



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Acting Commissioner of Finance
Report: #2018-COW-111
Date: June 6, 2018

Subject:

Final Recommendations Regarding Amendments to GO Transit Development Charges
By-law #86-2001

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That Pursuant to Section 10(1) of the Development Charges Act, 1997, the Regional Development Charges Background Study dated April 13, 2018 be adopted;
- B) That effective July 1, 2018, GO Transit Development Charge By-law #86-2001 be amended, in order to ensure that various policy and implementation matters are consistent with the proposed Region-wide development charge by-law (which is being recommended concurrently in Report #2018-COW-108), as set out in the amending by-law (Attachment #1);
- C) That the Regional Solicitor be instructed to prepare the requisite Development Charge By-law for presentation to Regional Council and passage;
- D) 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;
- E) That the Acting Treasurer be instructed to prepare the requisite development charge pamphlet pursuant to the Development Charges Act, 1997 and related materials; and
- F) That the Regional Clerk be instructed to follow the notification provisions pursuant to the Development Charges Act, 1997.

Report

1. Introduction

The GO Transit Development Charge By-law #86-2001 became effective on December 5, 2001 and applies to residential development. Regional Council will be passing a new Region-wide development charge by-law on June 13, 2018, which contains policy changes that need to be reflected in the GO Transit Development Charge By-law #86-2001, in order to maintain consistency.

On April 11, 2018, Regional Council authorized the necessary public process to consider amendments to GO Transit Development Charge By-law #86-2001 to align this by-law with the new Region-wide development charge by-law (Report #2018-COW-63).

The GO Transit Development Charge Background Study contained the proposed by-law amendments. The background study was made available to Regional Council and the public (free of charge) beginning on April 13, 2018 as indicated in the public notices placed in the Toronto Star on April 14 and 16, 2018 and three times in the local Metroland newspapers throughout the Region over the time period April 12 to April 26, 2018.

An overview of the key recommendations contained in the proposed development charge by-law and background study is provided in Report #2018-COW-97: Public Meetings Regarding Proposed Amendments to Regional Transit Development Charge By-law #81-2017 and GO Transit Development Charge By-law #86-2001.

2. Proposed GO Transit Development Charge By-law Amendments

2.1 Overview of Public Input Regarding the GO Transit Development Charge By-law Amendment

No verbal submissions were made at the public meeting of Council held to consider the proposed Regional GO Development Charge By-law Amendment and Background Study on May 9, 2018. Public notices regarding the proposed by-law amendment, availability of the background study and the invitation for public submissions were placed as noted above. No written submissions resulted from the public notices.

2.2 Final Recommendations

There is one change being recommended to the amending by-law from the proposed GO Transit Development Charge By-law Amendment and Background Study released on April 13, 2018, dealing with the timing of the proposed deferral of development charge payment for social and government assisted affordable housing units. It was proposed in the Region-wide DC By-law and consequently in the amending by-law for GO Transit to defer development charge payments for social and government assisted affordable housing units from building permit issuance to first occupancy. After consultation with the area municipalities, it is recommended that the deferral be based on a specified time period. Therefore, it is recommended that the payment of development charges for social and government assisted affordable housing units be deferred up to 18 months from the

date of issuance of the first building permit.

The recommended amendments to the GO Transit Development Charge By-law to ensure all Regional Development Charge By-laws will be applied consistently, include the following policy and definition changes:

- Broadening the exemption for secondary units to include additional units that are built separate from the primary residence, but on the same site;
- New definition of housing services and deferral of DC payment for social and government assisted affordable housing projects to up to 18 months after first building permit issuance; and
- Modifications to definitions for bedroom, farm building and apartment.

3. Further Considerations by Regional Council Per DCA, 1997

3.1 Formal Consideration of Need for Further Public Meeting

Given that the final recommendations do vary from the proposed Regional Development Charge by-law, Regional Council is required under provisions of the DCA, 1997 to consider whether a second public meeting is required. A second public meeting would require giving public notice, with the notice being placed in a newspaper of general circulation at least twenty days prior to the second public meeting.

Although the final recommendations do vary from the proposed Regional Development Charge amending by-law, the change is considered minor in nature and reflect the input received from the area municipal staff and do not impose a greater burden on these parties who will pay the recommended Development Charges. Therefore, it is recommended that Council indicate that a second public meeting is not required prior to the passage of the recommended amending development charge by-law.

3.2 Direction to Regional Staff To Prepare Necessary Notices, Satisfy Reporting Requirements and Provide Information

In order to implement the recommended Development Charge amendments, various administrative tasks must be undertaken by the Regional Solicitor, Regional Clerk and Regional Treasurer.

4. Conclusion

It is recommended that the GO Transit Development Charge By-law amendment be approved as proposed in the Background Study, subject to the one revision noted above.

This report has been reviewed by staff of the Planning & Economic Development, Works and Corporate Services - Legal departments who concur with the recommendations.

5. Attachments

Attachment #1: Proposed Development Charge By-law Amendment

Respectfully submitted,

Original Signed By

M.E. Simpson, CPA, CMA, MA
Acting Commissioner of Finance and Treasurer

Recommended for Presentation to Committee

Original Signed By

G.H. Cubitt, MSW
Chief Administrative Officer

THE REGIONAL MUNICIPALITY OF DURHAM

BY-LAW NO. -2018

a by-law to amend By-law No. 86-2001

WHEREAS Section 19 of the *Development Charges Act*, 1997, S.O. 1997, c.27, (the “Act”), provides for amendments to development charge by-laws;

AND WHEREAS the Council of The Regional Municipality of Durham requires certain amendments to By-law No. 86-2001;

AND WHEREAS in accordance with the Act, a development charge background study has been completed in support of the proposed amendments to By-law No. 86-2001;

AND WHEREAS the Council of The Regional Municipality of Durham has given notice and held a public meeting on the 9th day of May, 2018, in accordance with the Act;

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 amendment;

AND WHEREAS the Council of The Regional Municipality of Durham has determined that a further public meeting is not necessary pursuant to Section 12(3) of the Act;

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

1. The definition of “apartment” found in section 1.(c) of By-law No. 86-2001 is hereby deleted and replaced with the following definition:
 - (c) “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;
2. The definition of “bedroom” found in section 1.(e) of By-law No. 86-2001 is hereby deleted and replaced with the following definition:
 - (e) “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;
3. The definition of “residential use” found in section 1.(t) of By-law No. 86-2001 is hereby amended to add the word “apartment” to the definition such that it reads:
 - (t) “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;

4. Section 1 of By-law No. 86-2001 is hereby amended by adding a definition of agricultural use and renumbering the remaining definitions accordingly. The definition of “agricultural use” to be added is as follows:

“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;

5. Section 1 of By-law No. 86-2001 is hereby amended by adding a definition of “farm building” and renumbering the remaining definitions accordingly. The definition of “farm building” to be added is as follows:

“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;

6. Section 1 of By-law No. 86-2001 is hereby amended by adding a definition of housing services use and renumbering the remaining definitions accordingly. The definition of “housing services use” to be added is as follows:

“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;

7. Section 5.2 of By-law No. 86-2001 is hereby deleted

8. Section 7 of By-law No. 86-2001 is hereby amended by adding section 7.(3) which reads:

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.

9. Section 7 of By-law No. 86-2001 is hereby amended by adding section 7.(4) which reads:

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.

10. Section 9.(2) of By-law No. 86-2001 is hereby amended by deleting subsection (c) and replacing it as follows:

(c) the creation of one or two additional dwelling units within an existing single detached dwelling or on the same lot as an existing single detached dwelling;

11. Section 9.(2) of By-law No. 86-2001 is hereby amended by deleting subsection (d) and replacing it as follows:

(d) the creation of one additional dwelling unit within a semi-detached dwelling, a row dwelling, or any other residential building, or on the same lot as an existing semi-detached dwelling, a row dwelling, or any other residential building; or

12. Section 9.(2) of By-law No. 86-2001 is hereby amended by adding subsection (e) which reads:

(e) “the creation of a garden suite”.

13. Section 9(2) of By-law No. 86-2001 is hereby amended by adding subsection (f) which reads:

(f) “farm buildings”.

14. Section 9.(2) of By-law No. 86-2001 is hereby amended by adding reference to 9.(5) so that it reads:

“Subject to subsections 9.(3), 9.(4) and 9.(5), development charges shall”

15. Section 9.(3) of By-law No. 86-2001 is hereby renumbered to Section 9.(4) and is amended by replacing the word “in” with “within” and adding the words “or on the same lot as the existing single detached dwelling”, such that it now reads:

9.(4) Notwithstanding subsection 9.(2)(c), development charges shall be imposed in accordance with section 8 if the total gross floor area of the additional one or two dwelling units within the existing single detached dwelling or on the same lot as the existing single detached dwelling exceeds the gross floor area of the existing dwelling unit.

16. Section 9 of By-law No. 86-2001 is hereby amended by adding a new Section 9.(3) which reads:

9.(3) Notwithstanding 9.(2)(c) and (d), prior to the issuance of a building permit for any additional dwelling unit located on the same lot, but not within a single detached dwelling, semi-detached dwelling, a row dwelling, or any other residential building, 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 additional dwelling unit 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 the date of building permit issuance for such additional dwelling unit, the development charges that would have otherwise been payable for such dwelling unit, shall become due and payable.

17. Section 9.(4) of By-law No. 86-2001 is hereby renumbered Section 9.(5).
18. Sections 10.(1), 10.(2), and 10.(3) of By-law No. 86-2001 are hereby deleted and remaining sections be renumbered.
19. Section 11 of By-law No. 86-2001 is hereby amended to add a new section 11.(3) which reads:

“The development charges imposed on a mobile home under section 10 shall be payable at the rate applicable to an apartment of two bedrooms or larger”
20. A new section 15 is added to By-law No. 86-2001 and the remaining sections renumbered accordingly. Section 15 to read as follows:

15. Notwithstanding any of the foregoing, for lands, buildings and structures developed for a housing services use, the Region may defer the timing of the payment of development charges from building permit issuance to a period of time not to exceed eighteen months from the date of first building permit issuance, to be at the discretion of the Commissioner of Finance, if the owner enters into an agreement with the Region and the applicable area municipality 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.
21. This By-law shall come into force on July 1, 2018.

BY-LAW read and passed this 13th day of June, 2018.

Gerri Lynn O'Connor, Regional Chair and CEO

R. Walton, Regional Clerk/
Director of Legislative Services