

Development Charges Act, 1997

S.O. 1997, CHAPTER 27

PART II DEVELOPMENT CHARGES

DEVELOPMENT CHARGES

Development charges

2 (1) 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 arising from development of the area to which the by-law applies. 1997, c. 27, s. 2 (1).

What development can be charged for

(2) A development charge may be imposed only for development that requires,

- (a) the passing of a zoning by-law or of an amendment to a zoning by-law 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 50 (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 9 of the *Condominium Act, 1998*; or
- (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure. 1997, c. 27, s. 2 (2); 2015, c. 26, s. 2 (1); 2015, c. 28, Sched. 1, s. 148.

Same

(3) An action mentioned in clauses (2) (a) to (g) does not satisfy the requirements of subsection (2) if the only effect of the action is to,

- (a) permit the enlargement of an existing dwelling unit; or
- (b) permit the creation of additional dwelling units as prescribed, subject to the prescribed restrictions, in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings. 2020, c. 18, Sched. 3, s. 1 (1).

Exemption for second dwelling units in new residential buildings

(3.1) The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, is, subject to the prescribed restrictions, exempt from development charges. 2020, c. 18, Sched. 3, s. 1 (1).

What services can be charged for

(4) A development charge by-law may impose development charges to pay for increased capital costs required because of increased needs for the following services only:

1. Water supply services, including distribution and treatment services.
2. Waste water services, including sewers and treatment services.
3. Storm water drainage and control services.
4. Services related to a highway as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be.
5. Electrical power services.
6. Toronto-York subway extension, as defined in subsection 5.1 (1).

Note: On January 1, 2022, the day named by proclamation of the Lieutenant Governor, subsection 2 (4) of the Act is amended by adding the following paragraph: (See: 2021, c. 34, Sched. 7, s. 1 (1))

6.1 Yonge North subway extension, as defined in subsection 5.1.1 (1).

7. Transit services other than the Toronto-York subway extension.

Note: On January 1, 2022, the day named by proclamation of the Lieutenant Governor, paragraph 7 of subsection 2 (4) of the Act is amended by adding “and the Yonge North subway extension” at the end. (See: 2021, c. 34, Sched. 7, s. 1 (2))

8. Waste diversion services.
9. Policing services.
10. Fire protection services.
11. Ambulance services.
12. Services provided by a board within the meaning of the *Public Libraries Act*.
13. Services related to long-term care.
14. Parks and recreation services, but not the acquisition of land for parks.
15. Services related to public health.
16. Child care and early years programs and services within the meaning of Part VI of the *Child Care and Early Years Act, 2014* and any related services.
17. Housing services.

18. Services related to proceedings under the *Provincial Offences Act*, including by-law enforcement services and municipally administered court services.
19. Services related to emergency preparedness.
20. Services related to airports, but only in the Regional Municipality of Waterloo.
21. Additional services as prescribed. 2020, c. 18, Sched. 3, s. 1 (2).