



Addendum to: 2021 Development Charges Update Study

Town of Ingersoll

For Public Circulation and Comment

January 28, 2021

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Table of Contents

	Page
1. Summary of Revisions to the 2021 Development Charges Update Study	3
1.1 Background.....	3
2. Discussion	3
2.1 Statutory Exemptions.....	3
3. Changes to the Background Report	5
4. Process for Adoption of the Development Charges By-law	5
Appendix A – Amended Pages	A-1



1. Summary of Revisions to the 2021 Development Charges Update Study

1.1 Background

Commensurate with the provisions of the Development Charges Act (D.C.A.), 1997, the Town of Ingersoll (Town) has undertaken a Development Charges (D.C.) background study and has distributed the study to the public. The following provides a summary of the key dates in the D.C. by-law process:

- Release of the D.C. Update Study – January 7, 2021
- Public Meeting – February 8, 2021; and
- By-law Passage – March 8, 2021.

The purpose of this addendum to the January 7, 2021 D.C. Update Study is to provide for additional clarification regarding the application of statutory exemptions. The refinements are discussed in further detail in the subsequent section.

2. Discussion

2.1 Statutory Exemptions

Section 5.2 of the January 7, 2021 D.C. Update Study included a definition for an “existing residential building” to provide clarity in the application of the statutory exemptions for the intensification of existing housing under Section 2(3)(b) of the D.C.A. To be consistent with the proposed policies across the County of Oxford, the proposed definition for an “existing residential building” has been revised as follows:

- A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of April 1, 2021 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act; or
- The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after April 1, 2021, and for which development charges were paid.



Section 5.2 of the January 7, 2021 D.C. Update Study also identified wording to clarify the application of the exemptions for second dwelling units in new residential housing. In this regard, the provisions within the draft amending D.C. by-law have been revised to align with proposed policies across the County of Oxford.



3. Changes to the Background Report

Based on the foregoing, the following revisions are made to the pages within the 2021 D.C. Update Study. Accordingly, the revised pages are appended to this report:

- Cover Page – Updated title to “2021 Development Charges Update Study”;
- Page 5-2 – Updated to reflect changes described in Section 2 herein;
- Page 7-1 – Updated to reflect this addendum;
- Appendix A – Draft amending D.C. By-law – reissued to reflect this addendum.

4. Process for Adoption of the Development Charges By-law

The revisions provided herein form the basis for the D.C. by-law and will be incorporated into the 2021 D.C. Update Study to be provided to Council and the general public prior to the public meeting on February 8, 2021 and Council’s consideration and adoption of the proposed D.C. By-Law.

If Council is satisfied with the above noted changes to the D.C. background study and D.C. by-law, then prior to by-law passage Council must:

“Approve the Development Charges Update Study dated January 7, 2021, as amended, subject to further annual review during the capital budget process;”

“Determine that no further public meeting is required;” and

“Approve the Amending Development Charge By-law.”



Appendix A – Amended Pages



2021 Development Charges Update Study

Town of Ingersoll

Office Consolidation of January 7, 2021 Update Study and January 28, 2021 Addendum Report

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The D.C.A. also provides that municipalities may charge interest on the installment payments, and charges calculated where the planning application is received in specific circumstances outlined above. The Town will be charging interest equal to the Bank of Canada Prime Interest Rate plus 2%. The interest will be the rate in place on April 1st immediately prior to:

- The date of building permit issuance for installment payments under Section 26.1 of the D.C.A. for rental housing, institutional development, and non-profit housing; or
- The date an application for an approval of development was made under subsection 41(4) or 34 of the *Planning Act* regarding the determination of the charge under Section 26.2 of the D.C.A.

5.2 Statutory Exemptions

The amendments to the D.C.A. provide for the following additional statutory exemptions to the payment of D.C.s.

Residential intensification exemptions have been expanded to allow for the creation of additional dwelling units within ancillary structures to existing residential dwellings without the payment of D.C.s. Section 2(3)(b) of the D.C.A. provides that D.C.s are not payable for residential development that results only in the creation of up to two additional dwelling units in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings, subject to the prescribed restrictions set out in section 2(1) of O.Reg. 82/98 (see Table 5-1).

To provide additional clarity in interpreting the application of the exemptions under S.2(3)(b) of the D.C.A. it is proposed that an “existing residential building” is defined as:

- A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of April 1, 2021 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act; or
- The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after April 1, 2021, and for which development charges were paid.



7. Process for Adoption of the Amending Development Charges By-law

If approved, the changes provided herein will form part of the 2019 D.C. Background Study. Appendix A to this D.C. Update Study includes the draft Amending D.C. By-law being presented for Council's consideration. The D.C. Update Study and draft Amending D.C. By-law will be presented to the public at a public meeting of Council to solicit public input on the proposed D.C. by-law.

It is anticipated that Council will consider for adoption the proposed amending by-law at a subsequent meeting of Council on March 8, 2021, witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. It is proposed that the Amending D.C. By-law will come into effect on April 1, 2021.

If Council is satisfied with the proposed changes to the D.C. Background Study and D.C. By-Law, it is recommended that Council:

“Approve the Development Charges Update Study dated January 7, 2021, as amended, subject to further annual review during the capital budget process;”

“Determine that no further public meeting is required;” and

“Approve the Amending Development Charge By-law as set out herein.”

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

Town of Ingersoll

By-Law No. 21-XXXX

A By-law to Amend Development Charges By-law 19-5057 for the Town of Ingersoll

WHEREAS Section 19 of the Development Charges Act, 1997, S.O. 1997, c27 (“the Act”) provides for amendments to be made to development charges by-laws;

AND WHEREAS the Council of the Corporation of the Town of Ingersoll (hereinafter called “the Council”) has determined that certain amendments should be made to the Development Charge By-law of the Corporation of the Town of Ingersoll, being By-law 19-5057;

AND WHEREAS, in accordance with the Act, a development charges background study has been completed in respect of the proposed amendment;

AND WHEREAS the Council of the Corporation of the Town of Ingersoll has given notice and held a public meeting in accordance with the Act; and

AND WHEREAS the Council, at its meeting of March 8, 2021, approved a report dated January 7, 2021 entitled “2021 Development Charge Update Study”, as amended.

NOW THEREFORE THE COUNCIL OF THE TOWN OF INGERSOLL ENACTS AS FOLLOWS:

1. By-law 19-5057 is hereby amended as follows

a. Section 4 is deleted and replaced with the following:

(1) Notwithstanding Section 3 above, no Development Charges shall be imposed with respect to Developments or portions of Developments as follows:

(a) The enlargement of an existing dwelling unit;

(b) the creation of a maximum of two additional dwelling units in an existing single detached dwelling or structure ancillary to such dwelling. The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the existing residential building/dwelling;

(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 within a structure ancillary to such residential building;

**TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX**

- (d) the creation of one additional dwelling unit in any other existing residential building/dwelling or within a structure ancillary to such residential building/dwelling. The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the existing residential building/dwelling; or
- (e) the creation of a second dwelling unit in a proposed new Single Detached, Semi-Detached or Row Townhouse dwelling or in a building ancillary to such dwelling, subject to the following restrictions:

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	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.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	<p>The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit.</p> <p>The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.</p>

(2) For the purposes of Subsection 4(1) “existing residential building/dwelling”, means:

- (a) A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of April 1, 2021 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act; or
- (b) The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after April 1, 2021, and for which development charges were paid

(3) In addition to the restrictions outlined in Subsection 4(1)(e), for the purposes of the exemption for an additional residential unit in a building ancillary to a proposed new Single Detached, Semi-Detached or Row Townhouse

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

Dwelling, the proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling must be located on a parcel of land on which no other Single Detached, Semi-Detached or Row Townhouse dwelling is or would be located.

- (4) For the purposes of Subsection 4(1)(e), “parcel of land” means a lot or block within a registered plan of subdivision or draft plan of subdivision or any land that may be legally conveyed under the exemption provided in clause 50 (3) (b) or clause 50 (5) (a) of the *Planning Act*.
- b. The following Subsections are added to Section 5 of the by-law:
- (5) Notwithstanding Subsection 5(1), development charges for rental housing and institutional developments are due and payable in 6 equal installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
 - (6) Notwithstanding Subsection 5(1), development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
 - (7) Notwithstanding subsections 5(1) and 5(3), 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 2 years of building permit issuance, the Development Charges under Section 2 shall be calculated based 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 Section 2 shall be calculated on the rates, including interest, set out in Schedule “B” on the date of the later planning application.
 - (8) Interest for the purposes of Subsections 5(5), 5(6), and 5(7) shall be determined as the Bank of Canada Prime Interest Rate plus 2% as at the April 1st immediately prior to:
 - (a) The date of building permit issuance for installment payments under Section 26.1 of the Act for rental housing, institutional development, and non-profit housing; or
 - (b) The date a Site Plan or Zoning By-law Amendment application for

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

an approval of development was made under subsection 41(4) or 34 of the *Planning Act* regarding the determination of the charge under Section 26.2 of the Act.

- (9) Notwithstanding Subsection 5(8), the interest rate shall not be less than 0%.
- (10) For the purposes of Subsection 5(5) “institutional development” 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;
- (11) For the purposes of Subsection 5(5) “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;
- (12) For the purposes of Subsection 5(6) “Non-profit housing development” means development of a building or structure intended for use as residential premises by:

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

- (a) a corporation without share capital to which the *Corporations Act* 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 Corporation 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*,
- c. Schedule "A" is deleted and the attached Schedule "A" substitutes therefore.
 - d. Schedule "B" is deleted and the attached Schedule "B" substitutes therefore.
 - e. This By-law shall come into force and effect on April 1, 2021.

READ a first and second time this 8th day of March, 2021.

READ a third time and finally passed in Open Council this 8th day of March, 2021.

MAYOR

CLERK

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

SCHEDULE "A"

TO BY-LAW NO. 21-XXX

DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW

- (1) Roads and Related
- (2) Fire Services
- (3) Parks & Recreation

DESIGNATED MUNICIPAL CLASSES OF SERVICES UNDER THIS BY-LAW

- (1) Growth-Related Studies

TOWN OF INGERSOLL
BY-LAW NO. 21-XXXX

SCHEDULE “B”

TO BY-LAW NO. 21-XXXX

SCHEDULE OF DEVELOPMENT CHARGES

Service/Class	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per m ² of Gross Floor Area)	(per Wind Turbine)
Municipal Wide Services/Classes of Service:						
Roads and Related	2,750	1,466	992	1,728	9.15	2,750
Fire Services	275	147	99	173	0.91	275
Parks and Recreation	184	98	67	116	0.12	-
Growth-Related Studies	127	68	46	80	0.41	127
Total Municipal Wide Services/Class of Service	3,337	1,779	1,204	2,097	10.59	3,153