development charge that was payable before the day section 9 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force.

10 Section 35 of the Act is amended by adding the following subsections:

Requirement to spend or allocate monies in reserve fund

(2) Beginning in 2023 and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the following services at the beginning of the year:

1. Water supply services, including distribution and treatment services.
2. Waste water services, including sewers and treatment services.
3. Services related to a highway as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be.

Same

(3) If a service is prescribed for the purposes of this subsection, beginning in the first calendar year that commences after the service is prescribed and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the prescribed service at the beginning of the year.

11 (1) Subsection 44 (4) of the Act is amended by striking out "Subsection 2 (3.1) and section 4" at the beginning and substituting "Subsections 2 (3.3), 4.2 (2) and 4.3 (1) and section 4".

(2) Subsection 44 (4) of the Act, as amended by subsection (1), is amended by adding "4.1 (8) and (10)" after "Subsections 2 (3.3)" at the beginning.

12 (1) Clauses 60 (1) (b) and (b.1) of the Act are repealed.

(2) Subsection 60 (1) of the Act is amended by adding the following clauses:

(d.2) prescribing developments and classes of developments for the purposes of paragraph 3 of subsection 4.1 (4);

(d.3) prescribing criteria for the purposes of paragraph 5 of subsection 4.1 (4);

(3) Subsection 60 (1) of the Act is amended by adding the following clause:

(l) prescribing services for the purposes of paragraph 1 of subsection 5 (3);

(4) Clause 60 (1) (s.2) of the Act is repealed.

(5) Subsection 60 (1) of the Act is amended by adding the following clause:

(s.2.1) prescribing developments for the purposes of subsection 26.2 (1.3);

(6) Subsection 60 (1) of the Act is amended by adding the following clause:

(s.4) prescribing one or more services for the purposes of subsection 35 (3);

(7) Section 60 of the Act is amended by adding the following subsections:

Adoption by reference

(1.1) A regulation under clause (1) (d.3) may adopt by reference, in whole or in part and with such changes as are considered necessary, any document and may require compliance with the document.

Rolling incorporation by reference

(1.2) The power to adopt by reference and require compliance with a document in subsection (1.1) includes the power to adopt a document as it may be amended from time to time.

Revocation

13 Subsections 11.1 (1) and (3) of Ontario Regulation 82/98 are revoked.

Commencement

14 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *More Homes Built Faster Act, 2022* receives Royal Assent.

(2) Section 3, subsection 11 (2) and subsections 12 (2) and (7) come into force on a day to be named by proclamation of the Lieutenant Governor.

Appendix B

Bill 134-Affordable Homes and Good Jobs Act, 2023 (Schedule 1)

SCHEDULE 1
DEVELOPMENT CHARGES ACT, 1997

1 (1) Subsection 4.1 (1) of the *Development Charges Act, 1997* is amended by adding the following definition:

"Affordable Residential Units bulletin" means the bulletin entitled the "Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario; ("bulletin relatif aux unités d'habitation abordables")

(2) Paragraph 1 of subsection 4.1 (2) of the Act is repealed and the following substituted:

1. The rent is no greater than the lesser of,
   i. the income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (5), and
   ii. the average market rent identified for the residential unit set out in the Affordable Residential Units bulletin.

(3) Paragraph 1 of subsection 4.1 (3) of the Act is repealed and the following substituted:

1. The price of the residential unit is no greater than the lesser of,
   i. the income-based affordable purchase price for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (6), and
   ii. 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin.

(4) Subsections 4.1 (5) and (6) of the Act are repealed and the following substituted:

Rent based on income

(5) For the purposes of subparagraph 1 i of subsection (2), in identifying the income-based affordable rent applicable to a residential unit, the Minister of Municipal Affairs and Housing shall,

(a) determine the income of a household that, in the Minister's opinion, is at the 60th percentile of gross annual incomes for renter households in the applicable local municipality; and

(b) identify the rent that, in the Minister's opinion, is equal to 30 per cent of the income of the household referred to in clause (a).

Purchase price based on income

(6) For the purposes of subparagraph 1 i of subsection (3), in identifying the income-based affordable purchase price applicable to a residential unit, the Minister of Municipal Affairs and Housing shall,

(a) determine the income of a household that, in the Minister's opinion, is at the 60th percentile of gross annual incomes for households in the applicable local municipality; and

(b) identify the purchase price that, in the Minister's opinion, would result in annual accommodation costs equal to 30 per cent of the income of the household referred to in clause (a).

Commencement

2 This Schedule comes into force on the later of the day section 3 of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force and the day the *Affordable Homes and Good Jobs Act, 2023* receives Royal Assent.

Appendix C

Bill 185-The Cutting Red Tape to Build More Homes Act, 2024 (Schedule 6)

SCHEDULE 6
DEVELOPMENT CHARGES ACT, 1997

1 (1) Subsection 5 (3) of the *Development Charges Act, 1997* is amended by adding the following paragraphs:

5. Costs to undertake studies in connection with any of the matters referred to in paragraphs 1 to 4.
6. Costs of the development charge background study required under section 10.

(2) Subsection 5 (3.1) of the Act is repealed.

(3) Paragraph 4 of subsection 5 (6) of the Act is repealed.

(4) Subsections 5 (7) to (9) of the Act are repealed and the following substituted:

Transition, repeal of subss. (7) and (8)

(7) Subsections (7) and (8) as they read immediately before the day subsection 1 (4) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force continue to apply to a development charge imposed on or after November 28, 2022 and before the day subsection 1 (4) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.

Same

(8) For the purposes of subsection (7), a development charge is deemed to be imposed on the day referred to in subsection 26.2 (1) that applies to the development charge.

2 (1) Section 19 of the Act is amended by adding the following subsections:

Amendments to extend by-law

(1.1) Subsection (1) does not apply to an amendment to a development charge by-law if the only effect of the amendment is to repeal a provision specifying the date on which the by-law expires or to amend such a provision to provide for the by-law to expire on a later date.

Amendments re subs. 5 (3)

(1.2) Subsection (1) does not apply to an amendment to a development charge by-law if the following conditions are satisfied:

1. The development charge by-law being amended was passed on or after November 28, 2022 and before the day subsection 1 (1) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.
2. The amendment is passed within six months after the day subsection 1 (1) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.
3. The only effect of the amendment is to impose development charges to pay for the capital costs described in paragraphs 5 and 6 of subsection 5 (3) if development charges are permitted under the Act.

Amendments re subs. 5 (6)

(1.3) Subsection (1) does not apply to an amendment to a development charge by-law if the following conditions are satisfied:

1. The development charge by-law being amended was passed on or after November 28, 2022 and before the day subsection 1 (3) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.
2. The amendment is passed within six months after the day subsection 1 (3) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.
3. The only effect of the amendment is to change the rules developed pursuant to paragraph 9 of subsection 5 (1) to increase a development charge imposed during the first four years that the by-law is in force to the amount that could have been charged if paragraph 4 of subsection 5 (6) had not been in force at the time the by-law was passed.

Notice

(1.4) The clerk of a municipality that passed an amendment referred to in subsection (1.1), (1.2) or (1.3) shall give written notice of the passing of the amendment and subsections 13 (2) to (4) apply, with necessary modifications, to the notice.

(2) Subsections 19 (1.2) to (1.4) of the Act, as enacted by subsection 2 (1), are repealed and the following substituted:

Notice

(1.2) The clerk of a municipality that passed an amendment referred to in subsection (1.1) shall give written notice of the passing of the amendment and subsections 13 (2) to (4) apply, with necessary modifications, to the notice.

3 (1) Subsection 26.2 (5) of the Act is amended by striking out "the prescribed amount of time" wherever it appears and substituting in each case "18 months".

(2) Section 26.2 of the Act is amended by adding the following subsection:

Same, transition

(5.1) Subsection (5) as it read before the day subsection 3 (1) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force continues to apply to a development in respect of which the application referred to in clause (1) (a) or (b) was approved before the day subsection 3 (1) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force.

(3) Section 26.2 of the Act is amended by adding the following subsection:

Special rule, City of Ottawa

(8) If an application referred to in clause (1) (a) or (b) is made to the City of Ottawa between May 14, 2024 and the day that is 15 days after the day subsection 3 (3) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* comes into force, the application shall be deemed for the purposes of this section to have been made on the day that is 16 days after the day subsection 3 (3) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* comes into force.

Commencement

4 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Cutting Red Tape to Build More Homes Act, 2024* receives Royal Assent.

(2) Subsection 2 (2) comes into force on the day that is 7 months after the day the *Cutting Red Tape to Build More Homes Act, 2024* receives Royal Assent.

Appendix D

Bill 17-Protect Ontario by Building Faster and Smarter Act, 2025 (Schedule 4)

SCHEDULE 4
DEVELOPMENT CHARGES ACT, 1997

1 The *Development Charges Act, 1997* is amended by adding the following section:

Exemption for long-term care home development

4.4 (1) The development of any part of a building or structure intended for use as a long-term care home, as defined in subsection 2 (1) of the *Fixing Long-Term Care Home Act, 2021*, is exempt from development charges.

Transition

(2) Subsection (1) does not apply with respect to a development charge that is payable before the day section 1 of Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* comes into force.

Same

(3) For greater certainty, subsection (1) applies to future instalments that would have been payable in accordance with section 26.1 after the day section 1 of Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* comes into force.

2 (1) Subsection 5 (3) of the Act is amended by adding "Subject to the regulations" at the beginning of the portion before paragraph 1.

(2) Paragraph 1 of subsection 5 (3) of the Act is amended by striking out "except in relation to such services as are prescribed for the purposes of this paragraph" at the end.

3 Subsection 19 (1.1) of the Act is repealed and the following substituted:

Exceptions

(1.1) Subsection (1) does not apply to an amendment to a development charge by-law if the only effect of the amendment is to,

(a) repeal a provision specifying the date on which the by-law expires or to amend such a provision to provide for the by-law to expire on a later date;

(b) repeal a provision providing for the indexing of a development charge or to amend such a provision to provide for a development charge not to be indexed; or

(c) decrease the amount of a development charge that is payable for one or more types of development in the circumstances specified in the amendment.

4 (1) Subsection 26.1 (2) of the Act is amended by adding the following paragraph:

3. Residential development not described in paragraph 1.

(2) Subsection 26.1 (3) of the Act is amended by striking out "A development charge referred to in subsection (1)" at the beginning and substituting "A development charge in respect of any part of a development that consists of a type of development described in paragraph 1 or 2 of subsection (2)".

(3) Section 26.1 of the Act is amended by adding the following subsections:

Payable on occupancy

(3.1) Subject to subsection (3.2), a development charge in respect of any part of a development that consists of a type of development described in paragraph 3 of subsection (2) shall be paid in full on the earlier of,

(a) the day a permit is issued under the *Building Code Act, 1992* authorizing occupation of the building; and

(b) the day the building is first occupied.

Same, financial security

(3.2) If the prescribed circumstances exist, the municipality that imposes a development charge in respect of a type of development described in paragraph 3 of subsection (2) may require the person required to pay the charge to provide an instrument to be used to secure the payment of the charge under subsection (3.1), subject to any prescribed limitations.

(4) Subsection 26.1 (4) of the Act is amended by striking out "an instalment is payable" at the end and substituting "the amount is payable in accordance with this section".

(5) Subsection 26.1 (7) of the Act is repealed and the following substituted:

Interest

(7) A municipality may charge interest on the instalments payable under subsection (3) in accordance with this subsection, as it read before the day subsection 4 (5) of Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* came into force, but only to the extent that the interest being charged had accrued before that day.

(6) Subsection 26.1 (8) of the Act is amended by striking out "instalments required by subsection (3)" and substituting "instalments required by subsection (3), development charges payable under subsection (3.1)".

(7) Subsection 26.1 (9) of the Act is repealed.

(8) Section 26.1 of the Act is amended by adding the following subsection:

Early payment in absence of agreement under s. 27

(12) For greater certainty, a person required to pay a development charge under this section may pay the charge before the day it is payable even in the absence of an agreement under section 27.

5 Section 26.2 of the Act is amended by adding the following subsections:

Exception, decrease in amount of charges payable

(5.2) Clauses (1) (a) and (b) do not apply to a development charge if the total amount of all charges, including any interest charged under subsection (3), that are payable in accordance with either of those clauses exceeds the total amount of all charges that would be payable if clause (1) (c) applied.

Other charges included if paid at the same time

(5.3) For the purposes of subsection (5.2), the total amount of all charges includes any other development charges in respect of the same development that are payable at the same time as the charge referred to in subsection (5.2) is payable.

Same, transition

(5.4) Subsection (5.2) does not apply in respect of a development charge that is payable or, if section 26.1 did not apply, would be payable, in accordance with section 26 before the day section 5 of Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* comes into force.

6 Section 28 of the Act is repealed and the following substituted:

Withholding of permit until charge paid

28 Despite any other Act, a municipality is not required to issue a permit under the *Building Code Act, 1992* for a development to which development charges apply unless,

(a) in the case of a permit issued under subsection 8 (1) of that Act, all development charges have been paid except for any charges payable in accordance with section 26.1 of this Act or any charges that an agreement made under section 27 of this Act provides are payable after the permit is issued; or

(b) in the case of any other permit issued under that Act, all development charges that are payable before the issuance of the permit have been paid.

7 (1) Subsection 41 (1) of the Act is amended by adding "Subject to subsection (1.1)" at the beginning.

(2) Section 41 of the Act is amended by adding the following subsection:

Services deemed to be one service

(1.1) If two or more services are deemed to be one service by the regulations, a credit that relates to any one of those services may be used with respect to that part of a development charge that relates to any of those services.

8 Section 59 of the Act is amended by adding the following subsection:

What constitutes a local service

(2.1) What constitutes a local service for the purposes of clauses (2) (a) and (b) may be determined by the regulations.

9 (1) Clause 60 (1) (l) of the Act is repealed and the following substituted:

(l) providing for exceptions to the application of subsection 5 (3), and making such exceptions subject to conditions;

(2) Subsection 60 (1) of the Act is amended by adding the following clause:

(s.1.1) prescribing circumstances and limitations for the purposes of subsection 26.1 (3.2);

(3) Clause 60 (1) (s.3) of the Act is repealed.

(4) Subsection 60 (1) of the Act is amended by adding the following clauses:

(s.5) deemed two or more services to be one service for the purposes of subsection 41 (1.1);

. . . . .

(t.0.2) determining what constitutes a local service for the purposes of clauses 59 (2) (a) and (b);

Appendix E

Affordable Residential Units Bulletin

Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin

This bulletin is effective June 1, 2024, and applies until replaced by a new bulletin (anticipated June 1, 2025).

This bulletin sets out the market-based (that is, average purchase prices and market rents) and income-based thresholds that are to be used to determine the eligibility of a residential unit for an exemption from development charges and exclusions from the maximum community benefits charge and parkland dedication requirements.

Applicable units must be subject to agreements that provide for them to remain affordable residential units for 25 years. Units must also be sold or rented on an arm's length basis.

For ownership housing, a unit would be considered affordable when the purchase price is at or below the lesser of:

- Income-based purchase price: A purchase price that would result in annual accommodation costs equal to 30% of a household's gross annual income for a household at the 60th percentile of the income distribution for all households in the local municipality; and
- Market-based purchase price: 90% of the average purchase price of a unit of the same unit type in the local municipality.

For rental housing, a unit would be considered affordable when the rent is at or below the lesser of:

- Income-based rent: Rent that is equal to 30% of gross annual household income for a household at the 60th percentile of the income distribution for renter households in the local municipality; and
- Market-based rent: Average market rent of a unit of the same unit type in the local municipality.

In cases of disagreement, a person (or person's agent) required to pay a development charge may complain to the council of the municipality imposing the development charge that there was an error in the application of the development charge by-law.

Data last updated: April 5, 2024

Appendix F

Proposed By-law to Amend By-law 027-22

THE CORPORATION OF THE
TOWNSHIP OF WELLINGTON NORTH

BY-LAW NUMBER XXX-25

BEING A BY-LAW TO AMEND BY-LAW 027-22, WHICH IS FOR THE IMPOSITION OF DEVELOPMENT CHARGES

Whereas Section 2 of the Development Charges Act, 1997, S.O. 1997, c. 27 ("the Act") provides that the council of a municipality may pass a by-law for the imposition of development charges against land if the development of the land would increase the need for services arising from development of the area to which the by-law applies;

And Whereas the Council of the Township of Wellington North (the "Council") enacted and passed By-law 027-22, being a by-law for the imposition of development charges on February 22, 2022;

And Whereas Section 19 of the Act provides for amendments to be made to development charges by-laws;

And Whereas a development charges background update study has been completed in accordance with the Act;

And Whereas the update study and proposed amending By-law were made available to the public on XX day of XXXXX 2025;

And Whereas the Council of the Township of Wellington North has given notice and held a public meeting on the XX day of XXXXX 2025 in accordance with the Act and the regulations thereto;

Now therefore the Council of the Township of Wellington North hereby enacts as follows:

1. By-law 027-22 is hereby amended as follows:

A: **Section 1** is hereby amended as follows:

The definition of "Purpose-Built Rental Housing Development" is hereby repealed and replaced as follows:

"Rental Housing Development" means development of a building or structure with four or more residential units all of which are intended for use as rented residential premises.

The definition of "Non-Profit Housing Development" is hereby added as follows:

"Non-Profit Housing Development" means the development of a building or structure intended for use as a residential premises and developed by,

(a) a corporation to which the *Not-for-Profit Corporations Act, 2010* 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 Canada Not-for-profit Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing, or

(c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act. 2022, c. 21, Sched. 3, s. 4.*

The definition of "Affordable Residential Units bulletin" is hereby added as follows:

"**Affordable Residential Units bulletin**" means the bulletin entitled the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing on a website of the Government of Ontario.

The definition of "Affordable Residential Unit' is hereby added as follows:

"Affordable Residential Unit" means a residential unit that meets the criteria set out in subsection 4.1 of the Act.

The definition of "Attainable Residential Unit' is hereby added as follows:

"Attainable Residential Unit" means a residential unit that meets the criteria set out in subsection 4.1 of the Act.

The definition of "Inclusionary Zoning Residential Unit' is hereby added as follows:

"Inclusionary Zoning Residential Unit" means residential units that are affordable housing units required to be included in a development or redevelopment pursuant to a by-law passed under section 34 of the *Planning Act* to give effect to the policies described in subsection 16(4) of that Act.

The definition of "Long-Term Care Home is hereby added as follows:

"Long-Term Care Home" means any part of a building or structure intended for use as a long-term care home, as defined in subsection 2 (1) of the Fixing Long-Term Care Home Act, 2021.

B: Sub-Sections **3.5 to 3.7** is herby repealed, and replaced with the following:

3.5 An action mentioned in sub-clauses 3.4 (a) (i)-(vii) does not satisfy the requirements of clause 3.4 (a) if the only effect of the action is to permit the enlargement of an existing residential unit.

3.6 The creation of the greater of the following in an existing rental residential building, which contains four or more residential units, is exempt from development charges:

1. One residential unit; and
2. 1 per cent of the existing residential units.

3.7 The creation of any additional residential units in existing and new residential units is exempt from development charges as follows:

1. A second residential unit in a single detached dwelling, semi-detached dwelling or row dwelling 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 dwelling, semi-detached dwelling or row dwelling cumulatively contain no more than one residential unit;
2. A third residential unit in a single detached dwelling, semi-detached dwelling or row dwelling 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 dwelling, semi-detached dwelling or row dwelling contains any residential units; and
3. One residential unit in a building or structure ancillary to a single detached dwelling, semi-detached dwelling or row dwelling on a parcel of land, if the existing single detached dwelling, semi-detached dwelling or row dwelling contains no more than two residential units and no other building or structure ancillary to the existing single detached dwelling, semi-detached dwelling or row dwelling contains any residential units.

C. Subsection **3.9.1** is hereby added as follows:

3.9.1 Exemption for Non-Proft Housing Development, Inclusionary Zoning, Affordable, and Attainable Unit

Notwithstanding any other provision of this by-law, and subject to the most recently published Affordable Residential Units bulletin:

1. This by-law shall not apply to that category of exempt development described in section 4.1 of the Act, namely that development charges shall not be imposed with respect to affordable residential units and attainable residential units
2. This by-law shall not apply to that category of exempt development described in section 4.2 of the Act, namely that development charges shall not be imposed with respect to non-profit housing development.
3. This by-law shall not apply to that category of exempt development described in section 4.3 of the Act, namely that development charges shall not be imposed with respect to inclusionary zoning residential unit development.
4. This by-law shall not apply to that category of exempt development described in section 4.4 of the Act, namely that development charges shall not be imposed with respect to a long-term care home.

D: Sub-Section **3.14** is hereby repealed, and replaced with the following:

3.14 Development charges for Rental Housing Developments shall receive a discount as follows:

1) Three or more bedrooms – 25% reduction;
2) Two bedrooms – 20% reduction; and
3) All other bedroom quantities – 15% reduction.

E: Sub-Sections **3.17 – 3.21** are hereby repealed, and replaced by the following:

3.17 Notwithstanding subsections **3.16**, development charges for residential development that is not rental housing shall be payable either on the day a permit is issued under the *Building Code Act, 1992* authorizing occupation of the building or on the day the building is fist occupied, which ever comes first.

3.17.1 Notwithstanding subsections **3.17**, development charges for residential development that is not rental housing may pay the charge before the day it is payable even in the absence of an agreement under Section 3.21

3.18 Notwithstanding subsections **3.16**, 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 as provided in the Township's Council approved development charge interest policy, as may be revised from time to time.

3.19 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 18 months of building permit issuance, the development charges under Sub Sections **3.10** and **3.11** shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply development charges under Sub Sections **3.10** and **3.11** shall be calculated on the rates, including interest as provided in the Township's Council approved development charge interest policy, as may be revised from time to time, payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest.

3.20 Despite sections **3.16** to **3.19**, and in accordance with section 27 of the Act, the Township 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.

F: Sub-Section **4.2** is hereby repealed, and replaced with the following:

4.2 Notwithstanding Section **4.1**, in the case of installment payments for development charges related to rental housing or institutional development, the Chief Building Official or his or her designate shall withhold the issuance of an occupancy permit in relation to a building on land to which the development charge applies unless the first installment of the development charge has been paid.

2. Except as amended by this by-law, all provisions of By-law 027-22 are and shall remain in full force and effect.

3. This by-law shall come into effect on XXXX XX 2025

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS XXTH DAY OF XX, XXXX.

ANDY LENNOX
MAYOR

KAREN WALLACE
CLERK