

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2304



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2022-F-15
Date: June 14, 2022

Subject:

Final Recommendations Regarding the New Regional Transit Development Charge By-law

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That pursuant to Section 10(1) of the Development Charges Act, 1997, the Regional Transit Development Charges Background Study dated April 12, 2022 be adopted;
- B) That the adoption of the underlying capital forecast included in the Regional Transit Development Charge Background Study provide indication of Regional Council's intention to ensure that such an increase in need for services will be met as required under paragraph 3 of Section 5(1) of the Development Charges Act, 1997 and Section 3 of Ontario Regulation 82/98;
- C) That the Regional Transit Residential Development Charge by unit type, as indicated in the following table, be imposed on a uniform Region-wide basis, effective July 1, 2022 as follows:

Recommended Regional Transit Residential Development Charge Rates Per Dwelling Unit Effective July 1, 2022

Service Category	Single / Semi-Detached (\$)	Medium Density Multiple (\$)	Apartments: 2 Bedrooms and Larger (\$)	Apartments: 1 Bedroom and Smaller (\$)
Regional Transit	2,184	1,720	1,221	750

- D) That the Regional Transit Non-Residential Development Charge of \$0.99 per square foot for commercial, industrial, and institutional development, be imposed on a uniform Region-wide basis effective July 1, 2022;
 - E) That the Development Charge policies for Regional Transit Development Charges, as contained in the proposed By-law provided in Attachment #1, be approved for implementation on July 1, 2022;
 - F) That the Local Services Policy for Transit Services, as provided in Attachment #2, be adopted effective July 1, 2022;
 - G) That, pursuant to Section 12(3) of the Development Charges Act, 1997 that requires Regional Council to determine whether a further public meeting is necessary when changes are made to a proposed development charges by-law following a public meeting, Regional Council resolve that a further public meeting is not necessary as no changes have been made to the Region's proposed development charges by-law following the public meeting on April 27, 2022;
 - H) That the Regional Solicitor be instructed to prepare the requisite Regional Transit Development Charge By-law for presentation to Regional Council and passage;
 - I) That the Regional Solicitor be instructed to revise future development agreements and any by-law(s) relating thereto to reflect any changes required to implement the foregoing recommendations and that any such revised by-law(s) be presented to Council for passage;
 - J) That the Treasurer be instructed to prepare the requisite Regional Development Charges pamphlet and related materials pursuant to the Development Charges Act, 1997; and
 - K) That the Regional Clerk be instructed to follow the notification provisions pursuant to the Development Charges Act, 1997.
-

Report:**1. Purpose**

- 1.1 The purpose of this report is to provide final recommendations regarding a new proposed Regional Transit Development Charge (DC) By-law, which is intended to replace the existing Regional Transit DC By-law #81-2017 effective July 1, 2022. These final recommendations are based on the information contained in the Regional Transit DC Background Study dated April 12, 2022.

2. Background

- 2.1 The current Regional Transit DC By-law (#81-2017) is set to expire on December 31, 2022. Regional Council directed staff, through Report #2022-F-2, to proceed

with the public process required to have a new Regional Transit DC By-law in place by July 1, 2022.

- 2.2 On April 27, 2022, a public meeting was held during the regularly scheduled meeting of Regional Council to discuss the new Regional Transit DC Background Study and proposed By-law. The purpose of the public meeting was to fulfill the statutory requirement set out in the Development Charges Act, 1997 (DCA) and to solicit feedback from the public.
- 2.3 The Regional Transit DC Background Study and proposed By-law was made available to Regional Council and the public (free of charge from the Regional Clerk) beginning on April 12, 2022 as indicated in the public notices placed in the Toronto Star on March 19 and 27, 2022 and in the local Metroland newspapers throughout the Region over the period of March 24 to April 7, 2022. The study and proposed by-law were also posted on the Region's website.

3. Previous Reports and Decisions

- 3.1 Regional Council approved Report #2021-F-23 which provided staff authorization to undertake the renewal of the Regional Transit DC By-law.
- 3.2 Regional Council subsequently approved Report #2022-F-2 which provided staff with the authorization to proceed with the public process required to renew the Regional Transit DC By-law.
- 3.3 An overview of both the key proposed changes and the public process required to implement a new Regional Transit DC By-law was provided in Report #2022-F-11.

4. Highlights of Final Recommendations

- 4.1 There are no recommended changes to the proposed Regional Transit DC Background Study and By-law released on April 12, 2022 and presented during the public meeting on April 27, 2022.
- 4.2 The new Regional Transit DC Background Study includes a ten-year capital infrastructure program of \$271.5 million, of which \$145.9 million is recoverable through development charges. The capital program includes several key infrastructure investments, including a new bus storage facility and several new terminals and transit hubs. With the anticipated extension of the Lakeshore East GO rail line to Bowmanville, DRT will also be installing new DRT terminals or hubs at the four new GO station stops in Durham.
- 4.3 The recommended new Regional Transit DC rates are provided in Table 1 below and were derived using the prescribed methodology within the DCA. These recommended rates are to take effect on July 1, 2022 and are to be indexed annually, starting in July 2023.

Table 1
Proposed Regional Transit Development Charges

	Current Rate (July 1, 2021)	Proposed Rate (\$2022)	Increase
Single/Semi-detached	\$1,275	\$2,184	\$909
Medium Density Multiple	\$1,026	\$1,720	\$694
Apartment – two bedroom and larger	\$741	\$1,221	\$480
Apartment – one bedroom and smaller	\$480	\$750	\$270
Non-residential (per sq. ft.)	\$0.61	\$0.99	\$0.38

- 4.4 As outlined in Report #2022-INFO-41, Regional development charges for all services, with the exception of Regional transit, will be subject to annual indexing as of July 1, 2022. Given the Statistics Canada Non-residential Building Construction Price Index for the Toronto Census Metropolitan Area resulted in an indexing rate of 17.3 per cent (with the exception of GO Transit which is limited to a maximum 3.0 per cent indexing), the Region's current residential DC per single or semi-detached unit will increase from \$35,050 to \$41,001 (an increase of \$5,951). The new proposed rate for transit services will further increase the total residential DC per single or semi-detached unit by \$688 to \$41,689, effective July 1, 2022 (Table 2).

Table 2
Impact on Regional Residential Development Charges
(for a single / semi-detached unit)

	Current Rate (July 1, 2021)	Indexed Rate (July 1, 2022)	Indexed + Proposed Transit Rate	Increase
Water Supply	\$10,522	\$12,342	\$12,342	-
Sanitary Sewer	10,241	12,013	12,013	-
Regional Roads	10,332	12,119	12,119	-
GO Transit	790	814	814	-
Police	798	936	936	-
Paramedic Services	210	246	246	-
Long Term Care	266	312	312	-
Health and Social Services	137	161	161	-
Housing Services	479	562	562	-
Regional Transit	1,275	1,496	2,184	688
Total	\$35,050	\$41,001	\$41,689	\$688

- 4.5 The DC rates for non-residential developments will also be subject to the 17.3 per cent indexing on July 1, 2022. The proposed new transit rate will further increase all non-residential DC rates by \$0.26 on July 1, 2022 (Table 3).

Table 3
Impact on Regional Non-residential Development Charges
(per sq. ft.)

	Current Rate (July 1, 2021)	Indexed Rate (July 1, 2022)	Indexed + Proposed Transit Rate	Increase
Commercial	\$20.61	\$24.19	\$24.45	\$0.26
Industrial	11.11	13.04	13.30	0.26
Institutional	10.73	12.60	12.86	0.26

- 4.6 As per the Region's current practice, the proposed residential and non-residential transit DC rates are recommended to be applied uniformly across the Region. Section 10 (2) of the DCA requires Council to consider an area rating of service, or the use of more than one development charge by-law to reflect different needs for services in different areas. The Regional Transit DC Background Study provides several reasons for maintaining a uniform rate, including the economies of scale inherent in a uniform rating system, the potential equity issues of providing an area rating, and the fact that a uniform rating reflects an integrated service that provides access to transit to all residents.
- 4.7 The new Regional Transit DC Background Study also includes a Local Service Policy for Transit Services. This new policy includes the provision that "transit stops located internal to or abutting a development are a local service and a direct responsibility of the developer to emplace or fund as a condition of development approval". Transit stops that fall within this provision will now be 100 per cent funded by the developer.
- 4.8 The proposed Regional Transit DC By-law recommends including stacked townhomes in the definition of "apartment building". This would lower the Regional transit DC rate applied to stacked townhomes as they would now be charged the two-bedroom apartment rate as opposed to the medium density rate currently being imposed. This change is recommended as evidence suggests that the average number of persons per unit for stacked townhomes more closely aligns with two-bedroom apartments than to medium density townhomes. This trend will be monitored and other Regional DC by-laws may be updated to reflect this change as they come up for renewal.

5. Public Input

- 5.1 Opportunity for public comment on the Regional Transit DC Background Study and proposed By-law was provided during the public meeting held on April 27, 2022. The public was also able to submit written feedback to the Region by 5:00pm on June 3, 2022. The Region did not receive any verbal comment during the public meeting nor any written feedback by the June 3 deadline.
- 5.2 Regional staff had distributed correspondence to the Durham and Greater Toronto Area Chapters of BILD, the Durham Region Homebuilders Association, and the various Chambers of Commerce/Boards of Trade within the region advising of the proposed by-law and offering to meet and discuss. Regional staff did receive some requests for copies of the background study, but no requests were made for meetings or further discussion.

6. Further Considerations by Regional Council Per DCA, 1997 - Formal Consideration of Need for Further Public Meeting

- 6.1 If the proposed by-law is changed as a result of comments received at the public meeting or through written correspondence, Regional Council is required, under the provisions of the DCA, to consider whether a further public meeting is required. An additional public meeting would require public notice to be provided at least twenty days prior to such public meeting.
- 6.2 Given that the Region did not receive any comments on the proposed by-law and the final recommendations are consistent with the Regional Transit DC Background Study and proposed By-law released to the public on April 12, 2022, a further public meeting will not be required if the recommendations in this report are accepted and no further changes are made.

7. Direction to Regional Staff

- 7.1 Direction from Regional Council is required for the Regional Solicitor, Regional Clerk and Regional Treasurer to complete the various administrative tasks needed to implement the recommended Regional Transit DC By-law. These tasks include the production and distribution of a DC pamphlet, as well as the necessary public notification provisions.

8. Relationship to Strategic Plan

- 8.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
 - a. Ensuring the Region's Transit DC By-law is in conformity with the DCA, supporting Goal 5 (Service Excellence).

9. Conclusion

- 9.1 It is recommended that the proposed Regional Transit DC By-law be approved as provided within the Regional Transit DC Background Study.
- 9.2 This report has been reviewed by staff from Durham Region Transit, as well as the Planning & Economic Development, Works and Corporate Services - Legal departments, who all concur with the recommendations.

10. Attachments

- Attachment #1: Recommended Regional Transit DC By-law
- Attachment #2: Local Service Policy

Respectfully submitted,

Original Signed By _____

N. Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By _____

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham

Transit Development Charges By-law

By-law Number XX-2022

July 2022

BY-LAW NUMBER XX-2022

OF

THE REGIONAL MUNICIPALITY OF DURHAM

being a by-law regarding development charges for transit services

WHEREAS section 2(1) of the *Development Charges Act, 1997*, provides that 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 development of the area to which the by-law applies if the development requires one or more of the approvals identified in section 2(2) of the *Development Charges Act, 1997*;

AND WHEREAS a development charge background study has been completed in support of the imposition of development charges;

AND WHEREAS the Council of The Regional Municipality of Durham has given notice and held a public meeting on April 27, 2022, in accordance with section 12(1) of the *Development Charges Act, 1997*;

AND WHEREAS the Council of The Regional Municipality of Durham has permitted any person who attended the public meeting to make representations in respect of the proposed development charges;

NOW THEREFORE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF DURHAM HEREBY ENACTS AS FOLLOWS:

PART I

INTERPRETATION

Definitions

1. In this By-law,
 - a. "Act" means the *Development Charges Act, 1997*, or a successor statute;
 - b. "agricultural use" means lands, buildings or structures, excluding any portion thereof used as a dwelling unit or for a commercial use, used or designed or intended for use for the purpose of a *bona fide* farming operation including, but not limited to, animal husbandry, dairying, livestock, fallow, field crops, removal of sod, forestry, fruit farming, greenhouses, horticulture, market gardening, pasturage, poultry keeping, and equestrian facilities;

- c. “air-supported structure” means a structure consisting of a pliable membrane that achieves and maintains its shape and is supported by internal air pressure;
- d. “apartment building” means a residential building, or the residential portion of a mixed-use building, consisting of more than 3 dwelling units, which dwelling units have a common entrance to grade but does not include a triplex, semi-detached duplex, semi-detached triplex, townhouse. Despite the foregoing, an “apartment building” includes “stacked townhouses”;
- e. “apartment” means a dwelling unit in an apartment building or a single storey dwelling unit located within or above a residential garage or a commercial use;
- f. “area municipality” means a lower-tier municipality that forms part of the Region;
- g. “bedroom” means a habitable room, including a den, study, loft, or other similar area, but does not include a living room, a dining room, a bathroom or a kitchen;
- h. “building or structure” means a permanent enclosed structure and includes an air-supported structure;
- i. “commercial use” means land, buildings or structures used, or designed or intended for use for either or both of office and retail uses as defined in this by-law;
- j. “Council” means the Council of the Regional Municipality of Durham;
- k. “development” includes redevelopment;
- l. “development charges” means charges in regard to transit services imposed pursuant to this By-law in accordance with the Act;
- m. “duplex” means a building comprising, by horizontal division, two dwelling units;
- n. “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;
- o. “existing industrial building” means a building used for or in connection with,
 - i. manufacturing, producing, processing, storing or distributing something,

- ii. research or development in connection with manufacturing, producing or processing something,
- iii. retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place,
- iv. office or administrative purposes, if they are,
 - 1. carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
 - 2. in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;
- p. “farm building” means a building or structure used, in connection with a bona fide agricultural use and includes barns, silos, and similar structures, and includes a dwelling located on the same lot as the agricultural use or on a lot directly abutting the agricultural use, which is used exclusively for the housing of temporary or seasonal persons employed exclusively for the farming of that agricultural use, but otherwise excludes a building or structure used, or designed or intended for use for residential or commercial uses;
- q. “garden suite” means a one-unit detached, temporary residential structure containing bathroom and kitchen facilities that is ancillary to an existing residential structure and that is designed to be portable;
- r. “gross floor area” means (except for the purposes of sections 8 and 12), 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 pliable membrane in the case of an air supported structure, or from the centre line of a common wall separating a non-residential and a residential use, and, for the purposes of this definition, 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;
- s. “housing services use”/ “housing services” means social housing which is rental housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham and Affordable Housing which are

rental units provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program;

- t. “institutional development”, for the purposes of section 16(a) of the by-law, means development of a building or structure intended for use,
 - i. as a long-term care home within the meaning of subsection 2 (1) of the Long-Term Care Homes Act, 2007;
 - ii. as a retirement home within the meaning of subsection 2 (1) of the Retirement Homes Act, 2010;
 - iii. by any of the following post-secondary institutions for the objects of the institution:
 - 1. a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario,
 - 2. a college or university federated or affiliated with a university described in subclause (i), or
 - 3. an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institutes Act, 2017;
 - iv. as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
 - v. as a hospice to provide end of life care.
- u. “local board” means a local board as defined in the *Municipal Affairs Act*, other than a board defined in subsection 1(1) of the *Education Act*;
- v. “medium density multiples” includes plexes, townhouses, , and all other residential uses that are not included in the definition of “apartment building”, “apartment”, “garden suites”, “mobile homes”, “retirement residence units”, “single detached”, “single detached dwelling” or “semi-detached dwelling”;
- w. “mixed-use” means land, buildings or structures used, or designed or intended for use, for a combination of non-residential and residential uses;
- x. “mobile home” means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent or temporary residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;

- y. non-profit housing development, for the purpose of section 16(b) means development of a building or structure intended for use as residential premises by,
 - i. a corporation without share capital to which the Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing;
 - ii. 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
 - iii. a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act.
- z. “non-residential use” means lands, buildings or structures or portions thereof used, or designed or intended for use for other than residential use;
- aa. “office use” means lands, buildings or structures used or designed or intended for use for the practice of a profession, the carrying on of a business or occupation or the conduct of a non-profit organization and, for greater certainty, but without in any way limiting the generality of the foregoing, shall include but not be limited to the office of a physician, lawyer, dentist, architect, engineer, accountant, real estate or insurance agency, insurance company, veterinarian, surveyor, appraiser, financial institution, consumer loan company, employment agency, advertising agency, consulting firm, business service, investment company, security broker, mortgage company, medical clinic, contractor, builder, land developer;
- bb. “place of worship” means a building or structure or part thereof that is used primarily for worship and is exempt from taxation as a place of worship under the Assessment Act;
- cc. “plex” means a duplex, a semi-detached duplex, a triplex or a semi-detached triplex;
- dd. “Region” means the Regional Municipality of Durham;
- ee. “rental housing” for the purpose of section 16(a) of the by-law, means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;
- ff. “residential use” means lands, buildings or structures used, or designed or intended for use as a home or residence of one or more individuals, and shall include, but is not limited to, a single detached dwelling, a semi-

detached dwelling, a townhouse, a plex, a stacked townhouse, an apartment, an apartment building, a mobile home, a retirement residence and a residential dwelling unit accessory to a non-residential use;

- gg. “retail use” means lands, buildings or structures used or designed or intended for use for the sale or rental or offer for sale or rental of goods or services for consumption or use and, for greater certainty, but without in any way limiting the generality of the foregoing, shall include, but not be limited to, food stores, pharmacies, clothing stores, furniture stores, department stores, sporting goods stores, appliance stores, garden centres, automotive dealers, automotive repair shops, gasoline service stations, government owned retail facilities, private daycare, private schools, private lodging, private recreational facilities, sports clubs, golf courses, skiing facilities, race tracks, gambling operations, medical clinics, funeral homes, motels, hotels, rooming houses, restaurants, theatres, facilities for motion picture, audio and video production and distribution, sound recording services, self-storage facilities and secure document storage;
- hh. “retirement residence” means a residential building or the residential portion of a mixed-use building which provides accommodation for persons of retirement age, where common facilities for the preparation and consumption of food are provided for the residents of the building, and where each unit or living accommodation has separate sanitary facilities, less than full culinary facilities and a separate entrance from a common hall;
- ii. “retirement residence unit” means a unit within a retirement residence;
- jj. “rooming house” means a detached building or structure which comprises rooms that are rented for lodging and where the rooms do not have both culinary and sanitary facilities for the exclusive use of individual occupants;
- kk. “semi-detached duplex” means one of a pair of attached duplexes, each duplex divided vertically from the other by a party wall;
- ll. “semi-detached dwelling” means a building divided vertically (above or below ground) into and comprising 2 dwelling units;
- mm. “semi-detached triplex” means one of a pair of triplexes divided vertically one from the other by a party wall;
- nn. “service” means the service designated in section 6 of this by-law;
- oo. “single detached dwelling” and “single detached” means a building comprising 1 dwelling unit;

- pp. “stacked townhouse” means a building, other than a plex, townhouse or apartment building, containing at least 3 dwelling units; each dwelling unit separated from the other vertically and/or horizontally and each dwelling unit having a separate entrance to grade;
 - qq. “townhouse” means a building, other than a plex, stacked townhouse or apartment building, containing at least 3 dwelling units, each dwelling unit separated vertically from the other by a party wall and each dwelling unit having a separate entrance to grade;
 - rr. “triplex” means a building comprising 3 dwelling units.
2. In this by-law where reference is made to a statute or a section of a statute such reference is also deemed to be a reference to any successor statute or section.

PART II

APPLICATION OF BY-LAW — RULES

Circumstances Where Development Charges are Payable

3. (1) Development charges shall be payable in the amounts set out in sections 7 and 10 of this by-law where:
- a. the lands are located in the area described in subsection 4(1); and
 - b. the development of the lands requires any of the approvals set out in subsection 5(1).

Area to Which By-law Applies

4. (1) Subject to subsection 4(2), this by-law applies to all lands in the Region.
- (2) This by-law shall not apply to lands that are owned by and used for the purposes of:
- a. the Region or a local board thereof;
 - b. a board as defined in subsection 1(1) of the *Education Act*; and
 - c. an area municipality or a local board thereof in the Region.

Approvals for Development

5. (1) Development charges shall be imposed upon all lands, buildings or structures that are developed for residential or non-residential uses if the development requires,
 - a. the passing of a zoning by-law or of an amendment thereto under section 34 of the *Planning Act*;
 - b. the approval of a minor variance under section 45 of the *Planning Act*;
 - c. a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
 - d. the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - e. a consent under section 53 of the *Planning Act*;
 - f. the approval of a description under section 9 of the *Condominium Act*; or
 - g. the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.
- (2) No more than one development charge for the service designated in section 6 shall be imposed on land to which this by-law applies even though two or more of the actions described in subsection 5(1) are required before the land can be developed.
- (3) Notwithstanding subsection 5(2), if two or more of the actions described in subsection 5(1) occur at different times, additional development charges shall be imposed, if the subsequent action has the effect of increasing the need for services.

Designation of Services

6. (1) The category of service for which development charges are imposed under this by-law is transit.
- (2) The components of the service designated in subsection 6(1) are described on Schedule "A".
- (3) It is hereby declared by Council that all development of land within the area to which this By-law applies will increase the need for services.
- (4) The development charges under this By-law applicable to a development shall apply without regard to the services required or used by a particular development.

Amount of Development Charges

Residential

7. (1) The development charges described in Schedule “B” to this by-law shall be imposed upon residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed use building or structure, upon the residential uses in the mixed use building or structure, according to the type of residential unit.

Exemptions

8. (1) For the purpose of section 8, “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls.

(2) Development charges shall not be imposed in respect to:

- a. the issuance of a building permit not resulting in the creation of an additional dwelling unit;
- b. the enlargement of an existing dwelling unit;
- c. the creation of additional dwelling units in accordance with the following table:

Description of Class of Existing Residential Buildings	Maximum Number of Additional Dwelling Units	Restrictions
Existing single detached residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings.	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building.
Existing semi-detached or row residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building.

Existing rental residential buildings, each of which contains four or more dwelling units.	Greater of one and 1% of the existing units in the building	None
An existing residential building not in another class of residential building described in this table.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building.

d. the creation of a second dwelling unit in accordance with the following table:

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

Retirement Residence Unit

9. The development charges imposed on a retirement residence unit under section 7 shall be payable at the rate applicable to an apartment of one bedroom and smaller.

Non-Residential Uses

10. The development charges described in Schedule "C" to this by-law shall be imposed upon non-residential uses of lands, buildings or structures, and, in the case of a mixed use building or structure, upon the non-residential uses in the mixed use building or structure, according to the gross floor area of the non-residential use.

Exemptions

11. (1) Notwithstanding section 10 of this by-law, development charges shall not be imposed upon non-residential development if the development does not have the effect of creating gross floor area of non-residential development or of increasing existing gross floor area of non-residential development.

(2) Notwithstanding the provision of this by-law, development charges shall not be imposed in regard to:
 - a. agricultural uses and farm buildings;
 - b. places of worship;
 - c. public hospitals receiving aid under *the Public Hospitals Act* R.S.O. 1990, c. P.40, excluding such buildings or structures or parts thereof used, designed or intended for use primarily for or in connection with a commercial purpose;
 - d. any part of a building or structure used for the parking of motor vehicles, excluding parking spaces for display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles;
 - e. free standing roof-like structures and canopies that do not have exterior walls;
 - f. Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education, but only if the lands are occupied and used by the university.

Exemption for Enlargement of Existing Industrial Building

12. (1) Despite any other provisions of this by-law, if a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable in respect of the enlargement shall be calculated as follows:
 - a. if the gross floor area is enlarged by fifty percent or less, the amount of the development charge in respect of the enlargement is zero;

- b. if the gross floor area is enlarged by more than fifty percent the amount of the development charge in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:
 - (i) determine the amount by which the enlargement exceeds fifty percent of the gross floor area before the enlargement; and
 - (ii) divide the amount determined under paragraph (i) by the amount of the enlargement.
- (2) For the purposes of subsection 12(1) the following provisions apply:
- a. the gross floor area of an existing industrial building shall be calculated as it existed as of July 1, 2022;
 - b. subject to 12(2)(c) below, the enlargement need not be an attached addition or expansion of an existing industrial building, but rather may be a new standalone structure, provided it is located on the same parcel of land as the existing industrial building;
 - c. in the event that the enlargement is in the form of a standalone building or structure located on the same parcel of land as per 12(2)(b) above, prior to the issuance of a building permit for the standalone building or structure, the owner shall be required to enter into an agreement with the Region under section 27 of the Act respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands. Such agreement will require that in the event that the lands upon which any standalone building or structure is located are the subject of an application for consent under section 53 of the Planning Act; or for which a by-law is passed under subsection 50(7) of the Planning Act, within 10 years of building permit issuance for such standalone building or structure, that the development charges that would have otherwise been payable for such standalone building or structure, shall become due and payable.
- (3) In this section “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls.

Reduction of Development Charges For Redevelopment

13. (1) Despite any other provision of this by-law, where, as a result of the redevelopment of land, a building or structure existing on the land within ten years prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:
 - a. in the case of a residential building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under section 7 of this by-law that would have been chargeable on the type of dwelling units demolished or to be demolished or converted to another use; and
 - b. in the case of a non-residential building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under section 10 of this by-law that would have been chargeable on the gross floor area of the non-residential building or structure that was demolished or to be demolished or converted to another use;
 - c. in the case of a non-residential building or structure that would have been exempt from the payment of development charges under the current Regional Development Charge By-law, the amount of the reduction in the applicable development charge will equal the applicable development charge under section 10 of this by-law that, had the building or structure not been exempt, could have been chargeable on the gross floor area of the non-residential building or structure that was demolished or to be demolished or converted to another use; and
 - d. in the case of a mixed-use building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under sections 7 or 10 of this by-law that would have been chargeable either upon the type of dwelling units or the gross floor area of non-residential use in the mixed-use building or structure that is being demolished or to be demolished or converted to another use;
 - i. provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.
- (2) The ten year period referred to in subsection 13(1) of this by-law shall be calculated from the date of the issuance of the first demolition permit.
- (3) Development charges shall not be reduced under this section where the building or structure that is to be demolished or has been demolished or

converted from one principal use to another was, or would have been, exempt from development charges under this by-law.

- (4) The onus is on the applicant to produce evidence to the satisfaction of the Region, acting reasonably, which establishes that the applicant is entitled to the reduction in the payment of development charges claimed under this section.

PART III ADMINISTRATION

Timing of Payment of Development Charges

14. Development charges, determined in accordance with section 17 and adjusted in accordance with section 19 of this by-law, are payable in full on the date on which a building permit is issued with respect to each dwelling unit, building or structure.
15. Notwithstanding section 14, Council, from time to time, and at any time, may enter into agreements in accordance with section 27 of the Act which provide for all or any part of a development charge to be paid before or after it would otherwise be payable.

Payment by Services

16. Notwithstanding section 14, where development charges become payable after January 1, 2020 for development of:
 - a. rental housing that is not non-profit housing development and institutional development, development charges shall be paid in equal annual instalments beginning on the earlier of the date of 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;
 - b. non-profit housing development, development charges shall be paid in equal annual instalments beginning on the earlier of the date of 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 twenty anniversaries of that date;

Determining Amount Payable

17. The development charges payable will be the development charge shown in the applicable Schedules to this by-law to be payable, with indexing under section 19, and, where applicable, with interest under section 22 of this by-law as of
- a. for those developments to which section 16 applies,
 - i. for applications filed after December 31, 2019 the day an application for an approval of development in a site plan control area under subsection 41(4) of the Planning Act was made, provided the first building permit is issued within two years of the date that application was approved;
 - ii. if clause (i) does not apply, for applications filed after December 31, 2019, the day an application for an amendment to a by-law passed under section 34 of the Planning Act was made, provided the first building permit is issued within two years of the date that amendment comes into force and effect; or
 - iii. if neither clause (i) nor clause (ii) applies, the day the development charge would be payable in accordance with section 14 of this by-law; and
 - b. for those developments to which section 16 does not apply,
 - i. for applications filed after December 31, 2019, the day an application for an approval of development in a site plan control area under subsection 41(4) of the Planning Act was made, provided the date the development charge is payable is within two years of the date that application was approved;
 - ii. if clause (i) does not apply, for applications filed after December 31, 2019, the day an application for an amendment to a by-law passed under section 34 of the Planning Act was made, provided the date the development charge is payable is within two years of the date that amendment comes into force and effect; or
 - iii. if neither clause (i) nor clause (ii) applies, the day the development charge would be payable in accordance with section 14 of this by-law.

Front-Ending Agreements

18. Council, from time to time, and at any time, may enter into front-ending agreements in accordance with the Act.

Indexing

19. Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, as of the 1st day of July, 2023, and on each successive July 1st date in accordance with the Statistics Canada Quarterly, *Construction Price Statistics*, catalogue number 62-007, for the most recently available annual period ending March 31.

Schedules

20. The following schedules to this by-law form an integral part thereof:
- i. Schedule “A” — Components of Service Designated in section 6
 - ii. Schedule “B” — Residential Development Charges
 - iii. Schedule “C” — Non-Residential Development Charges

Date By-law in Force

21. This by-law shall come into force on July 1, 2022.

Installment Interest

22. Development charges payable by instalment pursuant to section 16 of this by-law shall bear interest in accordance with the Region of Durham Development Charge Interest Rate Policy, as amended from time to time.

Date By-law Expires

23. This by-law will expire five years from the date it comes into force, unless it is repealed at an earlier date by a subsequent by-law.

Registration

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

Severability

25. In the event any provision, or part thereof, of this by-law is found by a court of competent jurisdiction to be *ultra vires*, such provision, or part thereof, shall be deemed to be severed, and the remaining portion of such provision and all other provisions of this by-law shall remain in full force and effect.

Short Title

26. This By-law may be cited as the Regional Municipality of Durham Transit Development Charges By-law, 2022.

BY-LAW read and passed this X day of X 2022

Original signed by: John Henry, Regional Chair & CEO

Original signed by: Cheryl Bandel, Acting Regional Clerk

SCHEDULE "A"

**DESIGNATED REGIONAL SERVICE AND
SERVICE COMPONENTS THEREUNDER**

<u>CATEGORY OF REGIONAL SERVICE</u>	<u>SERVICE COMPONENTS</u>
Transit	<ul style="list-style-type: none">• PULSE, Conventional and specialized buses and non-revenue vehicles expansion and related equipment (e.g. fareboxes, radio's, Presto, etc.)• New facilities, transfer hubs, terminals, lands, buildings and related equipment• Transit stops (e.g. hard surface pads and shelters)• System improvements• Studies

SCHEDULE "B"

**RESIDENTIAL DEVELOPMENT CHARGES EFFECTIVE
JULY 1, 2022 — \$ PER DWELLING UNIT BY TYPE**

APARTMENTS

SERVICE CATEGORY	SINGLE DETACHED & SEMI- DETACHED DWELLINGS	MEDIUM DENSITY MULTIPLES	TWO BEDROOMS & LARGER	ONE BEDROOM & SMALLER
Regional Transit	\$2,184	\$1,720	\$1,221	\$750

NOTE: The development charges described above shall be adjusted annually pursuant to section 19 of this By-law.

SCHEDULE "C"

**NON-RESIDENTIAL USE DEVELOPMENT CHARGES
EFFECTIVE JULY 1, 2022
\$ PER SQUARE FOOT OF GROSS FLOOR AREA**

SERVICE CATEGORY	Non-Residential Use
Regional Transit	\$0.99

NOTE: The development charges described above shall be adjusted annually pursuant to section 19 of this By-law.

Local Service Policy

Definitions

“Abutting service” shall include a service either existing or proposed, that is either located on a road allowance outside the limit of a development but abuts the development or located on a road allowance within the limit of a development but abuts other lands outside the development.

“External service” shall include a service, either existing or proposed, that is located outside the limit of a development but shall not include abutting service.

“Internal service” shall include a service, either existing or proposed, that is located within the limit of a development but shall not include an abutting service.

“Regional road” shall be a road and related appurtenances that form part of the road system under the jurisdiction and control of the Regional Municipality of Durham and designed in accordance with Regional standards, which may include B.R.T. corridors, transit priority measures (e.g. queue jump lanes, transit signal priority), transit lanes and lay-bys.

Oversizing/External/Abutting Services

Regional Road-related improvements required to service Regional transit will be applied in keeping with the Region’s existing version of the Cost Sharing Policy for Regional Services, subject to the following amendments:

- a) The definition of “Regional road” is expanded to include the words “, which may include B.R.T. corridors, transit priority measures (e.g. queue jump lanes, transit signal priority), transit lanes and lay-bys”, as shown in the above definition.
- b) Oversizing/External/Abutting Services

The Region cost shares (with funding largely from development charge revenue) the portion of those services which are sized or located so as to benefit lands beyond the proposed development. These include: services which are oversized beyond the minimum size required by the development or the minimum size permitted by the Regional Design Guidelines, whichever is larger; services which are external to, or not required by the development; and services which abut the development and provide direct service to adjacent lands.

The developer funds the minimum size of services required for the subject development, or the Regional Design Guideline minimum size, whichever is larger, in the case of internal, external or abutting service oversizing.

Transit stop-related improvements (pads, shelters, signs, etc.) required to Service Regional Transit are subject to the following policies:

- a) transit stops located internal to or abutting a development are a local service and a direct responsibility of the developer to emplace or fund as a condition of development approval.
- b) transit stops external to a development and benefiting lands beyond the proposed development are a Regional funding responsibility and will be funded by D.C. to the extent permitted under the D.C.A.
- c) upgrades to existing transit stops are a Regional funding responsibility and will be funded by D.C. to the extent permitted under the D.C.A.