

Authority: Policy and Finance Committee Report No. 4, Clause No. 1,
as amended and adopted by City of Toronto Council on July 27, 28, 29 and 30, 1999
Enacted by Council: July 29, 1999

CITY OF TORONTO

BY-LAW No. 476-1999

Being A By-law Respecting Development Charges.

WHEREAS the City of Toronto has and will continue to experience growth through development; and

WHEREAS development requires the provision of physical infrastructure and other services by the City; and

WHEREAS the *Development Charges Act, 1997*, S.O. 1997, c.27 (the "Act"), authorizes Council to pass by-laws for the imposition of development charges against land; and

WHEREAS Council desires to ensure that the capital cost of meeting development related demands for, or the burden on, City services does not place an undue financial burden on the City or its existing taxpayers while, at the same time, ensuring new development contributes no more than the net capital cost attributable to providing the historic level of services and meeting the requirements of section 5(1) of the Act; and

WHEREAS the City has undertaken a study of, among other matters, the matters raised in section 10 of the Act and section 8 of O.Reg 82/98, services, service levels, expected development, development-related facilities and the costs thereof; and

WHEREAS Council at its meeting dated May 11 and 12, 1999, had before it a report entitled "City of Toronto Development Charge Background Study" prepared by C.N. Watson & Associates Ltd. dated April 19, 1999 (the "Study"); and

WHEREAS Council at its meeting held on May 11 and 12, 1999, directed that the meeting pursuant to Section 12 of the Act be held at the Policy and Finance Committee; and

WHEREAS the Study was made available to the public at least two weeks prior to the public meeting and Council gave more than twenty days notice to the public and a meeting pursuant to section 12 of the Act was held on June 24, 1999, before the Policy and Finance Committee, prior to and at which the Study, the Addendum to the Study dated June 9, 1999, and the proposed development charge by-law were made available to the public and Committee heard comments and representations from all persons who applied to be heard; and

WHEREAS Policy and Finance Committee at its meeting held on July 20, 1999, further considered the Study, the Addendum to the Study and a staff report dated July 12, 1999, which responded to the comments and representations from the persons heard at the public meeting; and

WHEREAS Council in adopting Clause 1 of Report No. 4 of The Policy and Finance Committee at its meeting held on July 27, 28, 29 and 30, 1999, has considered this matter and has indicated that it intends to ensure that the increase in the need for services attributable to the

anticipated development will be met by approving a capital forecast including the works underlying the development charge calculation;

Now therefore the Council of the City of Toronto HEREBY ENACTS as follows:

DEFINITIONS

1. In this by-law, and including the recitals and schedules hereto,
 - (a) “accessory use” means that the building or structure is naturally and normally incidental to or subordinate in purpose or both, and exclusively devoted to a principal use, building or structure;
 - (b) “apartment unit” means any residential dwelling unit within a residential building, or the residential portion of a mixed use building, where such unit is accessed through a common entrance or entrances from the street level and an interior corridor, and the building contains three or more units with such access;
 - (c) “bachelor unit” means a residential unit consisting of a self-contained living area in which culinary and sanitary facilities are provided for the exclusive use of the occupant but not including a separate bedroom;
 - (d) “bedroom” means any room used or designed or intended for use as sleeping quarters but does not include a living room, dining room, kitchen or one area to be used as a den, study or other similar area;
 - (e) “board of education” has the same meaning as that specified in the *Education Act* or any successor legislation;
 - (f) “Building Code Act” means the *Building Code Act*, 1992, S.O. 1992, c.23, as amended or any successor legislation;
 - (g) “building permit” means a permit issued pursuant to the Building Code Act which permits the construction of all buildings and structures above grade.
 - (h) “capital cost” has the same meaning it has in the Act;
 - (i) “Chief Building Official” means a chief building official appointed or constituted under section 3 of the Building Code Act;
 - (j) “City” means City of Toronto;
 - (k) “complete building permit application” means an application submitted to the Chief Building Official for either a foundation and/or full building permit which complies with all technical requirements of the Building Code Act and includes the payment of all applicable fees;
 - (l) “Council” means the Council of the City of Toronto;

- (m) “development” means any activity or proposed activity in respect of land that requires one or more of the actions referred to in section 9 of this by-law and includes a trailer or mobile home park, the redevelopment of land or the redevelopment, expansion, extension or alteration, or any two or more of them, of a use, building or structure, except interior alterations to an existing building or structure which do not intensify the use of the building;
- (n) “development charge” means a charge imposed pursuant to this by-law;
- (o) “dwelling unit” means living accommodation comprising a single housekeeping unit within any part of a building or structure used, designed or intended to be used by one person or persons living together, in which both culinary and sanitary facilities are provided for the exclusive use of such person or persons;
- (p) “dwelling room” means a room used or designated for human habitation and may include either but not both culinary or sanitary conveniences, but does not include:
- (i) a room in a hotel, in a dwelling unit or in a tourist or guest home;
 - (ii) a bathroom or kitchen; or
 - (iii) a windowless storage room that has a floor area of less than 10 square metres;
- (q) “Former Municipalities” means the former Municipality of Metropolitan Toronto, the former Cities of Etobicoke, North York, Scarborough, Toronto and York and the former Borough of East York as they existed on December 31, 1997;
- (r) “grade” means the definition provided for in the zoning by-law applicable to the Former Municipality in which the development is located at the time the complete building permit application is submitted to the Chief Building Official;
- (s) “gross chargeable area” means in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
- (i) a room or enclosed area within the building or structure above or below grade that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
 - (ii) loading facilities above or below grade; and
 - (iii) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use.

- (t) gross floor area” means in the case of a dwelling unit the total area of all floors above grade measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building;
- (u) “local board” has the same meaning as defined in the Act;
- (v) “mobile home” means any dwelling that is designated to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer;
- (w) “multiple dwelling unit” means all dwellings units other than single detached, semi-detached and apartment units and includes row dwellings and townhouses;
- (x) “non-profit housing” means housing which is or is intended to be offered primarily to persons or families of low income on a leasehold or co-operative basis and which is owned or operated by:
 - (i) a non-profit corporation being a corporation, no part of the income of which is payable to or otherwise available for the personal benefit of a member or shareholder thereof; or
 - (ii) a non-profit housing co-operative having the same meaning as in the *Co-operative Corporations Act*, R.S.O. 1990, c. C.35, as may be amended from time to time.
- (y) “owner” means the owner of land or a person who has made application for an approval of the development of land against which a development charge is imposed;
- (z) “party wall” means a wall jointly owned and jointly used by two parties under an easement agreement or by right in law and erected at or upon a line separating two parcels of land each of which is, or is capable of being, a separate real estate entity;
- (aa) “place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act*, as amended or any successor legislation;
- (bb) “residential use” means land or building or structures of any kind whatsoever or any portion thereof, used, designated or intended to be used as living accommodations for one or more individuals and includes a unit designated for combined live/work uses;
- (cc) “semi-detached dwelling” means a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but no other parts, attached to another dwelling unit where the dwelling units are not connected by an interior corridor;
- (dd) “services” (or “service”) means those services designated in Section 4 of this by-law;

- (ee) “single detached dwelling unit” and “single detached” means a residential building consisting of one dwelling unit and not attached to another structure used for residential uses or purposes and includes mobile homes;

DESIGNATION OF SERVICES

2. It is hereby declared by the Council of the City that all development of land within the City will increase the need for services.

3. Once this by-law is in force, the development charge applicable to a development as determined under this by-law shall apply without regard to the services required or used by any individual development.

4. Development charges shall be imposed for the following categories of services to pay for the increased capital costs required because of increased needs for services arising from development:

- (a) roads
- (b) sanitary sewerage
- (c) water works
- (d) fire
- (e) library
- (f) parks and recreation
- (g) transit
- (h) development-related studies

APPLICATION OF BY-LAW - RULES

5. For the purpose of complying with section 6 of the Act, rules have been developed and are provided for in this by-law as follows:

- (a) the rules for determining if a development charge is payable in any particular case and for determining the amount of the charge shall be in accordance with sections 7 through 35 of this by-law;
- (b) the rules for determining the exemptions shall be in accordance with sections 11 through 14 of this by-law;
- (c) the rules for determining the indexing of development charges shall be in accordance with section 27 of this by-law;
- (d) the rules for determining the phasing in of development charges shall be in accordance with sections 32 and 33 of this by-law;
- (e) the rules respecting the redevelopment of land shall be in accordance with section 16 of this by-law;

- (f) the area to which this by-law applies shall be the area described in section 7 of this by-law.

6. Development charges shall be payable in the amounts set out and phased in accordance with Sections 32 and 33 and Schedule A , where the lands are located in the area described in section 7 and the development of the lands requires any of the approvals set out in section 9.

Areas to which By-law applies

7. This by-law applies to all lands in the geographic area of the City whether or not the land or use is exempt from taxation under section 3 of the *Assessment Act*.

8. This by-law shall not apply to lands that are owned by and used for the purposes of:

- (a) the City or a local board thereof;
- (b) a board of education.

Approvals for Development

9. Development charges shall be imposed on all lands, buildings or structures that are developed for residential development if the development requires:

- (a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- (b) 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 issuing of a permit under the *Building Code Act* in relation to a building or structure.

10. No more than one development charge for each service designated in section 4 shall be imposed upon any lands, buildings or structures to which this by-law applies even though two or more of the actions described in section 9 are required before the lands, buildings or structures can be developed.

EXEMPTIONS

Exemptions for Intensification of Housing

- 11.** This by-law does not apply with respect to the creation of
- (a) an enlargement to an existing dwelling unit;
 - (b) one or two additional dwelling units in an existing single detached dwelling or semi-detached dwelling;
 - (c) one additional dwelling unit in any other existing residential building; or
 - (d) one additional dwelling unit in a new single detached dwelling or semi-detached dwelling.

12. Notwithstanding section 11, development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing single detached dwelling unit.

13. Notwithstanding section 11, development charges shall be imposed if the additional unit in an existing dwelling unit has a gross floor area greater than;

- (a) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
- (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.

Other Exemptions

14. Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to:

- (a) development creating or adding an accessory use or accessory structure not exceeding 10 square metres of gross floor area;
- (b) a public hospital receiving aid under the *Public Hospitals Act*, colleges and universities established pursuant to the *Ministry of Colleges & Universities Act* and used for the purposes set out in the respective legislation;
- (c) dwelling rooms located within a building or structure but not including apartment units, bachelor units or dwelling units;
- (d) lands, buildings or structures which are the subject of an agreement entered into by the City or a former Municipality which agreement in words expressly exempted the lands, buildings or structures from development charges;
- (e) lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground;
- (f) non-profit housing.

AMOUNT OF CHARGE

Residential

15. The development charges described in Schedule “A” to this by-law shall be imposed on 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, on the residential uses in the mixed use building or structure, according to the type of residential unit, and calculated with respect to each of the services according to the percentage of charge by service set out in Schedule B to this by-law.

Redevelopment

16. Notwithstanding any other provision of this by-law, where, as a result of the redevelopment of land, a demolition permit has been issued within the thirty-six months previous to the submission of a complete building permit application with respect to the whole or a part of a building or structure existing on the same land, or a building or structure is to be converted from one principal use to another principal use on the same land, 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, or the residential uses in a mixed-use building or structure, an amount calculated by multiplying the applicable development charge under section 15 of this by-law by the number, according to the type of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or the non-residential uses in a mixed-use building or structure, the amount of two dollars and twenty-seven cents (\$2.27) multiplied by the gross chargeable area that has been or will be demolished or converted to a residential use;

provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

CALCULATION AND PAYMENT OF DEVELOPMENT CHARGES

17. (a) Development charges applicable to residential development shall be calculated, payable and collected as of the date a building permit is issued in respect of the building or structure for the use to which the development charge applies, unless the development charge is to be paid at a different time pursuant to sections 19 or 20 herein or pursuant to an agreement entered into between the City and the owner under subsection 27(1) of the Act.

(b) Notwithstanding the provisions of this by-law, where a complete building permit application has been received by the Chief Building Official prior to September 1, 2001, the development charges applicable to residential development shall be calculated as of the date of the complete building permit application and shall be payable and collected as of the date a building permit is issued in respect of the building or structure for the use to which the development charge applies.

18. Notwithstanding section 10, if two or more of the actions described in section 9 occur at different times, additional development charges shall be imposed in respect of any increased or additional dwelling units permitted by that action.

19. Notwithstanding the provisions of this by-law, Council may enter into an agreement with any person who is required to pay a development charge providing for all or any part of the development charge to be paid before or after it would otherwise be payable.

20. (a) Notwithstanding section 17, the development charge with respect to water works, sanitary sewerage and roads to be calculated in accordance with the percentage by service set out in Schedule B, shall be payable, with respect to an approval of a plan of subdivision pursuant to section 51 or a consent pursuant to section 53 of the *Planning Act*, immediately upon the parties entering into a subdivision agreement or a consent agreement;

(b) The outstanding balance of the development charge applicable to residential development with respect to a plan of subdivision or a consent application as the case may be, shall be calculated, payable and collected at the rate in effect on the date a building permit is issued in respect of the building or structure for the use to which the development charge applies.

(c) Where pursuant to an agreement entered into by a former Municipality which required payments pursuant to a by-law of the former Municipality enacted pursuant to the Development Charges Act, R.S.O. 1990, Ch. D9, unless the agreement provides otherwise, any payment of the development charge pursuant to the agreement shall be a pro rata credit against the outstanding balance of the development charge applicable to residential development which shall be calculated on a pro rata basis, payable and collected as of the date a building permit is issued in respect of the building or structure for the use to which the development charge applies provided that the amount of any such credit shall not exceed, in total, the amount of the development charge otherwise payable.

(d) Where pursuant to an agreement entered into by a former Municipality which required the provision of work pursuant to the Development Charges Act, R.S.O. 1990, Ch. D, relating to a service set out in section 4, unless the agreement provides otherwise, the provision of services pursuant to the agreement shall be a pro rata credit equal to the reasonable cost to the owner of providing the work or service, against the balance of the development charge applicable to residential development which shall be calculated on a pro rata basis, payable and collected as of the date a building permit is issued in respect of the building or structure for the use to which the development charge applies provided that the amount of any such credit shall not exceed the total amount of the development charge payable with respect to that service applicable to that development and calculated in accordance with the percentage by service set out in Schedule "B".

21. Where a development charge or any part of it remains unpaid after it is payable, the amount unpaid shall be added to the tax roll and shall be collected in the same manner as taxes.

22. For the purpose of the calculation and collection of development charges pursuant to this by-law, where the provisions of this by-law conflict with or differ from the provisions of zoning by-laws of the former Municipalities, the provisions of this by-law shall be applied except that the definition of "grade" as defined in section 1(r) shall prevail.

PAYMENT BY SERVICES

23. Notwithstanding the provisions of this by-law, Council may, by written agreement, provide a credit to an owner against all or part of the development charge payable in respect of a particular development by the provision of work that relates to one or more of the services referred to in section 4, provided such work or services are at a standard that is equal to but not greater than the standard for the equivalent service for which a development charge is payable hereunder. Such agreement shall provide for a credit equal to the reasonable cost to the owner of providing the work or service, provided that the credit shall not exceed the total amount of the development charge payable with respect to that service and calculated in accordance with the percentage by service set out in Schedule “B” applicable to that development.

24. If the City and the owner cannot agree as to the reasonable cost of doing the work under sections 20(d) and 23, the dispute shall be referred to the appropriate City Commissioner having operational responsibility for the service being provided.

25. Nothing in this by-law prevents Council from requiring, as a condition of any approval given under the *Planning Act*, that the owner, at the owner’s expense, install such local services and local connections as Council may require and are related to the development.

FRONT ENDING AGREEMENTS

26. Council may enter into front ending agreements with an owner or owners of land in accordance with section 44 of the Act.

INDEXING

27. The development charge set out in Schedule “A” shall be adjusted by the City Treasurer without amendment to this by-law annually on September 1, commencing on September 1, 2002, in accordance with the most recent annual change in the Statistics Canada Quarterly Construction Price Statistics, Catalogue Number 62-007. For greater certainty, Catalogue 62-007-XPB should be referred to. With respect to the new housing price indice, Table 4.1 (Toronto-House only) shall be used and with respect to apartment construction, Table 5.1 (Toronto) shall be used.

SCHEDULES

28. The following schedules to this by-law form an integral part thereof:

Schedule “A” - Residential Development Charges and Phase In Provisions

Schedule “B” - Residential Development Charge Expressed as a Percentage of Charge by Service

HEADINGS FOR REFERENCE ONLY

29. The headings inserted in this by-law are for convenience of reference only and shall not affect the construction or interpretation of this by-law.

SEVERABILITY

30. If, for any reason, any provision, section, subsection or paragraph of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this by-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

DATE BY-LAW IN FORCE, PHASING OF BY-LAW AND TERM OF BY-LAW

31. This by-law shall come into force on September 1, 1999.

32. The development charge calculated, payable and collected pursuant to this by-law shall be phased in accordance with Schedule A.

33. Notwithstanding the provisions of this by-law, where a complete building permit application has been submitted to the Chief Building Official prior to March 1, 2000, the development charge calculated, payable and collected shall be the lesser of:

- (i) the charge calculated, payable and collected pursuant to this by-law; or
- (ii) the charge otherwise calculated, payable and collected pursuant to By-laws 1995-164 and 1995-165 of the former City of Etobicoke, By-laws 31597 and 31598 of the former City of North York and By-law 141-97 of the former Municipality of Metropolitan Toronto, By-laws 24630 and 24646 of the former City of Scarborough or the sewage impost by-law as provided for under the former City of Toronto Municipal Code Chapter 292, Article II as the case may be and as may have been amended, as though these by-laws were in force.

34. This by-law shall continue in full force and effect for a term not to exceed five (5) years from the date of its enactment, unless it is repealed at an earlier date.

ADDITIONAL DEVELOPMENT CHARGES

35. Additional Development Charges may be imposed pursuant to other by-laws.

ENACTED AND PASSED this 29th day of July, A.D. 1999.

CASE OOTES,
Deputy Mayor

NOVINA WONG,
City Clerk

(Corporate Seal)

SCHEDULE "A"

**CITY OF TORONTO
RESIDENTIAL DEVELOPMENT CHARGES + PHASE IN PROVISIONS
RESIDENTIAL DEVELOPMENT CHARGE PER DWELLING UNIT**

Former Municipality/Category	Sept 01, 1999 -Aug 31, 2000	Sept 01, 2000 - Aug 31, 2001	On or After Sept 01, 2001
<u>Single and Semi-Detached</u>			
East York	1,304	2,608	3,912
Etobicoke - City Wide	3,160	3,536	3,912
Etobicoke - Motel Strip	3,581	3,747	3,912
North York - City Wide	3,912	3,912	3,912
North York - City Centre	3,912	3,912	3,912
North York - Sheppard Subway Corridor	3,912	3,912	3,912
Scarborough	3,912	3,912	3,912
Toronto	1,304	2,608	3,912
York	1,304	2,608	3,912
Sub-Total			
<u>Other Multiples</u>			
East York	1,057	2,115	3,172
Etobicoke - City Wide	2,681	2,926	3,172
Etobicoke - Motel Strip	3,042	3,107	3,172
North York - City Wide	3,172	3,172	3,172
North York - City Centre	3,172	3,172	3,172
North York - Sheppard Subway Corridor	3,172	3,172	3,172
Scarborough	3,172	3,172	3,172
Toronto	1,617	2,395	3,172
York	1,057	2,115	3,172
<u>Apartment 2 Bdrm & Larger</u>			
East York	881	1,763	2,644
Etobicoke - City Wide	2,221	2,433	2,644
Etobicoke - Motel Strip	2,523	2,583	2,644
North York - City Wide	2,513	2,579	2,644
North York - City Centre	2,644	2,644	2,644
North York - Sheppard Subway Corridor	2,644	2,644	2,644
Scarborough	2,644	2,644	2,644
Toronto	1,348	1,996	2,644
York	881	1,763	2,644
<u>Apartment 1 Bdrm & Bachelor</u>			
East York	564	1,128	1,692
Etobicoke - City Wide	1,579	1,636	1,692
Etobicoke - Motel Strip	1,692	1,692	1,692
North York - City Wide	1,692	1,692	1,692
North York - City Centre	1,692	1,692	1,692
North York - Sheppard Subway Corridor	1,692	1,692	1,692
Scarborough	1,692	1,692	1,692
Toronto	914	1,303	1,692
York	564	1,128	1,692

NOTE: CHARGES TO BE INDEXED IN ACCORDANCE WITH BY-LAW

SCHEDULE "B"**RESIDENTIAL DEVELOPMENT CHARGE EXPRESSED
AS A PERCENTAGE OF CHARGE BY SERVICE**

Service	Single & Semi- Detached	Apartments 2 Bdrm. and larger	Apartments 1 Bdrm. and Bachelor	Other Multiple Dwellings
Fire	1.5%	1.5%	1.5%	1.5%
Roads	26.4%	26.4%	26.4%	26.4%
Transit	12.6%	12.6%	12.6%	12.6%
Sanitary Sewage	19.0%	19.0%	19.0%	19.0%
Water Works	16.7%	16.7%	16.7%	16.7%
Parks & Recreation	15.2%	15.2%	15.2%	15.2%
Libraries	7.1%	7.1%	7.1%	7.1%
Development Related Studies	1.5%	1.5%	1.5%	1.5%
Total Charge	100%	100%	100%	100%