Municipality of Middlesex Centre
BY-LAW 2024-064

Being a By-law of the Corporation of the Municipality of Middlesex Centre for the imposition of development charges

WHEREAS section 2 (1) of the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the "*Act*") provides that the council of a municipality may pass by-laws for the imposition of Development Charges against land to pay for increased Capital Costs required because of the need for Services arising from Development in the area to which the by-law applies;

AND WHEREAS the Council of the Municipality of Middlesex Centre has given Notice in accordance with section 12 of the *Development Charges Act, 1997*, S.O. 1997, c. 27 of its intention to pass a by-law under section 2 of the said Act;

AND WHEREAS the Council of the Municipality of Middlesex Centre has heard all persons who applied to be heard either in objection to, or in support of, the development charge proposal at a public meeting held on May 22, 2024;

AND WHEREAS the Council of the Municipality of Middlesex Centre had before it a report entitled 2024 Development Charge Background Study dated May 8, 2024, prepared by Watson & Associates Economists Ltd., wherein it is indicated that the development of any land within the Municipality of Middlesex Centre will increase the need for services as defined herein;

AND WHEREAS the Council of the Municipality of Middlesex Centre on July 10, 2024 approved the Development Charge Background Study dated May 8, 2024, in which certain recommendations were made relating to the establishment of a development charge policy for the Municipality of Middlesex Centre pursuant to the *Development Charges Act, 1997*, S.O.,1997, c. 27;

AND WHEREAS the Council of the Municipality of Middlesex Centre has determined that no further public meeting is required in accordance with subsection 12(3) of the Act;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Middlesex Centre enacts as follows:

DEFINITIONS

1. In this by-law the following items shall have the corresponding meanings:

   "Act" means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended, or any successor thereof;

   "Accessory use" means a use of land, buildings or structures which is incidental and subordinate to the principal use of the lands and buildings;

   "Additional dwelling unit" means a dwelling unit, whether contained within a proposed single detached dwelling, semi-detached dwelling or row dwelling, or

ancillary to a single detached dwelling, a semi-detached dwelling, or a row dwelling including but not limited to a coach house, laneway suite or structure constructed above an existing garage or other structure separate from the primary dwelling unit, and which is not capable of being legally conveyed as a separate parcel of land from the primary dwelling unit;

“Affordable Residential Unit” means a Residential Unit that meets the criteria set out in subsection 4.1 of the Act;

“Agricultural use” means a farming business as defined by the Farmland Property Tax Program of the *Farm Registration and Farm Organizations Funding Act, 1993*, and excludes buildings which house manure, feed, bedding, and equipment that support a livestock or cropping use;

“Apartment dwelling” means any dwelling unit within a building containing more than four dwelling units where the units are connected by an interior corridor;

“Area-Specific Services” means municipal water and wastewater;

“Attainable Residential Unit” means a residential unit that meets the criteria set out in subsection 4.1 of the Act;

“Bedroom” means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen;

“Board of education” means a board defined in s.s. 1(1) of the *Education Act*; R.S.O. 1990, c.E.2, as amended;

“Building Code Act” means the *Building Code Act, 1992*, S.O. 1992, c.23, as amended;

“Capital cost” means capital costs as defined in subsection 5 (3) of the Act;

“Council” means the Council of the Municipality of Middlesex Centre;

“Development” means any activity or proposed activity in respect of land that requires one or more of the actions referred to in section 5 of this by-law and including the redevelopment of land or the redevelopment, expansion, extension or alteration of a use, building or structure except interior alterations to an existing building or structure which do not change or intensify the use of land;

“Development charge” means a charge imposed pursuant to this by-law;

“Dwelling unit” means a suite operated as a housekeeping unit, used or intended to be used by one or more persons and containing cooking, eating, living, sleeping and sanitary facilities;

“Grade” means the average level of finished ground adjoining a building or structure at all exterior walls;

“Gross floor area” means,

(a) in the case of a residential building or structure, or in the case of a mixed-use building or structure with respect to the residential portion thereof, 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 another dwelling unit or other portion of a building;

(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;

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

“Industrial” means industrial uses as permitted by the Municipality of Middlesex Centre’s Zoning By-laws, as amended or replaced from time to time;

“Institutional” means development of a building or structure intended for use:

(a) as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;

(b) as a retirement home within the meaning of subsection 2(1) of the *Retirement Homes Act, 2010*;

(c) by any institution of the following post-secondary institutions for the objects of the institution:

(i) a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;

(ii) a college or university federated or affiliated with a university described in subclause (i); or

(iii) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institute Act, 2017*;

(d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or

(e) as a hospice to provide end of life care;

“Local board” means public library board, local board of health, or any other board, commission, committee or 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 of the municipality or any part or parts thereof

other than a board defined in section 1(1) of the *Education Act, R.S.O, 1990*, c.E.2, as amended;

“Local services” means those services or facilities which are under the jurisdiction of the Municipality and are related to a plan of subdivision or consent or within the area to which the plan relates, required as a condition of approval under s.51 or s.53 of the *Planning Act, 1990*, R.S.O, 1990 c.P.13, as amended;

“Multiple dwelling” means all dwellings other than single detached dwellings, semi-detached dwellings, and apartment dwellings;

“Municipality” means the Municipality of Middlesex Centre;

“Non-profit housing” means development of a building or structure intended for use as residential premises by:

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

(b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or

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

“Non-residential uses” means a building or structure used for other than a residential use;

“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;

“Planning Act” means the *Planning Act, 1990*, R.S.O. 1990, c.P.13, as amended;

“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 unit” means the same as dwelling unit as defined in this by-law;

“Residential uses” means lands, buildings or structures or portions thereof used, or designed or intended for use as a home or residence of one or more individuals, and shall include a single detached dwelling, a semi-detached dwelling, a multiple dwelling, an apartment dwelling, and the residential portion of a mixed-use building or structure;

“Row dwelling” means one of a series of three or more attached dwelling units with each dwelling unit divided vertically from another by a party wall; and each dwelling unit located on a lot. For the purposes of this definition, a row dwelling with up to two additional dwelling units as defined in this by-law is deemed to be a row dwelling;

"Semi-detached dwelling" means a building divided vertically into two dwelling units each of which has a separate entrance and access to grade. For the purposes of this definition, a semi-detached dwelling with up to two additional dwelling units as defined in this by-law is deemed to be a semi-detached dwelling;

"Services" means services set out in subsection 2(1) to this by-law;

"Single detached dwelling" means a residential building consisting of one dwelling unit and not attached to another structure. For the purposes of this definition, a single detached dwelling with up to two additional dwelling units as defined in this by-law is deemed to be a single detached dwelling;

"Suite" means a single room or series of rooms of complementary use, operated under a single tenancy.

DESIGNATION OF SERVICES

2. (1) The categories of services and classes of service for which development charges are imposed under this by-law are as follows:

(a) Services Related to a Highway;
(b) Fire Protection Services;
(c) Parks and Recreation Services;
(d) Growth-related Studies;
(e) Wastewater Services (within the wastewater serviced area only); and
(f) Water Services (within the water serviced area only).

SCHEDULE OF DEVELOPMENT CHARGES

3. (1) Subject to the provisions of this by-law, development charges against land shall be imposed, calculated and collected in accordance with the base rates set out in Schedule "A", which relate to the services set out in subsection 2 (1).

(2) Notwithstanding subsection (1), for lands which are or will be serviced by water and/ or wastewater services, the Area-Specific Services development charges shall be imposed, calculated and collected in accordance with the base rates set out in Schedule "A", which relate to the Area-Specific Services set out in subsection 2 (1).

(3) The development charge with respect to the use of any land, buildings or structures shall be calculated as follows:

(a) in the case of residential development or redevelopment, or the residential portion of a mixed-use development or redevelopment, based upon the number and type of dwelling units;

(b) in the case of non-residential development or redevelopment, or the non-residential portion of a mixed-use development or redevelopment, based upon the gross floor area of such development.

(4) Council hereby determines that the development or redevelopment of land, buildings or structures for residential and non-residential uses will require the provision, enlargement or expansion of the services referenced in subsection 2 (1).

(5) Notwithstanding the provisions of this by-law, development charges for rental housing developments will be reduced based on the number of bedrooms in each unit as follows:

(a) Three or more bedrooms – 25% reduction;

(b) Two bedrooms – 20% reduction; and

(c) All other bedroom quantities – 15% reduction.

APPLICABLE LANDS

4. (1) Subject to subsections (2), (3), and (6), this by-law applies to all lands in the municipality, whether or not the land or use is exempt from taxation under section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31.

(2) This by-law shall not apply to land that is owned by and used for the purposes of:

(a) a board of education;

(b) any municipality or local board thereof;

(c) a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education; and

(d) the erection of temporary buildings or structures.

(3) This by-law shall not apply to that category of exempt development described in subsections 2 (3), 2 (3.1), and 2 (3.2) of the Act, namely:

(a) An enlargement to an existing dwelling unit;

(b) A second residential unit in an existing detached house, semi-detached house, or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit;

(c) A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units;

(d) One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of residential land, if the existing detached house, semi-detached

house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units; or

(e) In an existing rental residential building, which contains four or more residential units, the creation of the greater of one residential unit or one per cent of the existing residential units.

(4) This by-law shall not apply to that category of exempt development described in subsection 2 (3.3) of the Act, namely:

(a) A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house, semi-detached house or rowhouse cumulatively will contain no more than one residential unit;

(b) A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units; or

(c) One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of residential land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units.

(5) This by-law does not apply to that category of exempt development described in section 4 of the Act, namely:

(a) the enlargement of the gross floor area of an existing industrial building, if the gross floor area is enlarged by 50 percent or less;

(b) for the purpose of paragraph (a) the terms “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in O. Reg. 82/98 made under the Act.

(c) Notwithstanding paragraph (a), if the gross floor area of an existing industrial building is enlarged by more than 50 percent, development charges shall be calculated and collected in accordance with Schedule “A” on the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement.

(d) For the purpose of the application of section 4 of the Act to the operation of this by-law:

(i) the gross floor area of an existing industrial building shall be calculated as it existed prior to the first enlargement in respect of that building for which an exemption under section 4 of the Act is sought; and

(ii) the enlargement of the gross floor area of the existing building must:

(1) be attached to the existing industrial building;

(2) not be attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor or other passageway, shared below-grade connection, foundation, footing, parking facility, service tunnel or service pipe;

(3) be for use or in connection with an industrial purpose as set out in this by-law; and

(4) constitute a bona fide increase in the size of the existing building.

(6) This by-law shall not apply to that category of exempt development described in section 4.2 of the Act, namely that development charges shall not be imposed with respect to non-profit housing development.

(7) This by-law shall not apply to that category of exempt development described in section 4.3 of the Act, namely that development charges shall not be imposed with respect to inclusionary zoning residential unit development.

(8) This by-law shall not apply to that category of exempt development described in section 4.1 of the Act, namely that development charges shall not be imposed with respect to affordable residential units and attainable residential units.

5. (1) Subject to subsection (2), development charges shall be calculated and collected in accordance with the provisions of this by-law and be imposed on land to be developed for residential and non-residential use, where, the development requires,

(a) the passing of a zoning by-law or an amendment thereto under section 34 of the *Planning Act*;

(b) the approval of a minor variance under section 45 of the *Planning Act*;

(c) a conveyance of land to which a by-law passed under subsection 49(7) of the *Planning Act*, applies;

(d) the approval of a plan of subdivision under section 51 of the *Planning Act*;

(e) a consent under section 53 of the *Planning Act*;

(f) the approval of a description under section 50 of the *Condominium Act*; R.S.O. 1990, c.C.26, as amended, or

(g) the issuing of a permit under the *Building Code Act*, in relation to a building or structure.

(2) Subsection (1) shall not apply in respect to

(a) local services installed or paid for by the owner within a plan of subdivision or within the area to which the plan relates, as a condition of approval under section 51 of the *Planning Act*;

(b) local services installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*.

LOCAL SERVICE INSTALLATION

6. Nothing in this by-law prevents Council from requiring, as a condition of an agreement under sections 41, 51, or 53 of the *Planning Act*, that the owner, at his or her own expense, shall install or pay for such local services, as Council may require.

MULTIPLE CHARGES

7. (1) Where two or more of the actions described in subsection 5(1) are required before land to which a development charge applies can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this by-law.

(2) Notwithstanding subsection (1), if two or more of the actions described in subsection 5 (1) occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as set out in subsection 2 (1), an additional development charge on the additional residential units and non-residential floor area, shall be calculated and collected in accordance with the provisions of this by-law.

SERVICES IN LIEU

8. (1) Council may authorize an owner, through an agreement under section 38 of the Act, to substitute such part of the development charge applicable to the owner's development as may be specified in the agreement, by the provision at the sole expense of the owner, of services in lieu. Such agreement shall further specify that where the owner provides services in lieu in accordance with the agreement, Council shall give to the owner a credit against the development charge in accordance with the agreement provisions and the provisions of section 39 of the Act, equal to the reasonable cost to the owner of providing the services in lieu. In no case shall the agreement provide for a credit which exceeds the total development charge payable by an owner to the municipality in respect of the development to which the agreement relates.

(2) In any agreement under subsection (1), Council may also give a further credit to the owner equal to the reasonable cost of providing services in

addition to, or of a greater size or capacity, than would be required under this by-law.

(3) The credit provided for in subsection (2) shall not be charged to any development charge reserve fund.

RULES WITH RESPECT TO REDEVELOPMENT

9. In the case of the demolition of all or part of a residential or non-residential building or structure:

(1) a credit shall be allowed, provided that the land was improved by occupied structures and a building permit was issued for the development or redevelopment within the five-year period from the date of issuance of the demolition permit or alternative evidence of the date of the demolition satisfactory to the Municipality;

(2) if a development or redevelopment involves the demolition of and replacement of a building or structure, or the conversion from one principal use to another, a credit shall be allowed equivalent to:

(a) the number of dwelling units demolished/converted on the land multiplied by the applicable residential development charge in place at the time the development charge is payable; and/or

(b) the non-residential gross floor area of the building(s) demolished/ converted on the land multiplied by the current applicable non-residential development charge in place at the time the development charge is payable.

(c) the credit can, in no case, exceed the amount of the development charge that would otherwise be payable.

TIMING OF CALCULATION AND PAYMENT

10. (1) Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.

(2) Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full.

(3) Notwithstanding subsection (1), development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of partial or full occupancy, and each subsequent installment, including interest as provided in the Municipality’s Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.

(4) Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment made on or after January 1, 2020, and the

approval of the application occurred within the prescribed amount of time from the building permit issuance, the Development Charges under subsections (1) and (3) shall be calculated based on the rates set out in Schedule "A" on the date the planning application was made, including interest as provided in the Municipality's Council approved Development Charge Interest Policy. Where both planning applications apply Development Charges under subsections (1) and (3) shall be calculated based on the rates, including interest as provided in the Municipality's Council approved Development Charge Interest Policy, set out in Schedule "A" on the date of the later planning application.

(5) Despite subsections (1), (3), and (4), 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.

RESERVE FUNDS

11. (1) Monies received from payment of development charges shall be maintained in six separate reserve funds as follows: services related to a highway, fire protection, parks and recreation, growth-related studies, water, and wastewater.

(2) Monies received for the payment of development charges shall be used only in accordance with the provisions of section 35 of the Act.

(3) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected as taxes.

(4) Where any unpaid development charges are collected as taxes under subsection (3), the monies so collected shall be credited to the development charge reserve fund referred to in subsection (1).

(5) The Treasurer of the Municipality shall, in each year, furnish to Council a statement in respect of the reserve fund established hereunder for the prior year, containing the information set out in section 12 of O. Reg. 82/98.

BY-LAW AMENDMENT OR APPEAL

12. (1) Where this by-law or any development charge prescribed thereunder is amended or repealed either by order of the Ontario Municipal Board or by resolution of the Municipal Council, the Treasurer shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.

(2) Refunds that are required to be paid under subsection (1) shall be paid with interest to be calculated as follows:

(a) Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;

(b) The Bank of Canada interest rate in effect on the date of enactment of this by-law shall be used.

(3) Refunds that are required to be paid under subsection (1) shall include the interest owed under this section.

BY-LAW INDEXING

13. The development charges set out in Schedule "A" to this by-law shall be adjusted annually on January 1st, without amendment to this by-law, in accordance with the most recent available twelve month change in the Statistics Canada Quarterly, "Building Construction Price Indexes".

BY-LAW REGISTRATION

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

BY-LAW ADMINISTRATION

15. This by-law shall be administered by the Treasurer.

SEVERABILITY

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

HEADINGS FOR REFERENCE ONLY

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

SCHEDULES TO THE BY-LAW

18. The following Schedules to this by-law form an integral part of this by-law:

Schedule A – Schedule of Development Charges

EXISTING BY-LAW REPEAL

19. Municipality of Middlesex Centre By-laws 2019-073 and 2021-119 are hereby repealed.

DATE BY-LAW EFFECTIVE

20. This by-law shall come into force and effect on July 11, 2024.

BY-LAW EXPIRY

21. This by-law shall expire on July 11, 2034.

SHORT TITLE

22. This by-law may be cited as the “Municipality of Middlesex Centre Development Charge By-law, 2024”

PASSED AND ENACTED this 10th day of July, 2024.

(Original Signed)

_____

Aina DeViet, Mayor

(Original Signed)

_____

James Hutson, Municipal Clerk

SCHEDULE "A" TO BY-LAW 2024-064

SCHEDULE OF DEVELOPMENT CHARGES

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL (per sq.m. of Gross Floor Area)	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Non-Residential	Agricultural
Municipal Wide Services/Class of Service						
Services Related to a Highway	$ 6,504	$ 4,804	$ 4,537	$ 2,889	$ 21.99	$ 16.49
Fire Protection Services	$ 1,909	$ 1,410	$ 1,332	$ 848	$ 6.28	$ 4.71
Parks & Recreation Services	$ 5,353	$ 3,954	$ 3,734	$ 2,378	$ 4.53	$ -
Growth-related Studies	$ 592	$ 437	$ 413	$ 263	$ 1.89	$ 1.42
Total Municipal Wide Services/Class of Services	**$ 14,358**	**$ 10,605**	**$ 10,016**	**$ 6,378**	**$ 34.69**	**$ 22.62**
Urban Services						
Wastewater Services	$ 18,446	$ 13,625	$ 12,868	$ 8,194	$ 75.09	$ -
Water Services	$ 6,122	$ 4,522	$ 4,271	$ 2,719	$ 24.91	$ -
Total Urban Services	**$ 24,568**	**$ 18,147**	**$ 17,139**	**$ 10,913**	**$ 100.00**	**$ -**
GRAND TOTAL RURAL AREA	**$ 14,358**	**$ 10,605**	**$ 10,016**	**$ 6,378**	**$ 34.69**	**$ 22.62**
GRAND TOTAL URBAN AREA	**$ 38,926**	**$ 28,752**	**$ 27,155**	**$ 17,291**	**$ 134.69**	**$ 22.62**