

**THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC
BY-LAW NO. 34-22
BEING A BY-LAW TO ESTABLISH DEVELOPMENT CHARGES**

WHEREAS the *Development Charges Act*, 1997, S.O. 1997, as may be amended, (the Act) authorizes the Council of a municipality to enact a by-law to impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies;

AND WHEREAS a development charges background study dated March 17th, 2022 has been completed by Hemson Consulting Ltd. in support of the imposition of development charges;

AND WHEREAS the Municipal Council of the Corporation of the Municipality of Strathroy-Caradoc has given notice and held a public meeting on the 19th day of April, 2022, prior to which the Study and the proposed development charge by-law were made available to the public and Council, heard comments and representations from all persons who applied to be heard (the “Public Meeting”);

AND WHEREAS Council has indicated that it intends to ensure that the increase in the need for services attributable to the anticipated development will be met;

AND WHEREAS the Municipal Council of the Corporation of the Municipality of Strathroy-Caradoc has determined that no further public meetings are required;

AND WHEREAS Municipal Council of the Corporation of the Municipality of Strathroy-Caradoc by passing this by-law adopts the capital program contained in the background study subject to annual budget review;

AND WHEREAS Municipal Council of the Corporation of the Municipality of Strathroy-Caradoc by adopting the capital program in the Study expresses its intent to collect the identified committed excess capacity through future development charges studies;

AND WHEREAS the Council of the Municipality of Strathroy-Caradoc has given consideration of the use of more than one development charge by-law to reflect different needs for services in different areas, also known as area rating or area specific DCs, and has determined that for the services, and associated infrastructure proposed to be funded by DCs under this by-law, that it is fair and reasonable that the charges be calculated on a municipal-wide basis;

AND WHEREAS the Development Charges Background Study dated March 17th, 2022 includes an Asset Management Plan that deals with all assets whose capital costs are intended to be funded under the development charge by-law and that such assets are considered to be financially sustainable over their full life-cycle;

AND WHEREAS the Council of the Municipality of Strathroy-Caradoc will give consideration to incorporate the asset management plan outlined in the Development Charges Background Study within the Municipality's ongoing practices and corporate asset management strategy;

NOW THEREFORE the Municipal Council of the Corporation of the Municipality of Strathroy-Caradoc hereby enacts as follows:

PART 1 DEFINITIONS

“agricultural use” means a farming business as defined by the Farmland Property Tax Program of the *Farm Registration and Farm Organizations Funding Act*, 1993.

“apartment” means a dwelling consisting of more than 6 dwelling units which may have a common entrance from the street level and the occupants of which have the right to use, in common, halls and/or elevators and yards.

“claim” means a report of the cost of the provision of extra capacity constructed to the specifications of the Chief Building Official together with a certificate of final cost of a professional engineer retained by a developer or subdivider which is submitted to and received by the Operations Department or the Department of Environment Services.

“Chief Building Official” means the Chief Building Official appointed by the Council of the Corporation of the Municipality of Strathroy-Caradoc and shall include his/her designate in writing.

“Clerk” means the Clerk of The Corporation of the Municipality of Strathroy-Caradoc.

“commercial use” means lands, buildings or structures or portions thereof used or designed or intended to be used for a purpose which is classified as a Group D, Group E, Group A or Group C (hotel and motel only) occupancy, pursuant to the Ontario Building Code.

“Council” means the Council of The Corporation of the Municipality of Strathroy-Caradoc.

“developer” means a person who, or company that, undertakes development or redevelopment.

“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 has the effect of changing the size or suitability thereof, and includes all enlargements of existing development which creates new dwelling units, expanded commercial, industrial or institutional units or space, or has a corresponding meaning.

“development charge” means the charge imposed under this by-law with respect to growth related net capital costs.

“dwelling unit” means one or more habitable rooms occupied or capable of being occupied by a person or household as an independent place of residence in which kitchen and sanitary facilities are provided for the use of such person or household, with a private entrance from outside the building or from a common hallway or stairway inside the building in which the dwelling unit is located.

“exemption” means that no development charges are payable;

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

“floor area” means the space on any storey of a building between exterior walls and required firewalls, including the space occupied by interior walls and partitions, but not including exits, vertical service spaces and their enclosing assemblies;

“force majeure” means any act of God, any act of the Queen's enemies, wars, blockades, insurrections, riots, civil disturbances, landslides, lightning, earthquakes, storms, floods, washouts, fires, or explosions;

“front-ending agreement” means an agreement made under Section 44 of the *Development Charges Act, 1997*.

“grade” in reference to a dwelling unit means the average level of finished ground adjoining a dwelling unit at all exterior walls;

“gross floor area” means,

- (1) in reference to a dwelling unit, 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; and
- (2) in reference to a building structure other than a dwelling unit,
 - (i) except in the case of the enlargement of an existing building or structure, the total floor area of a building or structure derived by adding together the area contained within the perimeter of the exterior of the building or structure at each floor level including floors above and below grade level; and
 - (ii) in the case of the enlargement of an existing building or structure, the total floor area of the building or structure as enlarged derived in accordance with subclause (i) less the total floor area of the existing building or structure immediately before the enlargement derived in accordance with subclause (i);

“industrial use” means lands, buildings or structures or portions thereof used or designed or intended to be used for a purpose which is classified as a Group F occupancy, pursuant to the Ontario Building Code.

“institutional use” means lands, buildings or structures or portions thereof used or designed or intended to be used for a purpose which is classified as a Group B or Group C (except hotel, motel, single family dwellings, apartments and other multiple unit dwellings), pursuant to the Ontario Building Code.

“lawfully existing”

means a building:

- (1) that is not prohibited by a by-law passed under Section 34 of the *Planning Act*, or a predecessor of that section; or
- (2) that is a legal non-conforming use or legal non-complying building or structure; or
- (3) that is allowed by a minor variance authorized under Section 45 of the *Planning Act*, or a predecessor of that section;

“Mount Brydges Service Area” means any area within the Municipality that is serviced by the Mount Brydges Sanitary Sewer System and/or the Mount Brydges Water Supply System.

“multiple unit dwelling” means a dwelling designed, intended or used for occupancy by 2 or more households living independently of each other in individual dwelling units but excludes any other dwellings as may be defined herein.

“Municipality” means the Corporation of the Municipality of Strathroy-Caradoc.

“nursing home or rest home or long term care facility” means a building or structure designed, used or intended for use where accommodation is provided for the sick, elderly or infirm and which provides long term health, social or similar care for such persons and may include a retirement home, home for the aged, nursing home, rest home and all such facilities operated under the Long Term Care Act, the Charitable Institutions Act and the Homes for the Aged and Rest Homes Act.

“rural area” means an area of municipality without municipal water and sanitary sewer servicing.

“semi-detached dwelling” means a dwelling that is divided vertically into 2 dwelling units, each of which has an independent entrance either directly or through a common vestibule.

“single detached dwelling” means a completely detached dwelling unit designed, used or intended for occupancy by not more than one household.

“Strathroy Service Area” means any area within Municipality that is serviced by the Strathroy sanitary sewer system and/or the Strathroy Water Supply System.

“Treasurer” means the Treasurer of the Corporation of the Municipality of Strathroy-Caradoc;

“Zoning By-law” means the Zoning by-law of the Corporation of the Municipality of Strathroy- Caradoc and any amendments thereto;

PART II ADMINISTRATION

Purpose of By-law

2. The purpose of this by-law is to impose development charges within the Municipality of Strathroy-Caradoc based on the recommendations, policies and standards contained in the Municipality of Strathroy-Caradoc Development Charges Background Study (for soft services) – March 17th, 2022 prepared by Hemson Consulting Ltd.

Administration of By-law

3. The administration of this by-law is assigned to the person appointed by Council to act as the "Chief Building Official" under the *Building Code Act, 1992*, S.O. 1992, S.O. 1992 c. 23 or their designate.

PART III RULES

Area to Which By-law Applies

4. This by-law applies to all lands within the corporate boundaries of the Municipality of Strathroy-Caradoc.

Application of By-law

5. Except as set out in this by-law, all uses of land, buildings or structures are subject to development charges, including development on lots of record.

Exemptions from the Payment of Development Charges

6. (1) These rules provide for an exemption by user for all development upon lands owned and occupied by:
 - (i) the Corporation of the Municipality of Strathroy-Caradoc;
 - (ii) the Corporation of the County of Middlesex; and
 - (iii) a "board" (of Education) as defined in the *Education Act*.
- (2) these rules also provide for exemptions with respect to:
 - (i) buildings which are exempt under the *Development Charges Act, 1997* or regulations made under the Act;
 - (3) farm buildings as defined in this by-law are exempt from paying development charges.
7. (1) The owner of any land in the Municipality who develops or redevelops land or any building or structure thereon shall at the time mentioned in Section 8 pay a development charge to the Municipality calculated in accordance with the applicable rate or rates in Schedule 2.
- (2) The services for which the development charge is imposed shall be as set out in Schedule 1.

- (3) The following apply to determine if a development charge is payable in any particular case:
- (i) is the development wholly exempt from the payment of development charges; if so, no charge applies;
 - (ii) if part of the development is exempt, what is the portion of the development charge which is payable;
 - (iii) does section 4 of the *Development Charges Act*, 1997, dealing with the exemption for an enlargement of the gross floor area of an existing industrial building, apply;
 - (iv) how much gross floor area is being created;
 - (v) how much gross floor area is being created which is not within a dwelling unit;
 - (vi) what development charge credits apply to reduce the amount payable.

Time of Payment of Development Charge

8. Development charges shall be calculated and payable in accordance with Section 26, Section 26.1 and Section 26.2 of the *Development Charges Act*.
9. 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.
10. Notwithstanding Section 8, the development charge may be payable with respect to an approval of a plan of subdivision under Section 51 or the *Planning Act* immediately upon entering into an agreement and with respect to a consent under Section 53 of the *Planning Act*, immediately upon entering into a consent agreement and prior to final approval of the consent.
11. In accordance with Section 27 of the *Development Charges Act*, Council 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.

Interest Rates

12. The municipality may charge interest on the installments required by Section 26.1(3) of the *Development Charges Act* from the date the development charge would have been payable in accordance with Section 26 of the *Development Charges Act* to the date the installment is paid.
13. Where Section 26.2 (1)(a) or (b) of the *Development Charges Act* applies, the municipality may charge interest on the development charge from the date of the application referred to in the applicable clause to the date the development charge is payable under Section 26.2(3) of the *Development Charges Act*.
14. The Municipality may determine, by Council resolution, interest rates in relation to Sections 12 and 13.

Demolition and Redevelopment Credits

15. 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 within the five years prior to the issuance of the building permit; and
 - (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:
 - (i) the number of dwelling units demolished/converted multiplied by the applicable residential development charge in place at the time the development charge is payable, and/or
 - (ii) the gross floor area of the building demolished/converted multiplied by the current non-residential development charge in place at the time the development charge is payable.
16. A credit can, in no case, exceed the amount of the development charge that would otherwise be payable, and no credit is available if the existing land use is exempt under this by-law.

Existing Industrial Uses Expansion Exemption

17. Where the expansion of an existing industrial use or buildings is proposed, the amount of development charges payable shall be zero if the total expansion of gross floor area does not exceed 50% of the floor area as it existed as of the effective date of this by-law. With the following conditions:
 - (a) Where both the enlargement and existing industrial building are constructed on lands owned by the same beneficial owner; and
 - (b) Shall only apply to the enlargement or enlargements of the existing buildings to a maximum of fifty percent of the gross floor area of the existing industrial buildings. This exemption shall only apply for those buildings that existed for longer than five years prior to the date that the application for a building permit for the enlargement is received.

Demolition or Removal of Temporary Buildings

18.
 - (1) Where a lawfully existing temporary building or structure is demolished or removed in its entirety from the land on which it is located within 24 months from the date of issuance of the building permit for the construction, erection or placing of the building or structure at such location, the owner of the building or structure may submit a request to the Treasurer, for payment from the Growth Reserve Funds of the amount paid at the issuance of the building permit toward all of the development charge payable under this by-law.
 - (2) A request by an owner for a refund of a development charges payment when approved shall be deemed to be a claim eligible for payment as of the time the request was received by the Treasurer for the purposes of this by-law.

Revocation or Cancellation of Building Permit

19. Where, upon the application for a building permit or the issuance of a building permit, an amount is paid toward all or part of the development charge payable under this by-law, only that amount is to be refunded in the event that the application for the building permit is abandoned or the building permit is revoked or surrendered.

PART IV GROWTH RESERVE FUNDS

Reserve Funds

20. (1) Reserve funds known as the Growth Reserve Funds are hereby established for new services included in this by-law for which reserve funds currently do not exist. Separate reserve funds will be maintained with respect to each of the services identified on Schedule 1.
- (2) The Municipality shall be entitled to apply any money so received to the works and services contemplated in the background study or any other eligible growth-related cost as approved by Council.

Composition of Reserve Fund

21. (1) Money deposited to a Growth Reserve Fund may include:
- (i) a development charge paid to the Municipality;
 - (ii) interest earnings derived through the investment of monies deposited in the Growth Reserve Fund as part of the Municipality's cash management program;
 - (iii) grants or refundable deposits of the Municipality.

Allocation of Charge to Reserve Fund

22. Each development charge received by the Municipality shall be paid to the Treasurer and credited to the Growth Reserve Funds.

Clause in Development and Subdivision Agreements

23. The continued use of the clause set out in Schedule 3 to this by-law in agreements entered into by or for the benefit of the Municipality, including agreements under Sections 41, 51, and 53 of the *Planning Act*, R.S.O. 1990, is hereby approved and deviations from the form of the clause not affecting its substance or calculated to mislead do not invalidate it or the approval of its use.

Credit (Claims) for Construction Cost of Extra Capacity

24. Where a developer or subdivider constructs road works, sanitary sewage works, storm drainage works, water supply and distribution works, with extra capacity to serve lands other than the developer's or subdivider's, the cost of such construction shall be at the expense of the developer or subdivider subject to the following:
- (1) the developer or subdivider may submit a claim to the Municipality's Chief Building Official for payment from the Growth Reserve Funds in respect of the extra capacity;
 - (2) in the case of such works within the land of the developer or subdivider, the total cost shall be shared proportionately after the cost of local works has been deducted from the total cost;
 - (3) in the case of such works outside the land of the developer or subdivider, the total cost shall be shared proportionately after providing for land served other than those of the developer or subdivider;
 - (4) where a credit has been determined by the Municipality's Chief Building Official the credit may be allowed to the developer or subdivider at the rates prevailing on the day the credit was determined against the payment of the development charge at the rates prevailing on the day the development charge is payable under this by-law.

Processing of Claims

25. A claim received by the Municipality which is eligible for approval for payment shall be processed as soon as practicable on the following basis:
- (1) the Municipality is to approve the amounts eligible for payment from the Municipality's Growth Reserve Funds and such claim, when so approved, is eligible for payment;
 - (2) a claim eligible for payment is to be paid only in the order of time in which it is received by the Municipality in relation to every other claim which is eligible for payment and which is unpaid;
 - (3) where the balance in a Growth Reserve Fund at the time the claim eligible for payment is equal to or in excess of that claim, the claim is to be paid in full;

- (4) in the case of a claim eligible for payment of less than \$5,000.00, where the balance in the Growth Reserve Fund at the time the claim eligible for payment is less than the amount of that claim, payment is to be made only when sufficient money has accumulated in the Growth Reserve Fund to pay that claim in full;
- (5) in the case of a claim eligible for payment of \$5,000.00 or more, partial payments of not less than \$5,000.00, except for the final payment, are to be made when sufficient money has accumulated in the particular Growth Reserve Fund to make such partial payment;
- (6) the Treasurer is to determine the balance in each of the Growth Reserve Funds as of the end of each month, and payment or partial payment of claims eligible for payment in or before the end of the month is to be made on the 15th day of the following month or as soon as practicable thereafter.

PART V COMPLAINTS

Grounds of Complaint

26. An owner may complain in writing to the Clerk in respect of a development charge imposed by the Municipality on the owner's development that:
 - (1) the amount of the development charge was incorrectly determined;
 - (2) whether a credit is available to be used against the development charge, or the amount of the credit or the service with respect to which the credit was given, was incorrectly determined; or
 - (3) there was an error in the application of the development charge by-law.

When Complaint to be Made

27. An owner may not submit a complaint after ninety days following the day the development charge or any part of it was paid.

Particulars of Complaint

28. The complaint must be in writing, must state the complainant's name, the address where notice can be given to the complainant and the reasons for the complaint.

Hearing

29. The Council shall hold a hearing into the complaint and shall give the complainant an opportunity to make representations at the hearing, and notice of the hearing shall be mailed by the Clerk to the complainant not less than 14 days before the complaint is to be considered.

Determination by Council

30. After hearing the evidence and submissions of the complainant the Council may:
 - (1) confirm the development charge; or
 - (2) amend the development charge to the extent that, in the opinion of Council, a review of any or all the matters justifies such an amendment.

Notice of Decision

31. The Clerk shall, not later than fifteen days after the day a decision is made by Council, give written notice of the decision by mail to the complainant, and the notice shall specify the last day of filing an appeal to the Ontario Land Tribunal, which date shall be no earlier than twenty days after the date the letter is mailed.

PART VI MISCELLANEOUS

Grants and Deposits by Municipality

32. The Municipality may make grants or deposits to the Growth Reserve Funds on such terms and conditions as to repayment and otherwise as the Municipality may consider expedient for any purpose that, in the opinion of the Municipality is in the interest of the Fund or the municipality.

Indexing

33. Development charges imposed pursuant to this by-law may be adjusted annually, without amendment to this by-law, commencing on March 2nd and each anniversary date thereafter, in accordance with the most recent twelve month change in the Statistics Canada Quarterly "Construction Price Statistics".

Express Statements

34. (1) Exemptions are as set out in Section 6 of this by-law.
- (2) The redevelopment of land is subject to the payment of development charges in accordance with the rules set out in Part III.
- (3) In the Mount Brydges Service Area there may be other applicable water related charges levied against development. Reference should be made to Township of Caradoc resolution passed August 18, 1999 regarding a water connection charge.

Schedules to the By-law

The following schedules to this by-law form an integral part of this by-law:

Schedule 1 – Schedule of Municipal Services
Schedule 2 – Schedule of Development Charge Rates
Schedule 3 – Restrictions on Cost Sharing

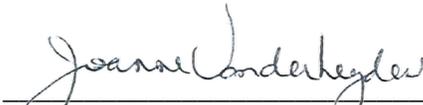
Commencement

35. (1) Upon coming into full force and effect of this by-law, By-law No. 14- 15 is repealed.
- (2) This by-law shall come into force and effect on July 1, 2022.

READ A FIRST TIME THIS 16TH DAY OF MAY 2022.

READ A SECOND TIME THIS 16TH DAY OF MAY 2022.

READ A THIRD TIME AND FINALLY PASSED THIS 16TH DAY OF MAY 2022.



Joanne Vanderheyden, Mayor



Fred Tranquilli, Clerk

SCHEDULE 1

BY-LAW NO. 34-22

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC

The services for which the development charge is imposed:

- Parks and Recreation Services:
 - Indoor Recreation
 - Park Development & Facilities

- Development-Related Studies

SCHEDULE 2

BY-LAW NO. 34-22

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC SCHEDULE OF DEVELOPMENT CHARGES: MUNICIPAL-WIDE

Residential Charges:

Service	Charge By Unit Type		
	Single & Semi Detached	Multiples	Apartments
Parks And Recreation: Indoor Recreation	\$5,276	\$4,350	\$2,742
Parks And Recreation: Park Development & Facilities	\$1,637	\$1,349	\$851
Development Related Studies	\$74	\$61	\$38
TOTAL RESIDENTIAL CHARGE	\$6,987	\$5,760	\$3,631

Non-Residential Charges:

Service	Non-Residential Charge (\$/ sq.m)
Parks And Recreation: Indoor Recreation	\$0.00
Parks And Recreation: Park Development & Facilities	\$0.00
Development Related Studies	\$0.28
TOTAL SERVICE CHARGE PER SQ.M	\$0.28

SCHEDULE 3

BY-LAW NO. 34-22

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC

Clause for inclusion in Subdivision, Consent or Site Plan

Agreements: Restrictions on cost sharing:

All work required in connection with the provision of services to the land being subdivided or developed shall be at the expense of the subdivider or developer and no reimbursement of any portion of the cost of this work shall be made by the Municipality unless at the time of approval of drawings with respect to such work, the Municipality has requested the provision of services for other lands and has agreed in writing to accept a claim with respect to the cost of such work pursuant to its Development Charge By-law. The Municipality shall have no obligation to pay such claim except in conformity with its Development Charge By-law, using such funds as may be available in the Municipality Growth Reserve Funds. In the alternative, the Municipality may issue development charge credits to the subdivider or developer to a value not exceeding the total of development charges which the subdivision or development will attract. No interest or payment for carrying costs shall be permitted in any event.