

THE CORPORATION OF THE
TOWN OF PELHAM
BY-LAW # 4314(2021)

Being a by-law to amend By-law No. 4023(2018), being a By-law for the imposition of development charges.

Whereas subsection 2(1) of the Development Charges Act, 1997, S.O. c. 27 (hereinafter called “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 Council of the Corporation of the Town of Pelham passed By-law No. 4023(2018) on June 16, 2018 pursuant to the Act for the imposition of said development charges;

And Whereas the Act was amendment by Bill 138, *Plan to Build Ontario Together Act, 2019* (Schedule 10) which received Royal Assent on December 10, 2019;

And Whereas section 19 of the Act provides for amendments to a development charges By-law;

And Whereas the Council of The Corporation of the Town of Pelham wishes to amend By-Law 4023(2018) to reflect amendments set out in Bill 138, *Plan to Build Ontario Together Act, 2019* (Schedule 10);

NOW THEREFORE the Council of The Corporation of the Town of Pelham **ENACTS** as follows:

1. THAT By-law 4023(2018) be, and is hereby amended as follows:
2. THAT Section 3 is replaced in its entirety with the following paragraphs and subparagraphs:
 - 3 (1) The development charges imposed pursuant to this by-law are not being phased-in and are payable in full, subject to the exemptions herein, from the effective date of this by-law.
 - 3 (2) The exemption will be for the new Section 26.1 and 26.2 of the Act.
 - 3 (3) Development Charge Installment Payments under Section 26.1 of the Act
 - (i) Section 26.1 was added to the Act to allow Development charges for rental housing (that is not non-profit) and institutional developments to be payable in six (6) equal annual installments and Development charges for non-profit housing developments payable in 21 equal annual installments. The first installment payment would occur on the date of issuance of the occupancy permit or occupancy of the building, whichever is earlier, with the subsequent installments occurring annually on the anniversary date of when the first installment was payable. Under the provisions of this section, the Province has provided that an interest rate can be charged on the amount of Regional Development charges eligible for the installments.
 - 3 (4) Rate Freeze under Section 26.2 of the Act (Calculation Date)
 - (i) Section 26.2 was added to the DCA to set out rules for when the amount of a DC is determined. The calculation of DCs will now be based on:
 - (a) The date of an application for a site plan control area, or

- (b) If there is no such application, the date of an application for zoning by-laws, or
- (c) If neither of these applications have been made, the charge will continue to be determined at the time of building permit issuance.

(ii) The Development charges are effectively frozen at the Development charge rate in effect at the time of submission of a complete Site Plan or Zoning By-Law Amendment application. Upon approval of the application, developers have a maximum of two years in which a building permit must be issued and the development charges paid at these frozen rates. If the two-year time period has elapsed, then the rate continues to be determined at the rate in effect at the time of building permit issuance. It is noted that these provisions are only applicable to developments for which Site Plan and Zoning By-law Amendment planning applications were submitted on or after January 1, 2020.

3 (5) Interest on Development Charges

(i) Where Development charges are payable in installments or the charges are determined at the time of Site Plan or Zoning By-Law Amendment planning application, the municipality may charge interest on the Development charge payment. The interest period for installment payments is from the date of building permit issuance to the date of Development charge payment, and for Site Plan and Zoning By-Law Amendment applications, from the date of the planning application to the date of the Development charge payment. Unpaid Development charges, including interest payable, can be added to the tax roll under the revision to the Act if not paid.

(ii) For the purpose of applying interest, an annual rate of 5% non-compounding that is included in the procedure. This rate will be utilized for both section 26.1 and 26.2 interest provisions of the Act.

3. This Amending By-law shall come into force and effect on February 1, 2021.

Enacted, signed and sealed this 1st day of February, 2021

MAYOR MARVIN JUNKIN

CLERK NANCY J. BOZZATO