Report to Council

Department: Office of the CAO
Division: Office of the CAO
Date: October 3, 2022
Prepared by: Senior Leadership Team
Report Number: Office of the CAO-2022-05
Subject: Impacts of Discretionary Development Charge Waivers
Number of Pages: 16 plus attachments

Recommendation(s)

That CAO-2022-05 entitled Impacts of Discretionary Development Charge Waivers prepared by the Town of Essex Senior Leadership Team dated October 3, 2022 be received;

That Council direct administration to proceed with commencing the process of a Development Charge Bylaw Amendment to reflect the elimination of development charge waivers on Commercial and Apartment Rental Housing Developments and to reduce the development charge waiver on industrial developments from 100% to 75%; and

That Council direct administration to formulate and present a proposed CIP program for Industrial Developments.
Purpose

On July 18, 2022 at the Regular Council Meeting and under resolution R22-07-473, Council directed Administration to prepare a Report on the various exemptions in the Town of Essex Development Charges By-law. If directed to do so, changes to existing by-laws require Council Approval.

Background and Discussion

The purpose of Development Charges (DCs) is to pay for increased capital costs that are required due to an increase in need for municipal services arising from new residential and non-residential development. DCs recover capital expenditures that are *in addition to* what costs would normally be constructed as a part of a subdivision such as internal roads, sewers, and streetlights. Such additional capital expenditures that DCs may be used to pay for include:

- Water supply services, including distribution and treatment services
- Wastewater services, including sewers and treatment services
- Storm water drainage and control services
- Services related to a road
- Police & fire protection services
- Library services
- Parks and recreation services

A municipality may also provide for full or partial exemptions for certain types of development, and may also choose to phase in or reinstate such development charges. However, unless the exemption is statutorily mandated under the *Development Charges Act*, a municipality must fund that exemption from either taxation or from reserves in order to pay for the growth-related services that would be needed as identified above. Therefore, when a developer is exempt from paying a DC, the onus is put on the municipality to fund this growth related waiver.
Below is a list of land uses and building types that are currently exempt from Development Charges under the Town of Essex DC By-law 1850, attached to this report.

**Mandated Exemptions**

The *Development Charges Act* mandates that municipalities must exempt the following for 100% of the cost. These do not have to be refunded by the Municipality.

- Land owned by and used for the purposes of a Municipality or a Board as defined in subsection 1(1) of the Education Act;
- The enlargement of the gross floor area of an existing industrial building if it is enlarged by 50% or less (for existing industrial buildings that are enlarged more than 50%, only the portion of the addition in excess of 50% is subject to DCs); and
- The creation of a second dwelling unit in new residential buildings including structures ancillary to dwellings.

Although not an exemption of Development Charges, the following land uses and building types may opt for the payment of DCs in annual installments and would be subject to interest:

- Rental housing (6 equal annual installments);
- Non-profit housing developments (21 equal annual installments); and
- Institutional developments (6 equal annual installments).

**Discretionary Exemptions**

The following exemptions are non-statutory and are specific to the Town of Essex’s DC By-law 1850 as adopted by Council in August 2019. These must be funded by the Municipality.

- The enlargement to an existing residential dwelling unit;
- Lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the Assessment Act;
• A public hospital receiving aid under the Public Hospitals Act, R.S.O. 1990, Chap. P.40, as amended, or any successor thereof;
• The development of non-residential farm buildings constructed for bona fide farm uses, which qualify as a farm business, being that which operates with a valid Farm Business Registration Number and is assessed in the Farmland Realty Tax Class;
• The development of affordable housing is exempt from the municipal-wide charges only;
• The development of apartment rental housing is exempt from the municipal-wide charges only;
• Non-residential industrial, commercial, and institutional development; and
• All residential uses in the Harrow Primary Settlement Area at 25% until December 31, 2022, 50% until December 31, 2023, and 75% until August 2024 when the By-law expires.

Opportunities:

When reviewing the benefits and opportunities of implementing non-statutory Development Charge exemptions pertaining to multi-residential (or apartment) development, industrial, commercial, and Harrow-specific residential development, Administration and Town Council considered various matters.

An apartment unit is defined as any residential unit within a building containing more than four (4) dwelling units where the units are connected by an interior corridor. As a form of ownership, apartment units are typically rented. Apartment units may be converted to a condominium, to allow for freehold ownership of the individual units. Statistics for our region show that from 2001 to 2021, low density housing, being single- and semi-detached dwellings, made up 81% of the total housing growth mix. Comparatively, for that same period, medium- (11%) and high-density (8%) housing, which includes townhomes and apartments, only made up 19%.

In an effort to increase housing supply and to move away from the traditional housing type of freehold ownership single- and semi-detached dwellings, the Provincial Policy Statement has been updated to encourage the construction of all housing options and all types of residential intensification. Rented apartment units can be considered more important as ever as a housing option as we move into
uncertain economic times with increasing inflation and interest rates making it more difficult for many to own a home. The exemption of DCs has been a strategy in encouraging the development of multi-residential units in the Town of Essex, particularly with the recent construction of Weston Apartments and the upcoming construction of Parnell Street Apartments.

Council’s objective in exempting and phasing in DCs for residential construction in Harrow was to encourage residential development in an area that historically has seen little to no growth. This is no longer the case, however, with rising demand for housing across the County and with interest and property values in the Harrow Primary Settlement Area surpassing that of even Essex Centre.

The Town of Essex has seen exponential growth in the commercial sector, in part due to the DC exemption. Along the Highway 3 and Maidstone Ave corridors, for example, this incentive supported five (5) new commercial developments over the past four (4) years and has served its purpose effectively. Reinstating commercial DCs at this point, or upon DC By-law expiration, would not pose a significant impact to attracting new commercial businesses, as interest in commercial development is expected to remain high throughout the Town of Essex over the coming years.

With respect to industrial DC exemptions, a recent regional study has shown that the Town of Essex and City of Windsor are the only local comparators offering a full development charge exemption, while municipalities such as Lakeshore and Amherstburg are amongst the highest in actual charges. Similar to the Town of Essex, the City of Windsor waives development charges for large industrial developments across their entire municipality, as well as provides relief over ten (10) years on property taxes through their Tax Increment Finance grant (while the Town of Essex provides relief over five (5) years). However, while the City of Windsor is similar in this regard, the Town of Essex is considered to have a more reasonable industrial property tax rate, as opposed to the City of Windsor (and even Leamington) which are at the high end. It should also be noted that the overall tax assessment is much higher in the City of Windsor meaning they annually collect significantly more taxes than the Town of Essex to fund such waivers.
Economic Development specialists within the region have indicated that, over the past several years, industrial developers have actually been seeking out tax exemptions or waiver of development charges, more so than commercial developers. The Town of Essex’s current DC exemption for industrial development has proved to be an effective tool in attracting interest to the Highway 3 Industrial Lands, which is considered a strategic location in our regional transportation network. With large industrial development in the Town of Essex a closer reality than ever before, and in order to stay competitive with our neighboring municipalities, the Town could continue to offer financial incentives such as full or partial DC exemption or the implementation of Community Improvement Plan (CIP) with an established budget. Incentives could be further narrowed down to a specific area of the Town to target industrial growth, such as the Future Highway 3 Industrial Park and/or the Harrow Industrial Park.

Furthermore, the County of Essex has recently initiated the planning process to amend its Official Plan to incorporate CIP policies that would allow for the County to participate in grant programs of lower-tier CIPs specific to large scale industrial development. Although a timeline for this initiative has yet to be established, the amendment would allow the County to contribute matching municipal tax increment rebates for large scale industrial development.

Comparators:

The below graphic is a summary of all municipalities within Essex County and any elective waivers they have in place at July 31, 2022.

*Leamington only introduced development charges in July of 2022.

<table>
<thead>
<tr>
<th>Exemption</th>
<th>Essex</th>
<th>Amherstburg</th>
<th>Leamington*</th>
<th>Tecumseh</th>
<th>Kingsville</th>
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<th>Lasalle</th>
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<td>X</td>
<td>X</td>
<td>NO WAIVER</td>
<td>NO WAIVER</td>
<td>X</td>
<td>NO WAIVER</td>
<td>NO WAIVER</td>
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Growth:
<table>
<thead>
<tr>
<th>Category</th>
<th>ALL</th>
<th>NO WAIVER</th>
<th>NO WAIVER</th>
<th>ALL-Through CIP</th>
<th>NO WAIVER</th>
<th>NO WAIVER</th>
<th>Expired June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>ALL</td>
<td>NO WAIVER</td>
<td>NO WAIVER</td>
<td></td>
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<td>NO WAIVER</td>
<td>NO WAIVER</td>
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Essex County has experienced record breaking assessment growth in the past five years. Graph 1 below depicts the percentage of growth experienced annually broken down by the Town of Essex and compared to the average of all other lower-tier municipalities. While some municipalities had waivers in effect during this time, Essex having the most waivers experienced below average.
assessment growth.

Below Graph 2 summarizes the Town's assessment base in dollars compared to those that did not have any elective waivers in within Essex County. The trend level remains higher for those without exemptions in place.
Financial Impact

Graph 3 below depicts the total financial impact of discretionary waivers of development charges by year in the Town of Essex.

These amounts were funded through reserves and or in year taxation (surplus). Graph 4 illustrates the potential tax increases should we have funded the waivers through pure taxation. As we know the tax rate did not equal the waiver and amounts from other sources were used such as landfill reserve loans, growth, in year savings, or contingency reserves to fund the deficit.
It is important to note that the monies used to fund these waivers could have been used elsewhere in the Town’s budget. To provide examples, the total waiver since 2019 of $3,379,234 could have funded one or a combination of the following projects:

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Limits</th>
<th>Project Estimate (2022 $)</th>
</tr>
</thead>
<tbody>
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<td>South Talbot to Talbot</td>
<td>$1.2 million</td>
</tr>
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</table>

*The estimates in the above table are to provide examples only. They are not to be considered actual costs, as formal estimates would need to be prepared.*
In both Tables A and B below, Column A below represents the number of years it will take of collecting taxation revenue to repay the elective waiver applied to the development. Column B is the amount of years it will take to repay the development based on the net tax revenue (total tax revenue less the associated costs to the municipality of servicing the development for OPP, Fire and Winter Control only).

**Table A: Estimated Years of Payback by Major Development**

<table>
<thead>
<tr>
<th>Year</th>
<th>Type of Development Waiver</th>
<th>A) Payback with 100% tax revenue (in years)</th>
<th>B) Payback with net tax revenue (tax revenue less cost to service)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>Multi Residential- Essex Centre*</td>
<td>5.62</td>
<td>5.75</td>
</tr>
<tr>
<td>2020</td>
<td>Industrial- Essex Centre</td>
<td>5.46</td>
<td>5.74</td>
</tr>
<tr>
<td>2020</td>
<td>Industrial- Ward 2</td>
<td>17.09</td>
<td>18.76</td>
</tr>
<tr>
<td>2020</td>
<td>Commercial - Ward 3 with CIP</td>
<td>6.74</td>
<td>6.89</td>
</tr>
</tbody>
</table>

*In 2018 Administration predicted and presented to Council an estimated payback of 1.8 to 3.24 years on this development.

**Table B: Estimated Years of Payback by Residential Development**

<table>
<thead>
<tr>
<th>A: Average Payback</th>
<th>B: Average Payback less cost of service</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.06</td>
<td>6.55</td>
</tr>
</tbody>
</table>

**Why Does the payback matter?**

In past years the waiver of development fees was supported by the concept of tax incremental financing. This meaning that the waivers would be funded through new tax revenue or incremental revenue from said development. Thus, meaning that no “existing” tax dollars would be required to fund the reduction. As you can see from the payback period above, while the waiver can most definitely be repaid through that specific taxation revenue, there is a cost of service to that
development that is being incurred while that repayment is happening. **Any cost of servicing to the development is being supported by the existing tax base until the waiver is repaid.** As you can see in the developments within tables A and B, often more than 5 years.

Administration is currently reviewing draft 2 of the 2023 proposed budget and it is becoming evident that with the Town experiencing constant growth and in a period of the highest inflation rates seen in decades, the municipality requires all taxation growth revenue just to maintain its current level of service.

With the 2023 Discretionary Waiver being forecasted at more than $1.1 million, the monies would need to be loaned from landfill reserve and paid back over a period of 5-10 years to ensure that annually some taxation revenue from growth remains usable for operational purposes. Landfill Reserve has been used historically for internal financing means, unanticipated capital expenditures and more recently front-end financing agreement with large-scale developers. Having to borrow from Landfill would restrict the town to these other uses in the future.

For illustrative purposes if the Town were to reduce or eliminate certain waivers, the financial impact would be significant. Graph 5 shows a 100% waiver vs. 75% for the industrial development charge and the associated savings. Graph 6 shows the potential cost savings with the elimination of the commercial/multi-residential discretionary waiver.
Recommendations

1) **Residential Development Charge Waiver (status quo):** As the Harrow Residential Discretionary Waiver is currently on a phase-out program, Administration recommends that it remain in effect until the next DC By-law update, to be kicked off prior to the By-law’s expiration in August 2024.

2) **Reduce the Industrial Discretionary Waiver:** As this is the most unpredictable and can often have larger payback periods, Administration recommends a reduction in the waiver from 100% to 75% effective on or around January 1, 2023 until December 31, 2023.

3) **Formulate a Community Improvement Plan:** In order to continue offering financial incentives for Industrial Development, Administration recommends implementing a Community Improvement Plan (CIP) to target industrial growth in specific areas of the Town, such as the future Highway 3 Industrial Park and the existing Harrow Industrial Park. Administration also recommends that the Industrial CIP be adopted on or around January 1, 2024 in order to continue offering financial incentives for Industrial Development once the waiver expires in the DC By-law. A CIP program offers developers incentives while ensuring the Town is exercising fiscal responsibility as a CIP budget is established and any overage must be approved outside of the budget process.

4) **Eliminate the Commercial Development Discretionary Waiver:** Demand for commercial development is expected to remain high throughout the Town of Essex over the coming years, Administration recommends the reinstatement of Development Charges for Commercial Development.

5) **Eliminate the Multi-Residential (Rental Apartment) Discretionary Waiver:** As these can also have large payback periods, Administration recommends the reinstatement of these Development Charges. These types of developments would still be eligible for the payment of DCs in annual installments over 6 years.
Should Council direct Administration to undergo the above recommendations, the Town must post this report to the Town website. After a two-week period and sufficient public notice, a public meeting would be held. 60 days’ after the report is posted to the website, Administration could present to Council the amendment to its DC By-law prior to its formal adoption. With the timeframe of 2023 Budget Deliberations, changes to the DC By-law could ideally be adopted by January 1, 2023.

As it is recommended that the DC By-law be amended (subject to Council approval), the Development Charges Act requires that a background study be undertaken, with necessary modifications. The recommendations provided in this report do not change the DC calculations and as such, this staff report is to be considered the background study as required by Section 10 of the Development Charges Act. The anticipated amount type, and location of growth, DC calculations, long-term capital and operating costs, and asset management plan requirements remain unchanged as per the Town’s 2019 DC background study, as amended by the Town’s 2021 DC Update Study.

Consultations

Lori Chadwick, Director, Development Services

Kate Giurissevich, Director, Corporate Services/ Treasurer

Kevin Girard, Director, Infrastructure Services
Link to Strategic Priorities

☑ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.

☑ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.

☑ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.

☑ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.

☑ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.

☑ Improve the Town’s capacity to meet the ongoing and future service needs of its citizens while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.
### Report Approval Details

<table>
<thead>
<tr>
<th>Document Title:</th>
<th>Impacts of Elective Development Charge Waivers - Office of the CAO-2022-05.docx</th>
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</thead>
</table>
| Attachments:    | - UPDATED DC Bylaw-1850.pdf  
                  - By-Law No. 2043 - To Amend By-Law 1850 Respecting Development Charges(signed).pdf |
| Final Approval Date: | Sep 28, 2022                                                                         |

This report and all of its attachments were approved and signed as outlined below:

Doug Sweet, Chief Administrative Officer - Sep 28, 2022 - 3:10 PM
Background and Discussion
Purpose of Development Charges

• To recover capital expenditures that are required due to **an increase in need** for municipal services arising from new development
• To pay for the capital projects and services that **are in addition to** what would normally be constructed as a part of a subdivision (internal roads, sewers, sidewalks)
• What are some types of DC-eligible expenditures?
  – Sanitary sewers and treatment services
  – Storm water drainage and control services
  – Services related to a road
  – Police & fire protection services
  – Library services
  – Parks and recreation services
DC Exemptions: Mandated

- Land owned by and used for the purposes of a Municipality or a Board
- The creation of a Second Dwelling Unit in new residential buildings, including structures ancillary to dwellings
- The enlargement of the GFA of an existing industrial building if it is enlarged by 50% or less

Municipal Payback NOT required
DC Payment Option: Mandated

Although not an exemption of DCs, the following land uses and building types may opt for the payment of DCs in **annual installments**:

- Rental housing (6 equal annual installments)
- Non-profit housing developments (21 equal annual installments)
- Institutional developments (6 equal annual installments)
DC Exemptions: Discretionary

- Enlargement of an existing residential dwelling unit
- Place of worship, cemetery, or burial ground
- A public hospital
- Non-residential farm buildings constructed for bona fide farm uses
- Affordable housing (municipal-wide charges only)
- Apartment rental housing (municipal-wide charges only)
- Industrial, Commercial, and Institutional development
- All residential uses in the Harrow Primary Settlement Area at 25% until December 31, 2022, 50% until December 31, 2023, and 75% until August 2024 when the By-law expires

Municipal Payback IS required
Review of Various Discretionary Exemptions
Apartment Rental Housing

• Intent:
  – To increase housing supply and to move away from the traditional housing type of single- and semi-detached dwellings
  – To encourage the construction of various housing tenures (rental vs ownership)
  – To encourage residential intensification

• Results:
  – Apartment Rental Housing: Weston Apartments and the upcoming construction of Parnell Street Apartments
Residential Construction in Harrow

• Intent:
  – To encourage residential development in an area that historically has seen little to no growth

• Results:
  – Property values in the Harrow Primary Settlement Area surpassing that of even Essex Centre
  – Parkland Woods, Green Leaf Subdivision, Sunset Gardens
Commercial Developments

• Intent:
  – To attract new businesses, and employment lands, to the Town of Essex

• Results:
  – Crawford Packaging
  – Liftow/Toyota
  – Home Hardware
Industrial Developments

• Intent:
  – To attract new industry, and employment lands, to the Town of Essex

• Results:
  – Sellick Equipment
  – Classy Caps
  – Future Inspiration Industrial Park
Comparators
### DC Exemptions across Essex County

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<thead>
<tr>
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<td>X</td>
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<td><strong>Industrial</strong></td>
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<td><strong>Residential</strong></td>
<td>Ward 4 has 75% waiver</td>
<td>NO WAIVER</td>
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*Note: CIP denotes Community Investment Program.*
Our Growth compared to Essex County

Graph 1: Annual % of Assessment Growth

*Used Financial Information Return (FIR) data from The Ministry of Municipal Affairs and Housing. Where Municipalities had not published 2021 data a 3-year average was used.
Our Growth compared to those without DC Exemptions

Graph 2: Total Assessment Increase in $  

*Municipalities without Exemptions include Amherstburg, Kingsville, Lakeshore and Tecumseh
Financial Impacts
Waived DCs in the Town of Essex

Graph 3: Summary of Waived Development Charges

- **Residential/ Multi-Residential**
- **Commercial/Industrial**
- **Total $3,379,234**

<table>
<thead>
<tr>
<th>Year</th>
<th>Residential/ Multi-Residential</th>
<th>Commercial/Industrial</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$379,258</td>
<td>$200,000</td>
<td>$579,258</td>
</tr>
<tr>
<td>2020</td>
<td>$716,318</td>
<td>$400,000</td>
<td>$1,116,318</td>
</tr>
<tr>
<td>2021</td>
<td>$373,022</td>
<td>$600,000</td>
<td>$1,133,022</td>
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<tr>
<td>2022 Projected</td>
<td></td>
<td>$800,000</td>
<td>$883,022</td>
</tr>
<tr>
<td>2023 Unapproved Budget</td>
<td></td>
<td>$1,000,000</td>
<td>$1,122,007</td>
</tr>
</tbody>
</table>

Total: $3,379,234
What if these Waived DCs were funded through a Tax Increase?

Graph 4: Tax Increase Required for Waivers
What Capital Projects could have been completed?

<table>
<thead>
<tr>
<th>Project</th>
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<th>Project Estimate (2022 $s)</th>
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## Estimated Years of Payback

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<tr>
<th>Year</th>
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<td>Industrial- Essex Centre</td>
<td>5.46</td>
<td>5.74</td>
</tr>
<tr>
<td>2020</td>
<td>Industrial- Ward 2</td>
<td>17.09</td>
<td>18.76</td>
</tr>
<tr>
<td>2020</td>
<td>Commercial - Ward 3 with CIP</td>
<td>6.74</td>
<td>6.89</td>
</tr>
</tbody>
</table>
Why does Payback Matter?

<table>
<thead>
<tr>
<th>Average Payback</th>
<th>Average Payback (less cost of service)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.06 years</td>
<td>6.55 years</td>
</tr>
</tbody>
</table>

- **COST TO EXISTING TAX PAYER:** Any cost of servicing to the development while the payback is occurring is being supported by the existing tax base until the waiver is repaid.

- **LEVEL OF SERVICE IMPACTS:** High inflation and growth means the municipality requires all taxation growth revenue just to maintain its current level of service.

- **INTERNAL LOANS REQUIRED:** 2023 Discretionary Waiver forecasted at more than $1.1 million, monies would need to be loaned from landfill reserve and paid back over a period of 5-10 years to ensure that annually some taxation revenue from growth remains usable for operational purposes. Landfill Reserve hitting its borrowing capacity.
Recommendations
Residential DC Exemptions

• Status Quo:
  – Harrow Settlement Area Phase-Out of DC Exemptions
  – Affordable Housing DC Exemptions

• Reinstate:
  – Apartment Rental Housing DCs
Commercial & Industrial Exemptions

• Reinstate:
  – Commercial Development DCs

• Amend:
  – Industrial Development DC Exemptions from 100% to 75% from amended by-law date (i.e. Jan 1/23) to December 31, 2023

• Implement:
  – Industrial CIP Program upon expiration of above
What’s Next?

• Should Council direct Administration to undergo the recommendations:
  – Provide notice of prosed amendments
  – Post the Staff Report to the Town website
  – Host a Public Meeting after a 2-week period to summarize public input and to provide opportunity for public delegations
  – Present the Amended DC By-law to Council for decision-making no less than 60 days after the Staff Report is posted to the website
  – With the timeframe of 2023 Budget Deliberations, changes to the DC By-law could potentially be adopted by January 1, 2023
Questions & Discussion
The Corporation of the Town of Essex

By-Law Number 1850

Being a By-Law for the Imposition of Development Charges in the Town of Essex

WHEREAS the Town of Essex will experience growth through development and re-development;

AND WHEREAS development and re-development requires the provision of physical and social services by the Town of Essex;

AND WHEREAS Council desires to ensure that the capital cost of meeting growth-related demands for or burden on municipal services does not place an excessive financial burden on the Town of Essex or its existing taxpayers while at the same time ensuring new taxpayers contribute no more than the net capital cost attributable to providing the current level of municipal services;

AND WHEREAS the Development Charges Act, 1997 (the “Act”) provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

AND WHEREAS a development charge background study has been completed in accordance with the Act;

AND WHEREAS the Council of The Corporation of the Town of Essex has given notice of and held a public meeting on the 15th day of July, 2019 in accordance with the Act and the regulations thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF ESSEX ENACTS AS FOLLOWS:

1. INTERPRETATION

1.1 In this By-law the following items shall have the corresponding meanings:

“Act” means the Development Charges Act, as amended, or any successor thereof;

“Accessory Building” means a building that is subordinate in purpose to a residential dwelling unit upon the same lot, but excludes an ancillary residential building.

“affordable housing” means housing accommodations and incidental facilities primarily for persons of low and moderate income that meet the requirements of any program for such purpose as administered by any agency of the Federal or Provincial government, the County of Essex and/or the Town.

“Ancillary Residential Building” means a permanent residential building that would be ancillary to a detached dwelling, semi-detached dwelling, or row dwelling.

“apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by an interior corridor;
“bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;

“board of education” has the same meaning as set out in the Education Act, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“bona fide farm uses” means the proposed development will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;


“capital cost” means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of and as authorized by the municipality or local board, (a) to acquire land or an interest in land, including a leasehold interest,

(b) to improve land,

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

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

(i) furniture and equipment other than computer equipment, and

(ii) material acquired for circulation, reference or information purposes by a library board as defined in the Public Libraries Act, R.S.O. 1990, Chap. P.44, as amended, or any successor thereof; and

(iii) rolling stock with an estimated useful life of seven years or more, and

(e) to undertake studies in connection with any matter under the Act and any of the matters in clauses (a) to (d) above, including the development charge background study required for the provision of services designated in this By-law within or outside the municipality, including interest on borrowing for those expenditures under clauses (a) to (e) above that are growth-related;

“charitable dwelling” means a residential building, a part of a residential building or the residential portion of a mixed-use building maintained and operated by a corporation approved under the Charitable Institutions Act, R.S.O. 1990, c. C.9, for persons requiring residential, specialized or group care and charitable dwelling includes a children’s residence under the Child and Family Services Act, R.S.O. 1990, c. C.11, a home or a joint home under the Homes for the Aged and Rest Homes Act, R.S.O. 1990, c. H.13, an institution under the Mental Hospitals Act, R.S.O. 1990, c. M.8, a nursing home under the Nursing Homes Act, R.S.O., 1990, c. N.7, and a home for special care under the Homes for Special Care Act, R.S.O. 1990, c. H.12;

“Class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the Development Charges Act.
“commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or agricultural uses, but does include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Council of the municipality;

“Detached dwelling unit” has the same meaning as a “single detached dwelling unit” for the purposes of this by-law.

“development” means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that the effect of increasing the size of usability thereof, and includes redevelopment;

“development charge” means a charge imposed with respect to this By-law;

“dwelling unit” means either (1) 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, or (2) in the case of a special care/special need dwelling, a room or suite of rooms used, or designed or intended for use, by one person with or without exclusive sanitary and/or culinary facilities, or more than one person in sanitary facilities are directly connected and exclusively accessible to more than one room or suite of rooms;

“Existing” means the number, use and size that existed as of the date this by-law was passed;

“farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;

“Garden suite” means a building containing one (1) dwelling unit where the garden suite is detached from and ancillary to an existing single detached dwelling or semi-detached dwelling on the lands and such building is designed to be portable.

“gross floor area” means:

(a) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit 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; and

(b) 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 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;

“group home” means a residential building or the residential portion of a mixed-use building containing a single housekeeping unit which may or may not be supervised on a 24-hour basis on site by agency staff on a shift rotation basis, and funded wholly or in part by any government or its agency, or by public subscription or donation, or by any combination thereof and licensed, approved or supervised by the Province of Ontario for the accommodation of persons under any general or special act and amendments or replacements thereto. A group home may contain an office provided that the office is used only for the operation of the group home in which it is located;

“hospice” means a building or portion of a mixed-use building designed and intended to provide palliative care and emotional support to the terminally ill in a home or homelike setting so that quality of life is maintained, and family members may be active participants in care;

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

“Institutional” means land, buildings, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain;

“Institutional Development” 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 (1), or

3. an Indigenous institute prescribed for the purposes of Section 6 of the Indigenous Institutes Act, 2017;

“Interest Rate” means the annual rate of interest calculated as per the Town’s D.C. Interest Rate By-law 2030 as may be revised from time to time.
“Local Board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the Town of Essex or any part or parts thereof;

“local services” means those services, facilities or things which are under the jurisdiction of the municipality and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under Sections 41, 51 or 53 of the Planning Act, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;

“Mobile home” means any dwelling that is designed to be made mobile and constructed or manufactured to provide a permanent residence for one or more persons but does not include a travel trailer or tent trailer;

“multiple dwellings” means all dwellings other than single-detached, semi-detached and apartment unit dwellings;

“municipality” means the Corporation of the Town of Essex;

“Non-profit Housing Development” 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, or any successor legislation.

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“nursing home” means a residential building or the residential portion of a mixed-use building licensed as a nursing home by the Province of Ontario;

“Official Plan” means the Official Plan adopted for the Town, as amended and approved;

“Owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

“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, R.S.O. 1990, Chap. A.31, as amended, or any successor thereof;

“Rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;
“regulation” means any regulation made pursuant to the Act;

“Rental Housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

“Residential Dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more Dwelling Units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more Dwelling Units. This also includes a Dwelling Unit on land that is used for an Agricultural Use;

“retirement home or lodge” means a residential building or the residential portion of a mixed-use building which provides accommodation primarily for retired persons or couples where each private bedroom or living accommodation has a separate private bathroom and separate entrance from a common hail but where common facilities for the preparation and consumption of food are provided, and common lounges, recreation rooms and medical care facilities may also be provided;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;

“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential unit are not connected by an interior corridor;

“service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;

“servicing agreement” means an agreement between a landowner and the municipality relative to the provision of municipal services to specified land within the municipality;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“Site” means a parcel of land which can be legally conveyed pursuant to Section 50 of the Planning Act and includes a development having two or more lots consolidated under identical ownership.

“Solar Farm” means any solar energy system comprised of one or more solar panels and associated control or conversion electronics that converts sunlight into electricity. A solar farm may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary;

“Special care/special need dwelling” means a building containing two or more dwellings units, which units have a common entrance from street level;

i. Where the occupants have the right to use in common, halls, stairs, yards, common rooms and accessory buildings;
ii. Which may or may not have exclusive sanitary and/or culinary facilities;

iii. That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements; and

iv. Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services are provided at various levels,

And includes, but is not limited to, a retirement home or lodge, nursing home, charitable dwelling, group home and hospice.

“Telecommunications Tower” – means any tower, apparatus, structure or other thing that is used or is capable of being used for telecommunications of for any operation directly connected with telecommunications, and includes a transmission facility, as define in the Telecommunications Act.

“town” means the area within the geographic limits of the Town of Essex;

“Wind Turbine” means any wind energy system, comprising one or more turbines, that converts energy into electricity, with a combined nameplate generating capacity greater than 500 kilowatts and a height greater than 100 metres, that converts energy into electricity, and consists of a wind turbine, a tower, and associated control or conversion electronics. A wind turbine and energy system may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary; and

“Zoning By-law” means the Zoning By-law of the Town of Essex, including the former Village of Essex, the former Township of Essex or any successor thereof passed pursuant to Section 34 of the Planning Act, S.O. 1998.

2. DESIGNATION OF SERVICES/CLASS OF SERVICES

2.1 The categories of services/class of services for which development charges are imposed under this By-law are as follows:

(a) Services Related to a Highway
(b) Fire Protection Services
(c) Policing Services
(d) Outdoor Recreation Services
(e) Indoor Recreation Services
(f) Library Services
(g) Growth Studies

2.2 The components of the services/class of services designated in section 2.1 are described in Schedule A.

3. APPLICATION OF BY-LAW RULES
3.1 Development charges shall be payable in the amounts set out in this By-law where:
   (a) the lands are located in the area described in section 3.2; and
   (b) the development of the lands requires any of the approvals set out in subsection 3.4(a).

Area to Which By-law Applies

3.2 Subject to section 3.3, this By-law applies to all lands in the Town of Essex whether or not the land or use thereof is exempt from taxation under s. 13 or the Assessment Act.

3.3 Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:
   (a) the municipality or a local board thereof;
   (b) a board of education; or
   (c) the Corporation of the County of Essex or a local board thereof.

Approvals for Development

3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
   (i) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the Planning Act;
   (ii) the approval of a minor variance under section 45 of the Planning Act;
   (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the Planning Act applies;
      (i) the approval of a plan of subdivision under section 51 of the Planning Act;
      (ii) a consent under section 53 of the Planning Act;
      (iii) the approval of a description under section 50 of the Condominium Act, R.S.O. 1990, Chap. C.26, as amended, or any successor thereof; or
      (iv) the issuing of a permit under the Building Code Act in relation to a building or structure.
   (b) No more than one development charge for each service / class of services designated in subsection 2.1 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 subsection 3.4(a) are required before the lands, buildings or structures can be developed.
   (c) Despite subsection 3.4(b), if two or more of the actions described in subsection 3.4(a) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

Exemptions

3.5 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to developments or portions of developments as follows:
(a) the enlargement to an existing residential dwelling unit;

(b) one or two additional dwelling units in an existing single detached dwelling or prescribed ancillary residential building structure to the existing residential building;

(c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary residential dwelling structure to the existing residential building;

(d) the creation of one additional dwelling unit in any other existing residential building already containing at least one dwelling unit or prescribed ancillary residential dwelling structure to the existing residential building; or

(e) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the following restrictions:

(f) Notwithstanding (a) above, 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 Dwelling Unit.

(g) Notwithstanding (a) above, Development Charges shall be imposed if the additional Dwelling Unit(s) has a Gross Floor Area greater than:

(i) in the case of a Semi-detached Dwelling Unit or Townhouse Dwelling Unit, the Gross Floor Area of the existing Dwelling Unit; and

(ii) in the case of any other Residential Building, the Gross Floor Area of the smallest Dwelling Unit contained in the said residential Building.

(h) The exemption to Development Charges in (a) above shall only apply to the first instance of intensification in an existing or new dwelling.

(i) Subject to (b), (c) and (d) above, any exemption under (a) above shall apply to the smallest Dwelling Unit, as determined by applicable rates under this By-law.

3.6 Notwithstanding subsection 3.5 (b), 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 dwelling unit.
subsection 3.5 (d), development charges shall be imposed if the additional 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 smallest dwelling unit; and

b) in the case of any other residential building, the gross floor area of the smallest dwelling unit already contained in the residential building.

Rules with Respect to an Industrial Expansion Exemption

3.8.2 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 is determined in accordance with the following:

(i) Subject to subsection 3.8.2 (iii), if the gross floor area is enlarged by 50 per cent or less of the lesser of:

1. the gross floor area of the existing industrial building, or

2. the gross floor area of the existing industrial building before the first enlargement for which:

   a. an exemption from the payment of development charges was granted, or

   b. a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, the amount of the development charge in respect of the enlargement is zero;

(ii) Subject to subsection 3.8.2 (iii), if the gross floor area is enlarged by more than 50 per cent or less of the lesser of:

(A) the gross floor area of the existing industrial building, or

(B) the gross floor area of the existing industrial building before the first enlargement for which:

   (i) an exemption from the payment of development charges was granted, or

   (ii) a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, 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:

(A) determine the amount by which the enlargement exceeds 50 per cent of the gross floor area before the first enlargement, and
(B) divide the amount determined under subsection (A) by the amount of the enlargement

(iii) For the purposes of calculating the extent to which the gross floor area of an existing industrial building is enlarged in subsection 3.8.2 (ii), the cumulative gross floor area of any previous enlargements for which:

(A) An exemption from the payment of development charges was granted, or

(B) A lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,

pursuant to Section 4 of the Act and this subsection, shall be added to the calculation of the gross floor area of the proposed enlargement.

(iv) For the purposes of this subsection, the enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility.

3.8 For the purpose of section 3.8 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

3.9 Other Exemptions:

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

a) lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the Assessment Act;

b) a public hospital receiving aid under the Public Hospitals Act, R.S.O. 1990, Chap. P.40, as amended, or any successor thereof;

c) the development of non-residential farm buildings constructed for bona fide farm uses, which qualify as a farm business, being that which operates with a valid Farm Business Registration Number and is assessed in the Farmland Realty Tax Class;

d) the development of affordable housing is exempt from the municipal-wide charges only;

e) the development of apartment rental housing is exempt from the municipal-wide charges only; and

f) non-residential industrial, commercial and institutional development.

Amount of Charges

Residential
3.11.1 The development charges set out in Schedules B-1 and B-2 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 type of residential use.

3.11.2 Notwithstanding Section 3.11.1, the following percentage of each service for residential uses within the Harrow Primary Settlement Area, outlined in Schedule C, as provided in Schedules B-1 and B-2, shall be imposed:

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Wide Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services Related to a Highway</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Fire Protection Services</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Policing Services</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Outdoor Recreation Services</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Indoor Recreation Services</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Library Services</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Administration</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
<tr>
<td>Area Specific Charges (Wastewater)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ward 4-Harrow Service Area</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>25%</td>
<td>50%</td>
<td>75%</td>
</tr>
</tbody>
</table>

3.11.3 Notwithstanding Section 3.11.1, the following percentage of each service for residential uses for all areas of the Town except those within the Harrow Primary Settlement Area, outlined in Schedule C, as provided in Schedules B-1 and B-2, shall be imposed:

<table>
<thead>
<tr>
<th>Service</th>
<th>All Areas of Town except those within Harrow Primary Settlement Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services Related to a Highway</td>
<td>100%</td>
</tr>
<tr>
<td>Fire Protection Services</td>
<td>100%</td>
</tr>
<tr>
<td>Policing Services</td>
<td>100%</td>
</tr>
<tr>
<td>Outdoor Recreation Services</td>
<td>100%</td>
</tr>
<tr>
<td>Indoor Recreation Services</td>
<td>100%</td>
</tr>
<tr>
<td>Library Services</td>
<td>100%</td>
</tr>
<tr>
<td>Administration</td>
<td>100%</td>
</tr>
<tr>
<td>Area Specific Charges (Wastewater)</td>
<td></td>
</tr>
<tr>
<td>Ward 1 - Essex Service Area</td>
<td>100%</td>
</tr>
<tr>
<td>Ward 2 - Colchester North Service Area</td>
<td>100%</td>
</tr>
<tr>
<td>Ward 3 - Colchester South Service Area</td>
<td>100%</td>
</tr>
<tr>
<td>Ward 4 - Harrow Service Area</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Non-Residential**

3.12.1 The development charges described in Schedules B-1 and B-2 to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed use building or structure, on the non-residential uses in the mixed use building or structure, and calculated with respect to each of the services according to the total floor area of the non-residential use.

**Wind Turbines and Telecommunication Towers**
3.13 The development charges described in Schedules B-1 and B-2 to this by-law shall be imposed on wind turbines and telecommunication towers with respect to services related to a highway, fire protection services, policing services and administration on a per unit basis.

**Solar Farm**

3.14 The development charges described in Schedules B-1 and B-2 to this by-law shall be imposed on solar farms with respect to services related to a highway, fire protection services, policing services and administration on a per square foot of the panel surface.

**Reduction of Development Charges for Redevelopment**

3.15 Despite any other provisions of this By-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 48 months 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 principal use on the same land, 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, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.11 by the number, according to 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, in the case of mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under subsection 3.12, by the gross floor area that has been or will be demolished or converted to another principal use;

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

**Time of Payment of Development Charges**

3.16 Development charges imposed under this By-law are calculated, payable, and collected upon issuance of a building permit for the development.

3.17 Despite section 3.16, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.

3.18 **Notwithstanding Section 3.16, Development Charges for Rental Housing and Institutional Developments are due and payable in six equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as per the Town’s D.C. Interest Rate By-law 2030 as may be revised from time to time.**
3.19 Notwithstanding Section 3.16, Development Charges for Non-profit Housing Developments are due and payable in 21 equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as per the Town’s Interest Rate By-law 2030, as may be revised from time to time.

3.20 Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under subsections 3.11.1, 3.11.2, 3.11.3, 3.12.1, 3.13, and 3.14 shall be calculated on the rates set out in Schedule “B” on the date of the planning application, including interest. Where both planning applications apply development charges under subsections 3.11.1, 3.11.2, 3.11.3, 3.12.1, 3.13, and 3.14 shall be calculated on the rates, including interest as provided in the Town’s Council approved D.C. Interest Rate By-law 2030, as may be revised from time to time., payable on the anniversary date each year thereafter, set out in Schedule “B” on the date of the later planning application, including interest.

4. PAYMENT BY SERVICES

4.1 Despite the payment required under subsections 3.11 and 3.12, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service to which a development charge relates under this By-law.

5. INDEXING

5.1 Development charges imposed pursuant to this By-law shall be adjusted annually, on the first day of each year commencing on January 1, 2010, in accordance with the prescribed index in the Act.

6. SCHEDULES

6.1 The following schedules shall form part of this By-law:

- Schedule A - Components of Services / Classes of Services Designated in section 2.1
- Schedule B - Residential and Non-Residential Development Charges for all Services/Classes of Services
- Schedule C - Map of Harrow Primary Settlement Area

7. CONFLICTS

7.1 Where the Town and an owner or former owner have entered into an agreement with respect to land within the area to which this By-law applies, and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.

7.2 Notwithstanding section 7.1, where a development which is the subject of an agreement to which section 7.1 applies, is subsequently the subject of one or more of
the actions described in subsection 3.4(a), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

8. **SEVERABILITY**

8.1 If, for any reason, any provision 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, amended or modified.

9. **DATE BY-LAW IN FORCE**

9.1 This By-law shall come into effect at 12:01 AM on August 28, 2019.

10. **DATE BY-LAW EXPIRES**

10.1 This By-law will expire at 12:01 AM on August 28, 2024 unless it is repealed by Council at an earlier date.

11. **EXISTING BY-LAW REPEALED**

11.1 By-law Number 1344 is hereby repealed as of the date and time of this By-law coming into effect.

Read a first, second and third time and finally passed this 27th day of August, 2019.

__________________________

Mayor

__________________________

Clerk
## SCHEDULE “A”
TO BY-LAW NO. 1850, AS AMENDED BY BY-LAW 2043
COMPONENTS OF SERVICES/CLASSES OF SERVICES DESIGNATED IN
SUBSECTION 2.1

<table>
<thead>
<tr>
<th>D.C.-Eligible Services</th>
<th>Outdoor Recreation and Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater Works</td>
<td>Development, Amenities &amp; Trails</td>
</tr>
<tr>
<td>Wastewater Treatment, Pumping and Collection System</td>
<td>Parks and Recreation Vehicles and Equipment</td>
</tr>
<tr>
<td>Services Related to a Highway</td>
<td>Indoor Recreation Facilities</td>
</tr>
<tr>
<td>Roads and Related</td>
<td></td>
</tr>
<tr>
<td>Fire Protection Services</td>
<td></td>
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<tr>
<td>Fire Facilities</td>
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<tr>
<td>Fire Vehicles</td>
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<tr>
<td>Fire Small Equipment &amp; Gear</td>
<td></td>
</tr>
<tr>
<td>Policing Services</td>
<td></td>
</tr>
<tr>
<td>Policing Facilities</td>
<td></td>
</tr>
<tr>
<td>Policing Vehicles, Small Equipment and Gear</td>
<td></td>
</tr>
<tr>
<td>Library Services</td>
<td></td>
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<tr>
<td>Library Facilities</td>
<td></td>
</tr>
<tr>
<td>Parks and Recreation Services</td>
<td></td>
</tr>
<tr>
<td>Growth Studies</td>
<td></td>
</tr>
<tr>
<td>Services Related to a Highway</td>
<td></td>
</tr>
<tr>
<td>Public Works</td>
<td></td>
</tr>
<tr>
<td>Water Services</td>
<td></td>
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<tr>
<td>Wastewater Services</td>
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<tr>
<td>Stormwater Services</td>
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<tr>
<td>Fire Protection Services</td>
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<tr>
<td>Policing Services</td>
<td></td>
</tr>
<tr>
<td>Parks and Recreation Services</td>
<td></td>
</tr>
<tr>
<td>Library Services</td>
<td></td>
</tr>
<tr>
<td>Public Works (Facilities, Vehicles &amp; Equipment)</td>
<td></td>
</tr>
<tr>
<td>Services Related to a Highway</td>
<td></td>
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<tr>
<td>Water Services</td>
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<tr>
<td>Wastewater Services</td>
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</tr>
<tr>
<td>Stormwater Service</td>
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</tr>
</tbody>
</table>
## SCHEDULE “B”

TO BY-LAW NO. 1850 AS AMENDED BY BY-LAW 2043

MUNICIPAL WIDE DEVELOPMENT CHARGES – EFFECTIVE JULY 5 2021 (2019$)

### Municipal Wide Services

<table>
<thead>
<tr>
<th>Service/Class of Service</th>
<th>Ward 1: Essex North Service Area</th>
<th>Ward 2: Colchester North Service Area</th>
<th>Ward 3: Colchester South Service Area</th>
<th>Ward 4: Harrow Service Area</th>
<th>Total Municipal Wide Services/Classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single and Semi-Detached Dwelling (per dwelling unit)</td>
<td>1,125</td>
<td>568</td>
<td>473</td>
<td>681</td>
<td>402</td>
</tr>
<tr>
<td>Apartments - Bachelor and 1 Bedroom (per dwelling unit)</td>
<td>427</td>
<td>216</td>
<td>152</td>
<td>259</td>
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<tr>
<td>Other Multiples (per dwelling unit)</td>
<td>681</td>
<td>349</td>
<td>349</td>
<td>593</td>
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</tr>
<tr>
<td>Special Care/Special Dwelling Units (per sq.ft of Gross Floor Area)</td>
<td>979</td>
<td>494</td>
<td>412</td>
<td>593</td>
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<td>Municipal Wide Services:</td>
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<tr>
<td>Services Related to a Highway</td>
<td>1,125</td>
<td>568</td>
<td>473</td>
<td>681</td>
<td>402</td>
</tr>
<tr>
<td>Public Works</td>
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<td>216</td>
<td>152</td>
<td>259</td>
<td>180</td>
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<tr>
<td>Fire Protection Services</td>
<td>979</td>
<td>494</td>
<td>412</td>
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<td>349</td>
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<tr>
<td>Policing Services</td>
<td>427</td>
<td>216</td>
<td>152</td>
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<tr>
<td>Parks and Recreation Services</td>
<td>4,940</td>
<td>2,492</td>
<td>2,077</td>
<td>2,992</td>
<td>1,762</td>
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<tr>
<td>Library Services</td>
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<td>126</td>
<td>105</td>
<td>151</td>
<td>89</td>
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<tr>
<td>Growth Studies</td>
<td>160</td>
<td>81</td>
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<td>3,494</td>
<td>5,032</td>
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### Area Specific Services

<table>
<thead>
<tr>
<th>Service/Class of Service</th>
<th>Ward 1: Essex North Service Area</th>
<th>Ward 2: Colchester North Service Area</th>
<th>Ward 3: Colchester South Service Area</th>
<th>Ward 4: Harrow Service Area</th>
<th>Grand Total Ward 1</th>
<th>Grand Total Ward 2</th>
<th>Grand Total Ward 3</th>
<th>Grand Total Ward 4</th>
<th>Grand Total All Wards</th>
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<tbody>
<tr>
<td>Single and Semi-Detached Dwelling (per dwelling unit)</td>
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<td>180</td>
<td>259</td>
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<td>1,444</td>
<td>1,444</td>
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<td>Apartments - Bachelor and 1 Bedroom (per dwelling unit)</td>
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<tr>
<td>Other Multiples (per dwelling unit)</td>
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<td>2,963</td>
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</table>

### Grand Total

<table>
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<tr>
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<td>Total Municipal Wide Services/Classes</td>
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<td>1,690</td>
<td>1,409</td>
<td>2,029</td>
<td>1,195</td>
</tr>
</tbody>
</table>

### Notes

1. Charges are based on a per dwelling unit basis (e.g. a semi-detached dwelling would be required to pay a charge for each of the two dwelling units).
2. Previously presented as two separate charges for Indoor and Outdoor Recreation Services.
3. Previously presented as two separate charges for Administration-Essential Services & Administration-Community Based Service. Some studies have been removed as they no longer are eligible due to the changes in the legislation.
4. Previously included in the charge for Services Related to a highway.
5. Charges are based on a per dwelling unit and area basis.
SCHEDULE “C”
TO BY-LAW NO. 1850
MAP OF HARROW PRIMARY SETTLEMENT AREA
The Corporation of the Town of Essex

By-Law Number 2030

Being a by-law to establish interest rates and impose interest charges on instalment payments of development charges pursuant to Section 26.1 of the Development Charges Act, 1997 and on development charges determined under the Town development charge by-law at the date of a site plan or rezoning application pursuant to Section 26.2 of the Development Charges Act, 1997.

WHEREAS pursuant to subsection 26.1(7) of the Development Charges Act, 1997, S.O. 1997, c. 27 (the "Act"), The Corporation of the Town of Essex (the "Town") may charge interest on the instalments for development charges required by subsection 26.1(3) of the Act for rental housing, institutional, and non-profit housing from the date the development charge otherwise would have been payable under Section 26 of the Act to the date an instalment is paid;

AND WHEREAS, pursuant to Section 26.2(3) of the Act, the Town may charge interest on a development charge determined under its development charge by-law on the date of an application for a site plan approval or for a zoning by-law amendment stipulated in clause 26.2(1)(a) or (b) of the Act, from the date stipulated to the date the development charge is payable; and

Now therefore be it resolved that the Council of the Corporation of the Town of Essex enacts as follows:

Development Charge Interest Rates Imposed

1. That an interest rate, which may be referred to as the DC Deferral Interest Rate, such rate being the applicable Infrastructure Ontario rate plus two percent (2%) per annum, be hereby imposed pursuant to subsection 26.1(7) of the Act on instalments required by subsection 26.1(3) of the Act, to be applied from the date the subject development charges would, but for subsection 26.1(3) of the Act, have been payable under Section 26 of the Act to the date each instalment is paid.

2. That an interest rate, such rate being the applicable Infrastructure Ontario rate plus two percent (2%) per annum be hereby imposed on the development charges determined under section 26.2 of the Act pursuant to subsection 26.2(3) of the Act, to be applied from the date referred to in clause 26.2(1)(a) or (b) of the Act, as applicable, to the date the development charge is payable.
3. Despite Section 2 of this by-law where a building permit for a
development has been issued prior to August 1, 2020 by a local
municipality for the development in respect of which a development
charge is levied, the Interest Rate provided for by Section 2 of this by-
law shall be zero percent (0%) per annum.

4. Interest shall be compounded annually on any unpaid amounts of
interest accrued when due. Any arrears of interest or compound
interest shall be added to the principle amounts on the payment due
date and interest at the rate provided for in this by-law shall be
charged on such increased principle amounts.

5. Pursuant to Section 27(1) of the Act, the Town may (by way of early
payment agreement) accept one or more payments of development
charges at an earlier date than would have been permitted under
Section 26.1 of the Act, with interest at the DC Deferral Interest Rate
provided for in this by-law accrued from the date that a building
permit has been issued for the development which is subject to the
payment of development charges.

6. In accordance with Section 398(2) of the Municipal Act, the Town may
add any unpaid amounts or charges under this By-Law to the tax roll
and collect them in the same manner as property taxes.

7. The Treasurer and/or Deputy Treasurer is authorized to execute
development charges payment agreements, to execute agreements
under Section 27 of the Act for payment before or after payments
would otherwise be payable, and to require any security which he or
she deems necessary to the proper implementation or administration
of the collection of development charges, upon legal terms
satisfactory to the Town Solicitor and upon business terms
satisfactory to the Treasurer and/or Deputy Treasurer.

8. This by-law shall come into full force and effect upon the final passing
thereof.
Read a first, a second and a third time and finally passed on June 7, 2021

Mayor

Clerk
Town of Essex

By-law Number 2043

Being a By-Law of the Town of Essex To Amend By-Law 1850, Respecting Development Charges

Whereas the Town of Essex (the "Town") enacted By-law 1850 pursuant to the Development Charges Act, 1997, S.O. 1997, c. 27, as amended (the "Act"), which Act authorizes Council to pass By-laws for the imposition of development charges against land;

And Whereas the Town has undertaken a study pursuant to the Act which has provided updated Schedule A (Table A2) to By-law 1850;

And Whereas the Council of the Town of Essex ("Council") has before it a report entitled "Town of Essex 2021 Development Charge Update Study" prepared by Watson & Associates Economists Ltd., dated April 6, 2021 (the "update study");

And Whereas the update study and proposed amending By-law were made available to the public on April 6, 2021 and Council gave notice to the public pursuant to Section 12 of the Act;

And Whereas Council, on May 3, 2021 held a meeting open to the public, pursuant to Section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE Council hereby enacts as follows:

1. By-law 1850 is hereby amended as follows:

A. Addition of Accessory Building to the definitions in Section 1 as follows:

"Accessory Building" means a building that is subordinate in purpose to a residential dwelling unit upon the same lot, but excludes an ancillary residential building.

B. Addition of Ancillary Residential Building to the definitions in Section 1 as follows:

"Ancillary Residential Building" means a permanent residential building that would be ancillary to a detached dwelling, semi-detached dwelling, or row dwelling.

C. Addition of Class to the definitions in Section 1 as follows:
“Class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the Development Charges Act.

D. Addition of Detached Dwelling Unit to the definitions in Section 1 as follows:

“Detached dwelling unit” has the same meaning as a “single detached dwelling unit” for the purposes of this by-law.

E. Addition of Garden Suite to the definitions in Section 1 as follows:

“Garden suite” means a building containing one (1) dwelling unit where the garden suite is detached from and ancillary to an existing single detached dwelling or semi-detached dwelling on the lands and such building is designed to be portable.

F. Addition of Institutional Development to definitions in Section 1 as follows:

“Institutional Development” 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 (1), or

3. an Indigenous Institute prescribed for the purposes of Section 6 of the Indigenous Institutes Act, 2017;

G. Addition of Interest Rate to the definitions in Section 1 as follows:

“Interest Rate” means the annual rate of interest calculated as per the Town’s D.C. Interest Rate By-law 2030 as may be revised from time to time.

H. Addition of Mobile Home to the definitions in Section 1 as follows:
“Mobile home” means any dwelling that is designed to be made mobile and constructed or manufactured to provide a permanent residence for one or more persons but does not include a travel trailer or tent trailer.

I. Addition of Non-profit Housing Development to the definitions in Section 1 as follows:

“Non-profit Housing Development” 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, or any successor legislation.

J. Addition of Rental Housing to the definitions in Section 1 as follows:

“Rental Housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

K. Addition of Site to the definitions in Section 1 as follows:

“Site” means a parcel of land which can be legally conveyed pursuant to Section 50 of the Planning Act and includes a development having two or more lots consolidated under on identical ownership.

L. Replace Section titled “Designation of Services,” with the following:

Designation of Services/Class of Services

M. Addition of Class of Services to section 2.1 after the word “services” so that the new description is “....services/class of services for which....”

N. Replace section 2.1 (h) Administration – Essential Services Studies and (i) Administration – Community Based Services Studies with:
(g) Growth Studies.

O. Addition of Class of Services to section 2.2 after the word "services" so that the new description is "...services/class of services designated..."

P. Addition of Class of Services to section 3.4 (b) after the word "services" so that the new description is "...services/class of services designated..."

Q. Replace Section 3.5 for "Exemptions" with the following:

3.5 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to developments or portions of developments as follows:

(a) the enlargement to an existing residential dwelling unit;

(b) one or two additional dwelling units in an existing single detached dwelling or prescribed ancillary residential building structure to the existing residential building;

(c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary residential dwelling structure to the existing residential building;

(d) the creation of one additional dwelling unit in any other existing residential building already containing at least one dwelling unit or prescribed ancillary residential dwelling structure to the existing residential building; or

(e) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the following restrictions:
<table>
<thead>
<tr>
<th>Item</th>
<th>Name of Class of Proposed New Residential Buildings</th>
<th>Description of Class of Proposed New Residential Buildings</th>
<th>Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Proposed new detached dwellings</td>
<td>Proposed new residential 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.</td>
<td>The proposed new detached dwelling must only contain two dwelling units.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>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.</td>
</tr>
<tr>
<td>2</td>
<td>Proposed new semi-detached dwellings or row dwellings</td>
<td>Proposed new residential buildings that would have one of 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.</td>
<td>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>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.</td>
</tr>
<tr>
<td>3</td>
<td>Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling</td>
<td>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.</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>

(f) Notwithstanding (a) above, 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 Dwelling Unit.

(g) Notwithstanding (a) above, Development Charges shall be imposed if the additional Dwelling Unit(s) has a Gross Floor Area greater than:

(i) in the case of a Semi-detached Dwelling Unit or Townhouse Dwelling Unit, the Gross Floor Area of the existing Dwelling Unit; and

(ii) in the case of any other Residential Building, the Gross Floor Area of the smallest Dwelling Unit contained in the said residential Building.

(h) The exemption to Development Charges in (a) above shall only apply to the first instance of intensification in an existing or new dwelling.

(i) Subject to (b), (c) and (d) above, any exemption under (a) above shall apply to the smallest Dwelling Unit, as determined by applicable rates under this By-law.

R. Replace Section 3.6 with the following:

Notwithstanding subsection 3.5 (b), 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 dwelling unit.

S. Replace Section 3.7 with the following:
Notwithstanding subsection 3.5 (d), development charges shall be imposed if the additional 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 smallest dwelling unit; and

   b) in the case of any other residential building, the gross floor area of the smallest dwelling unit already contained in the residential building.

T. Replace “Schedules B-1 and B-2” in Section 3.11.1 with:

    Schedule B.

U. Replace “Schedules B-1 and B-2” in Section 3.11.2 with:

    Schedule B.

V. Replace “Schedules B-1 and B-2” in Section 3.11.3 with:

    Schedule B.

W. Replace “Schedules B-1 and B-2” in Section 3.12.1 with:

    Schedule B.

X. Replace “Schedules B-1 and B-2” in Section 3.13 with:

    Schedule B.

Y. Replace “Schedules B-1 and B-2” in Section 3.14 with:

    Schedule B.

Z. Addition of policies related to the timing of development charges payments. These will be included after Section 3.17 of the development charges by-law:

    New Sections:

3.18 Notwithstanding Section 3.16, Development Charges for Rental Housing and Institutional Developments are due and payable in six equal annual instalment payments commencing with the first instalment payable on the date of
occupancy, and each subsequent instalment, including interest as per the Town’s D.C. Interest Rate By-law 2030 as may be revised from time to time.

3.19 Notwithstanding Section 3.16, Development Charges for Non-profit Housing Developments are due and payable in 21 equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as per the Town’s Interest Rate By-law 2030, as may be revised from time to time.

3.20 Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under subsections 3.11.1, 3.11.2, 3.11.3, 3.12.1, 3.13, and 3.14 shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply development charges under subsections 3.11.1, 3.11.2, 3.11.3, 3.12.1, 3.13, and 3.14 shall be calculated on the rates, including interest as provided in the Town’s Council approved D.C. Interest Rate By-law 2030, as may be revised from time to time, payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest.

AA. Addition of Class of Services to section 6.1 Schedule A after the word “Services” so that the new description is “…Services/Classes of Services Designated in section 2.1”

BB. Replace Section 6.1 Schedules B-1 and B-2 with:

Schedule B - Residential and Non-Residential Development Charges for all Services/Classes of Services.

CC. Schedule "A" is deleted, and the attached Schedule "A" is substituted, therefore.

DD. Schedules "B-1" and "B-2" are deleted, and the attached Schedule "B" is substituted, therefore.

2. This By-law shall come into force and effect at 12:01AM on July 5, 2021.

3. Except as amended by this By-law, all provisions of By-law 1850, as amended, are and shall remain in full force and effect.
Read a first, a second and a third time and finally passed on July 5, 2021

Mayor

Clerk
SCHEDULE "A"
TO BY-LAW NO. 1850, AS AMENDED BY BY-LAW 2043
COMPONENTS OF SERVICES/CLASSES OF SERVICES DESIGNATED IN
SUBSECTION 2.1

D.C.-Eligible Services

Wastewater Works

  Wastewater Treatment, Pumping and Collection System

Services Related to a Highway

  Roads and Related

Fire Protection Services

  Fire Facilities
  Fire Vehicles
  Fire Small Equipment & Gear

Policing Services

  Policing Facilities
  Policing Vehicles, Small Equipment and Gear

Library Services

  Library Facilities

Parks and Recreation Services

  Outdoor Recreation and Park Development, Amenities & Trails
  Parks and Recreation Vehicles and Equipment
  Indoor Recreation Facilities
SCHEDULE "A"
TO BY-LAW NO. 1850, AS AMENDED BY BY-LAW 2043
COMPONENTS OF SERVICES/CLASSES OF SERVICES DESIGNATED IN
SUBSECTION 2.1

D.C.-Eligible Classes

Growth Studies

Services Related to a Highway
Public Works
Water Services
Wastewater Services
Stormwater Services
Fire Protection Services
Policing Services
Parks and Recreation Services
Library Services

Public Works (Facilities, Vehicles & Equipment)

Services Related to a Highway
Water Services
Wastewater Services
Stormwater Services
## SCHEDULE B, TO BY-LAW 1850, AS AMENDED BY BY-LAW 2043
MUNICIPAL WIDE DEVELOPMENT CHARGES – EFFECTIVE JULY 5, 2021
(2019 $)

<table>
<thead>
<tr>
<th>Service Class of Service</th>
<th>Single and Semi-Detached Dwelling (per dwelling unit)</th>
<th>Apartments (per dwelling unit)</th>
<th>Semi-Detached (per dwelling unit)</th>
<th>Other Multiple (per dwelling unit)</th>
<th>Regulated: Care/Support Dwelling (Unit)</th>
<th>Non-Residential (per sq. ft. of Gross Floor Area)</th>
<th>Water, Wastewater and Telecommunication (per unit)</th>
<th>Other</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Municipal Wide Services</td>
<td></td>
<td></td>
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<td>Services Related to a Highway</td>
<td>1,135</td>
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<td>473</td>
<td>681</td>
<td>1,392</td>
<td>0.64</td>
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<td>Public Works*</td>
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<td>216</td>
<td>152</td>
<td>122</td>
<td>247</td>
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<td>Per Permitted Services</td>
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<td>Parking Services</td>
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<tr>
<td>Parks and Recreation Services**</td>
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<td>2,462</td>
<td>2,071</td>
<td>2,092</td>
<td>0,162</td>
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<td>Library Services</td>
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<td>111</td>
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<td>Growth Studies**</td>
<td>152</td>
<td>63</td>
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<td>Total Municipal Wide Services\Classes</td>
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<td>1.64</td>
<td>1.19</td>
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<td>Area Specific Services</td>
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<tr>
<td>Ward 1 - Essex Service Area</td>
<td>1,151</td>
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<td>1,075</td>
<td>2,039</td>
<td>1,155</td>
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<tr>
<td>Ward 2 - Colchester North Service Area</td>
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<tr>
<td>Ward 3 - Colchester South Service Area</td>
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<td>1,536</td>
<td>1,456</td>
<td>1,250</td>
<td>737</td>
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<td>1.18</td>
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<td>Ward 4 - Region Service Area</td>
<td>2,684</td>
<td>2,223</td>
<td>1,945</td>
<td>1,155</td>
<td>869</td>
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<tr>
<td>Grand Total Ward 1</td>
<td>11,668</td>
<td>9,522</td>
<td>8,531</td>
<td>17,871</td>
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<td>Grand Total Ward 2</td>
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<td>10,002</td>
<td>5,714</td>
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<td>1.44</td>
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<td>Grand Total Ward 3</td>
<td>18,176</td>
<td>16,227</td>
<td>14,412</td>
<td>27,979</td>
<td>14,902</td>
<td>2.86</td>
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<td>2.86</td>
<td>19.19</td>
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<td>Grand Total Ward 4</td>
<td>10,761</td>
<td>9,468</td>
<td>8,219</td>
<td>17,473</td>
<td>9,828</td>
<td>3.67</td>
<td></td>
<td>3.67</td>
<td>11.34</td>
</tr>
</tbody>
</table>

*Previously a Surcharges for Permitted Development would be imposed in lieu of the Change in the Fee Schedule.

**Previously presented as Co-operative Charges for Amherst/Amherst North & Northumberland/Connaught District Services, some studies have been removed as they are no longer applicable due to changes in the legislation.