

**THE CORPORATION OF THE TOWN OF CALEDON**

**BY-LAW NO. 2011-082**

A by-law to impose and provide for certain exemptions and discounts in regard to the payment of development charges

WHEREAS the *Development Charges Act, 1997* provides that the council of a municipality may by by-law impose development charges and may provide exemptions in respect of the payment of these development charges

AND WHEREAS the Council of The Corporation of the Town of Caledon considers it in the public interest to provide exemptions in respect of the payment of development charges on lands used for certain purposes

AND WHEREAS at the direction of the Council, Watson & Associates Economists Ltd. has prepared a development charge background study entitled *Re A Proposed Amendment to Development Charge By-law 2009-090 regarding (Partial) Exemptions or Discounts for Certain Forms of Non-retail, Non-residential Development*

AND WHEREAS notice of a public meeting was given during the week of 11 May 2011 as required by the *Development Charges Act, 1997* and in accordance with Ontario Regulation 82/98

AND WHEREAS the Council made the background study entitled *Re A Proposed Amendment to Development Charge By-law 2009-090 regarding (Partial) Exemptions or Discounts for Certain Forms of Non-retail, Non-residential Development*, including a proposed by-law available to the public as of 16 May 2011 as required by the *Development Charges Act, 1997*

AND WHEREAS the Council held a public information meeting on 1 June 2011 at which all persons in attendance were provided with an opportunity to make representations relating to the proposed by-law as required by the *Development Charges Act, 1997*

AND WHEREAS by a resolution passed on 28 June 2011, the Council of The Corporation of the Town of Caledon

- (a) adopted the development charge background study entitled *Re A Proposed Amendment to Development Charge By-law 2009-090 regarding (Partial) Exemptions or Discounts for Certain Forms of Non-retail, Non-residential Development, and*
- (b) expressed its intention to provide for an additional green industrial development discount, for a development charge exemption for hotels, motels, lodges with more than 29 guest rooms and to refine the existing exemption provided for bed and breakfast establishments.

NOW THEREFORE the Council of The Corporation of the Town of Caledon ENACTS AS FOLLOWS:

1. That section 1 be amended by the addition of the following definitions:

"hotel" means premises in which temporary overnight lodging or sleeping accommodations are provided to the traveling public, containing more than 29 guest rooms, and which may include accessory services such as restaurants, meeting facilities, recreation facilities, convention facilities, banquet facilities and accommodation for staff

"lodge" means premises that cater to the traveling public by providing temporary overnight accommodation with more than 29 guest rooms or cabins, and which may include accessory services such as restaurants, meeting facilities, recreation facilities, convention facilities, banquet facilities and accommodation for staff

“motel” means premises which provide temporary overnight accommodation to the traveling public, containing more than 29 guest rooms, with some of the rooms being accessed from the outside and which may include accessory services such as restaurant, meeting facilities, convention facilities, recreation facilities, banquet facilities and accommodation for staff

2. That the definition of “green commercial or industrial building” in section 1 be amended by the deletion of the phrase

“(v) all of the employee and visitor parking spaces that are accessory to such building are constructed with permeable pavement; or, “

and the substitution therefor of the following phrase,

“(v) the first seven millimeters of run-off from the developed area of the site (including the building, parking lot and landscaped areas) is filtered or infiltrated using innovative stormwater management practices as defined in the most current *Low Impact Development Stormwater Management Planning and Design Guide* prepared by the Credit Valley Conservation Authority and the Toronto and Region Conservation Authority, or”

3. That section 9 be amended by the changes set out in the following chart:

Subsection number	Deletion	Substitution
9 (b)	9 (b) (iii)	9 (b) (ii)
9 (b) (iii)	paragraph (ii)	paragraph (i)
9 (c)	paragraph (iii)	paragraph (ii)
9 (c)	two (2)	three (3)
9 (c)	subsection (a)	subsection (b)
9 (d)	two (2)	three (3)
9 (d) (iv)	paragraph (ii)	paragraph (i)
9(d) (v)	two (2)	three (3)
9 (d) (v)	paragraph (ii)	paragraph (i)
9 (d) (v)	paragraph (iii)	paragraph (ii)
9 (d) (v)	subsection (a)	subsection (b)
9 (e)	subsection (a)	subsection (b)
9 (e)	paragraph (ii)	paragraph (i)

4. That section 11 be deleted and the following section substituted therefor.

“11. (1) Notwithstanding any other provision of this by-law, development charges shall not apply to

- (a) a country inn,
- (b) a bed & breakfast establishment in accordance with subsection 11 (2)
- (c) a building or structure used for the purpose of agricultural tourism,
- (d) a farm based home industry,
- (e) a farm cidery,
- (f) a farm winery,
- (g) a garden suite,
- (h) a non-residential agricultural building or structure,
- (i) an outbuilding,
- (j) a rehabilitation building,
- (k) a secondary use farm building or structure, and
- (l) hotel, lodge, motel in accordance with subsection 11 (3)

provided that a development charge, calculated in accordance with this by-law, shall be immediately payable if the country inn, the building or structure used for the purpose of agricultural tourism, the farm based home industry, the farm cidery or winery, the garden suite, the non-residential agricultural building or structure, the outbuilding or the rehabilitation building is converted to a use that is not exempt under this by-law.

- (2) In the event that the construction of a single detached dwelling for use as a bed & breakfast establishment results in the imposition of, and payment of, development charges in accordance with this by-law, the Town may provide a refund of the Town development charges as imposed and paid where there is compliance with the following conditions.
- (a) A full refund may be provided where the dwelling has been actively and continuously used for the purpose of a bed & breakfast establishment for a period of ten years from the date of the payment of the development charges.
  - (b) An application for the refund shall be made by the owner of the dwelling containing the bed & breakfast establishment on or before 31 March annually for a maximum period of ten years, commencing in the first calendar year after the date of the payment of the development charges.
  - (c) The refund is payable to the owner of the dwelling containing the bed & breakfast establishment at the time that the refund is calculated.
  - (d) Upon application for the refund, the Town may review the application to determine whether the application meets the conditions of this by-law, and may
    - i. refund to the owner of the dwelling 1/10<sup>th</sup> of the amount of the paid development charges if the dwelling has been actively and continuously used throughout the previous year as a bed & breakfast, or
    - ii. refund to the owner of the dwelling a proportionate share of the 1/10<sup>th</sup> of the amount of the paid development charges, calculated on a monthly basis, if the dwelling has not been actively and continuously used throughout the previous year as a bed & breakfast, and
    - iii. retain the balance, if any, of the paid development charges for each year during which the dwelling was not yet been used as a bed & breakfast establishment.
  - (e) The applicant for the refund, and the owner of the dwelling, if the owner is a different entity or person than the applicant, shall, at the time of the application for the refund, grant permission in writing to the Town, its agents, employees and inspectors to enter the dwelling at any time during the ten years, upon reasonable notice, to determine whether the dwelling is used for the purpose of a bed & breakfast establishment.
  - (f) The current owner of the dwelling shall advise any purchaser of the dwelling of the refund available pursuant to the provisions of this by-law.
  - (g) The owner of the dwelling who is making the application for the refund shall provide all information requested by the Town to verify that the owner is entitled to a refund pursuant to the provisions of this by-law.
  - (h) In making the application, the owner of the dwelling shall complete the form prepared for the purpose by the Town.
  - (i) No interest or indexing is payable in respect of the refund of the Town paid development charges.

- (j) The entire application for a refund, including any future applications available in the remaining ten year period, shall be deemed to be abandoned in any or all of the following circumstances in any year that
    - i. the owner of the dwelling containing the bed & breakfast establishment fails to make an application for the refund within the time required by this by-law,
    - ii. the Town makes a payment to the owner of the dwelling containing the bed & breakfast establishment in accordance with section 11 (2) (d) ii and the use of the dwelling as a bed and breakfast ceased in the previous year, or
    - iii. the operator of the bed & breakfast establishment has declared bankruptcy.
  - (k) The seasonal operation of a dwelling as a bed & breakfast establishment, where the establishment does not operate for a maximum of 5 months during the year, shall not be deemed to be an abandonment or cessation of the use of the dwelling as a bed & breakfast establishment for the purpose of section 11(2) (j).
- (3) A hotel, lodge or motel eligible for an exemption from the payment of development charges pursuant to this by-law shall not be eligible for any grants under the Bolton Community Improvement Plan in respect of the same development.
  - (4) Notwithstanding any other provision of this by-law, the Council of the Town may, by resolution, waive the payment of development charges in whole or in part with respect to land to be developed for an institutional use."

5. That section 15 be amended by

- (1) the deletion of "subsection 4" in subsection 15 (3) and the substitution of "subsection 5" therefor,
- (2) the renumbering of subsection "15 (4)" as subsection "15 (5)" and the addition of the following subsection:
 


"15 (4) Subject to subsection 5 of this section with respect to non-retail non-residential development, development charges calculated at the rate of \$46.13 per square metre upon the total floor area included in such development shall be imposed and be payable in full from and including July 8, 2011 to July 7, 2013, subject to

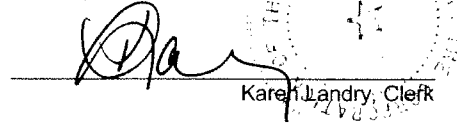
  - (a) the indexing,
  - (b) any exemptions provided for in this by-law, and
  - (c) the industrial discount set out in section 9 and in Schedule B attached to, and forming part of this By-law."

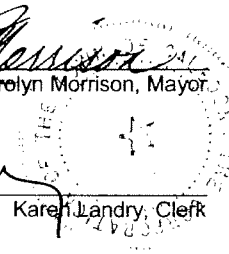
6. That Schedule B entitled *By-law 2009-090, Development Charge Discount Applicable to Qualifying Commercial and industrial Buildings* attached to By-law 2009-090 and forming part of that By-law be deleted and Schedule A entitled *By-law 2011-xxx Development Charge Discount Applicable to Qualifying Commercial and industrial Buildings* attached to this by-law be substituted therefor.

7. This by-law may be referred to as the "2011 Amending Development Charges By-law".

**READ THREE TIMES AND  
FINALLY PASSED IN OPEN COUNCIL  
THIS 28<sup>th</sup> DAY OF JUNE, 2011.**

  
Marilyn Morrison, Mayor

  
Karen Landry, Clerk



**Schedule A**  
**BY-LAW 2011-XXX**  
**Development Charge Discount Applicable to Qualifying Commercial and Industrial Buildings**

Green Measure	Current Commercial & Industrial Discount *	Additional Industrial Discount* (July 8, 2011 to July 7, 2013)	Total Commercial Discount* (no change)	Total Industrial Discount* (July 8, 2011 to July 7, 2013)	Inclusions
Green Technologies	3% for any inclusion or any combination of inclusions	3% for any inclusion or any combination of inclusions	3% for any inclusion or any combination of inclusions	10% for any inclusion or any combination of inclusions	Solar hot water system that provides for min. 25% of the building's energy needs Transpired solar collectors that provides for a min. 10% of the building energy needs Solar photovoltaic system that provides for 5% of the building's energy needs Innovative stormwater management practices (as listed in the most current <i>Low Impact Development: Stormwater Management Planning and Design Guide</i> prepared by the Credit Valley Conservation Authority and the Toronto and Region Conservation Authority) where the first 7 millimeters of run off from the developed areas of the site including the building, parking lot and landscape area is filtered or infiltrated Storm water cistern that provides for 100% of irrigation needs
LEED Certified	20%	10%	20.00%	30.00%	Certified and registered with the Canada Green Building Council as meeting the current and applicable LEED Canada Rating Systems such as new construction, commercial interiors, core and shell
LEED Silver	21.5%	12.5%	21.50%	35.00%	
LEED Gold	25.0%	15%	25.00%	40.00%	
LEED Platinum	27.5%	17%	27.50%	44.50%	

\* Discount as a % of Non-Residential Development Charge

**TOWN OF CALEDON**  
**DEVELOPMENT CHARGE**  
**BACKGROUND STUDY**  
**RE A PROPOSED AMENDMENT**  
**TO DEVELOPMENT CHARGE**  
**BY-LAW 2009-090**  
**REGARDING (PARTIAL)**  
**EXEMPTIONS OR DISCOUNTS**  
**FOR CERTAIN FORMS OF NON-**  
**RETAIL, NON-RESIDENTIAL**  
**DEVELOPMENT**

MAY 16, 2011

  
**Watson**  
**& Associates**  
**ECONOMISTS LTD.**




4304 Village Centre Court  
Mississauga, Ontario  
Canada L4Z 1S2

Phone: (905)272-3600

Fax: (905)272-3602

e-mail: [info@watson-econ.ca](mailto:info@watson-econ.ca)

 Planning for growth

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## 1. INTRODUCTION

## 1. INTRODUCTION

1.1 s.s.15(3) of Caledon's Town-wide development charge by-law 2009-090 provides that in the case of non-retail non-residential development, development charges calculated at the rate of \$30.83 per square metre on total floor area shall, subject to the indexing and exemption provisions of the by-law, be imposed from July 8, 2009 to July 7, 2011. For industrial development charges paid after that date, the full non-residential DC of \$46.71/s.m. (plus indexing) would otherwise be applicable (as a result of a decline in the index, these rates are currently \$30.45/s.m. and \$46.13/s.m., respectively).

1.2 This charge represents 66% of the full (current) non-residential charge of \$46.13/square metre. This 34% discount was recommended in the July 7, 2009 report CS-2009-017 in the face of a major international recession which had emerged and in an effort "...to combat the economic downturn and stimulate growth in Caledon" (Council Resolution 433-2009, July 7, 2009).

1.3 With the approach of the end of this discount period for non-retail non-residential development, the Town is proposing to replace the deduction policy outlined in paragraph 1.1, with the following exemptions:

- a) An additional 17% Green Industrial Building discount is proposed for the maximum Green Measure (LEED Platinum), subject to the provisions in section 9 and Schedule B of By-law 2009-090 as amended, with lower percentages for lesser forms of LEED certification, as per the shaded portion of Table 1-1. This incentive is additional to the percentages shown in Schedule B of the By-law and is applicable to the period July 8, 2011 to July 7, 2013. Further, the time available for applicants to obtain LEED certification is proposed to increase from two years to three years in response to reported delays in the official certification process.
- b) An additional DC exemption for hotels, motels or lodges with more than 29 overnight guest rooms is to be added; however, it is proposed that applicants who are eligible for this exemption shall not be eligible for any grants under the Bolton Community Improvement Plan in respect of the same development.
- c) The exemption for Bed and Breakfast (B&B) establishments under s.s.11(1)(b) of By-law 2009-090 is to be amended in order to require the payment of the full residential development charge, which is the charge for a single detached dwelling. This payment is to be refunded, without interest or indexing, to the owner of the dwelling at a rate of 10% each year over a period of 10 years if the dwelling has been actively and continuously used throughout the previous year as a bed & breakfast establishment. An application for the refund shall be made by the owner of the dwelling on or before March 31 annually

Table 1.1  
Proposed Increase to the Existing Industrial DC Discount for Green Development Program

Green Measure	Current Commercial & Industrial Discount *	Additional Industrial Discount* (July 8, 2011 to July 7, 2013)	Total Commercial Discount* (no change)	Total Industrial Discount* (July 8, 2011 to July 7, 2013)	Inclusions
Green Technologies	5% for any inclusion or any combination of inclusions	5% for any inclusion or any combination of inclusions	5% for any inclusion or any combination of inclusions	10% for any inclusion or any combination of inclusions	Solar hot water system that provides for min. 25% of the building's energy needs Transpired solar collectors that provides for a min. 10% of the building energy needs Solar photovoltaic system that provides for 5% of the building's energy needs Innovative stormwater management practices (as listed in the most current <i>Low Impact Development Stormwater Management Planning and Design Guide</i> , prepared by the Credit Valley Conservation Authority and the Toronto and Region Conservation Authority) where the first 7 millimeters of run off from the developed areas of the site including the building, parking lot and landscape area is filtered or infiltrated Storm water cistern that provides for 100% of irrigation needs
LEED Certified	20%	10%	20.00%	30.00%	Certified and registered with the Canada Green Building Council as meeting the current and applicable LEED Canada Rating Systems such as new construction, commercial interiors, core and shell
LEED Silver	22.50%	12.50%	22.50%	35.00%	
LEED Gold	25.00%	15%	25.00%	40.00%	
LEED Platinum	27.50%	17%	27.50%	44.50%	

\* Discount as a % of Non-Residential Development Charge

for a maximum of ten years, commencing in the first calendar year after the date of payment of development charges. The applicant for the refund and owner of the dwelling shall grant permission to the Town to enter the dwelling at any time during the ten years to determine whether the dwelling is used for the purpose of a bed & breakfast establishment. Further, the application for refund, including any future applications available in the remaining ten years, shall be deemed to be abandoned if:

- i) the owner of the dwelling containing the bed & breakfast establishment fails to make an application for the refund by March 31 in any year;
- ii) the Town has made a partial or full refund payment for the previous year, and the use of the dwelling as a bed & breakfast ceased in the previous year; or
- iii) the operator of the bed & breakfast establishment has declared bankruptcy.

If deemed abandoned, the Town shall retain the balance, if any, of the paid development charges.

The seasonal operation of a dwelling as a bed & breakfast establishment, where the establishment does not operate for a maximum of five months during the year, shall not be deemed to be an abandonment or cessation of the use of the dwelling as a bed & breakfast establishment.

1.4 The rationale for these three proposed amendments is as follows:

- a) The 34% non-retail non-residential DC discount expires July 8, 2011. Despite this incentive, industrial construction activity in Caledon during the 2009/10 period has been quite modest (approx. 57,000 sq.ft./year), in comparison with the level of commercial construction activity (Table 1-2) and the 991,500 sq.ft./year in industrial construction forecast in the Town's 2009 DC Background Study. The Town seeks to encourage industrial and commercial Green Development Program objectives. Industrial development which meets the Green criteria in the by-law will be eligible for an additional 5-17% DC discount, subject to the Green Development payment provisions in the by-law.
- b) The additional Green Incentives amount recognizes the fact that, to date, only one developer has applied for the current Green Development Program and no monies have been paid out from this program. Increasing the overall Industrial Green Development percentage incentive for two years by 5-17% is intended to encourage additional industrial development and also to further the take-up of the Green Development Program.

- c) The phased DC incentive for Bed and Breakfast (B&B) establishments is designed to encourage such developments where they operate on a sustainable, long term basis and to avoid providing significant DC exemptions for any such projects which revert to single family residential or other non-B&B use in the short term.
- d) The DC exemption for sizeable (29+ overnight guest rooms) hotels, motels or lodges is designed to encourage the creation of this form of business, leisure and tourism infrastructure within Caledon. Both the "Caledon Community-Based Strategic Plan" and "Caledon Economic Development Strategy," approved by Council, include promoting Caledon as a location for tourism investment as a strategic initiative.

The November 2010 Hotel Market Study conducted for the Town by PKF Consulting concluded that:

- "Caledon is still primarily a rural Township, with a variety of Inns, Motels and B&B's and no branded hotels."
- "The majority of corporate demand generated in Caledon is choosing to use surrounding hotels in the Toronto Airport and Brampton/Vaughan (GTA West) markets."
- "A room count of 80 rooms is reasonable, because it is large enough to compete for both corporate and leisure business."
- "Based upon our research, analysis and our experience in the industry, we believe there is an opportunity to develop a new branded, focused service hotel property in the Town of Caledon."

The Town's proposed DC exemption is designed to encourage this form of development.

TABLE 1-2  
TOWN OF CALEDON  
NON-RESIDENTIAL CONSTRUCTION VALUE  
YEARS 2006 - 2010  
(000 \$ 2011 \$)

YEAR	Industrial			Commercial			Institutional			Total			
	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total	
2006	3,541	1,482	0	5,022	37,243	4,718	3,405	45,366	275	0	447	41,058	50,835
2007	1,899	4,140	829	6,867	76,685	15,657	7,384	99,725	0	2,183	19,334	21,517	78,563
2008	2,890	1,675	656	5,221	69,322	13,718	1,766	84,806	17,860	404	18,929	90,072	128,109
2009	3,838	2,005	0	5,844	24,214	13,041	13,230	50,485	26,158	983	6,100	33,241	89,869
2010	4,297	790	1,050	6,137	12,009	12,307	8,100	32,407	9,800	1,782	0	11,582	44,009
Subtotal	16,465	10,092	2,535	29,091	219,484	59,440	33,885	312,789	54,093	5,795	25,837	85,725	290,022
Percent of Total	57%	35%	9%	100%	70%	19%	11%	100%	63%	7%	30%	68%	18%
Average	3,293	2,018	507	5,818	43,893	11,868	6,777	62,558	10,819	1,159	5,167	17,145	53,065
% Breakdown				8.8%				73.1%				20.0%	100.0%

SOURCE: STATISTICS CANADA PUBLICATION 84-601-XIE  
Note: inflated to year-end 2010 (January, 2011) dollars using Reed Construction Cost Index

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Watson & Associates Economists Ltd. H:\Caledon\DC 2009\background study re by-law amendment.docx

## 2. STATUTORY PROVISIONS

## 2. STATUTORY PROVISIONS

2.1 s.s.19(1) of the DCA states that:

"Sections 10 to 18 apply with necessary modifications, to an amendment to a development charge by-law other than an amendment by, or pursuant to an order of, the Ontario Municipal Board."

2.2 Section 10 requires that a DC Background Study be completed by Council before passing a DC by-law. The Background Study is to contain the growth forecast and necessary DC calculations for each service.

2.3 This particular amendment and Background Study does not alter or address the growth forecast or the calculation of the DC. Its sole area of concern is with respect to municipal policy concerning several DC exemptions/discounts. As a result, the "necessary modifications" in paragraph 2.1 serve to reduce the scope of the Background Study to these particular policy matters, which are independent of the 2009 calculation of the full cost recovery DC.

2.4 Sections 11-18 of the DCA address the requirements involved in passing a DC by-law, including public meeting of Council, meeting notice, release of the Background Study, and by-law appeal, all of which are fully applicable in this case.

### **3. IMPLICATIONS OF THE DC POLICY MODIFICATIONS**

### 3. IMPLICATIONS OF THE DC POLICY MODIFICATIONS

3.1 Development charge discounts or exemptions are provided in an effort to attract development of a particular type that would not otherwise have occurred, or would have occurred at a later point in time or in smaller magnitude or lower quality.

3.2 The effectiveness of such discounts and exemptions in accomplishing these purposes is very difficult to measure. This is because development activity is impacted by general economic conditions, interest rates and other such "macro" factors which vary from year to year. In addition, the discount is only on the Town's part of development charges, which are only one part of total development charges. Development charges are, in turn, only one element of project cost, including land and construction and ultimately property taxes. Finally, financial considerations are only one of a number of critical decision-making considerations when it comes to making an investment location commitment. These include highway and expressway access, proximity to major transportation hubs, such as the Airport and the Intermodal, the nature and strength of the employment cluster, serviced land availability, surrounding development quality, local amenities, labour force attributes and residential opportunities, etc.; however, DC quantum is a controllable differentiator.

3.3 As a result, offering a DC discount or exemption can best be viewed as an expression of encouragement by the Town for particular forms of development, that cumulatively, together with other actions and desirable attributes, may serve to increase such development activity. It is very difficult to establish the amount of DC incentive that is necessary to have a tangible impact on such activity and represents a sound balance between benefit and cost. This is best determined on an experiential basis, as the Town has been doing.

3.4 There are basically three possible outcomes relating to DC discounts/exemptions. The first is that the targeted type of development does not occur. In this case, there is no cost (other than the cost of instituting the amendment) and no benefit.

The possible second outcome is that whatever new construction that would have occurred in the absence of the discount/exemption, occurs without any change. Under this scenario, the cost to the Town is the loss in revenue that it would have otherwise realized from such growth. For example:

- $\$46.13/\text{s.m.} \times 0.17 =$  up to a  $\$7.84/\text{s.m.}$  ( $\$0.73/\text{sq.ft.}$ ) incremental discount for Green industrial development or up to  $\$73,000$  per 100,000 sq.ft. of new Green industrial development (plus the existing by-law provisions which already provide for a discount of up to  $\$12.69/\text{s.m.}$  ( $\$1.18/\text{sq.ft.}$ ), which is up to  $\$118,000$  per 100,000 sq.ft. of new Green industrial development);

- In the case of a 70,000 sq.ft. hotel project, the DC foregone would be \$4,285/sq.ft. (\$46.13/s.m.) X 70,000 sq.ft. = \$300,000.

The Town's DC reserve funds (primarily Roads, which represent 82% of the non-residential DC) would be "short" this amount. This would tend to constrain the timing of the Town's development-related capital program and require tax levy funding to make up the gap, in order to avoid the prospect of having it made up via higher development charges for other development.

In the face of recent Town experience with limited industrial development activity and no branded hotel activity, this cost exposure is not considered to be significant, in comparison with the strategic, employment and local economic benefits involved in encouraging such development.

In addition, the Town's current by-law further limits the Town's financial exposure related to Green Development Program DC discounts, by limiting the program activity to a maximum of \$250,000 per year.

The third possible outcome is that the incentive program is an unqualified success and the desired level of development occurs. The only downside to this scenario is that the Town would not have collected sufficient development charges to fund the share of servicing requirements (primarily roads) associated with that development increment. That will result in either a marginally lower level of service being provided in future and/or a somewhat higher tax levy burden in order to fill the funding gap. The Town's implicit position is that the benefits involved with an increase in development of this type outweigh those potential costs, given the relatively low magnitude of the incentives involved. These benefits are tangible and include:

- additional taxable assessment of a type expected to generate net tax surpluses;
- furtherance of the Town's environmental objectives;
- provision of employment opportunities and diversification of the local economy;
- in the case of the hotel development, further strengthening of the Town's tourism and related economic base and service sector.

## 4. IMPLEMENTATION

#### 4. IMPLEMENTATION

4.1 The proposed amendment to By-law 2009-090 is included as Appendix B. It reflects more precisely the by-law policy changes outlined above in paragraph 1.3.

4.2 Figure 4-1 sets out the timetable for the proposed by-law amendment process.

**FIGURE 4-1  
SCHEDULE OF DATES FOR THE TOWN OF CALEDON  
DC BY-LAW AMENDMENT PROCESS**

1.	Staff Report to Council	April 5, 2011
2.	Public Meeting Ad placed in newspaper(s)	By May 11, 2011
3.	Background study and proposed by-law available to public	May 16, 2011
4.	Public meeting of Council	June 1, 2011
5.	Council considers adoption of background study and passage of by-law. (Council also considers public input and if by-law is to be changed, formally determines whether a further public meeting is necessary.)	June 28, 2011
6.	Newspaper and written notice given of by-law passage	By 20 days after passage
7.	Last day for by-law appeal	40 days after passage
8.	Town makes available pamphlet (where by-law not appealed)	by 60 days after inforce date

**APPENDIX A  
TOWN OF CALEDON DC BY-LAW  
2009-090**

**THE CORPORATION OF THE TOWN OF CALEDON  
BY-LAW NUMBER 2009-090**

Being a by-law to impose and provide for  
the payment of development charges for  
municipal services in the Town of Caledon

WHEREAS the *Development Charges Act, 1997* provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of the increased need for services arising from development in the area to which the by-law applies;

AND WHEREAS at the direction of the Council of The Corporation of the Town of Caledon, Watson & Associates Economists Ltd. has prepared a development charge background study entitled *Town of Caledon 2009 Development Charge Background Study (Inclusive of Background Studies and Proposed By-laws for Belton Area Specific Charges for Storm Water Management and Related Purposes)* dated 1 June 2009;

AND WHEREAS extracts of the draft *Town of Caledon 2009 Development Charge Background Study* dated 15 May 2009 was reviewed with representatives of the development community at a meeting held on 20 May 2009;

AND WHEREAS notice of a public meeting was given during the week of 23 May 2009 as required by the *Development Charges Act, 1997* and in accordance with Ontario Regulation 82/98;

AND WHEREAS the Council of The Corporation of the Town of Caledon made the *Town of Caledon 2009 Development Charge Background Study* dated 1 June 2009 and a draft version of this by-law available to the public as of 1 June 2009 as required by the *Development Charges Act, 1997*;

AND WHEREAS the Council of The Corporation of the Town of Caledon held a public meeting on 17 June 2009 at which all persons in attendance were provided with an opportunity to make representations relating to the draft version of this by-law as required by the *Development Charges Act, 1997*;

AND WHEREAS, by resolution passed on 7 July 2009, the Council of The Corporation of the Town of Caledon

- (a) adopted the *Town of Caledon 2009 Development Charge Background Study*;
- (b) determined that it was not necessary to hold any further public meetings with respect to this by-law;
- (c) expressed its intention to ensure that the increased need for services arising from development in the area to which this by-law applies will be met; and,
- (d) expressed its intention to ensure that any excess capacity in any existing services of The Corporation of the Town of Caledon will be paid for by new development;

NOW THEREFORE the Council of The Corporation of the Town of Caledon enacts as follows:

**Definitions**

1. (1) In this By-law:

"accessory", where used to describe a building, structure or use, means a building, structure or use that is subordinate, incidental and exclusively devoted to a principal building, structure or use and that is located on the same land as such principal building, structure or use

"Act" means the *Development Charges Act, 1997*, S.O. 1997, c.27

"agricultural building or structure" means a building or structure that is used for the purposes of or in conjunction with animal husbandry, the growing of crops including grains and fruit, market gardening, horticulture or any other use that is customarily associated with a farming operation of a bona fide farmer

"agricultural tourism building or structure" means a building or structure or part of a building or structure located on a working farm of a bona fide farmer for the purpose of providing enjoyment, education or active involvement in the activities of the farm where the principle activity on the property remains as a farm and whose products used in the activity are produced on the property and/or are related to farming. The building or structure may be related to activities such as a hay or corn maze; farm related petting zoo; hay rides and sleigh, buggy or carriage rides; farm tours; processing demonstrations; pick-your-own produce; a farm theme playground for children; farm markets; farm produce stands, and farmhouse dining rooms

"apartment dwelling" means a dwelling unit in a building containing more than six dwelling units where the dwelling units are connected by an interior corridor

"bed and breakfast establishment" means a single detached dwelling or part of a single detached dwelling in which guest rooms are provided for hire or pay, with or without meals, for the traveling or vacationing public, but does not include a hotel or motel

"bona fide farmer" means an individual currently actively engaged in a farm operation with a valid Farm Business Registration number in the Town of Caledon and who shall have owned, actively worked and resided on the subject farm operation for a substantial number of years and includes the operators of large scale commercial farming operations

"building" means a structure consisting of a wall, roof and floor or any of them;

"commercial building" means a non-residential building other than an agricultural building, an industrial building or an institutional building

"completed" when used with respect to the construction of a green commercial or industrial building, means that the Town's Chief Building Official or his or her designate is satisfied that such building complies with the applicable building, fire and mechanical requirements of the Ontario Building Code

"country inn" means premises in which temporary lodging or sleeping accommodation are provided to the public and may include accessory services such as a restaurant, meeting facilities, recreation facilities, banquet facilities and staff accommodations. The Premises shall contain a minimum of four (4) and a maximum of twenty-nine (29) guest rooms.

"development" means the construction, erection or placing of one or more buildings or structures on land and/or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof, and includes redevelopment

"development charge" means a development charge imposed pursuant to this by-law

"duplex dwelling" means a dwelling unit in a building divided horizontally into two dwelling units each of which has a separate entrance

"dwelling unit" means a room or suite of rooms used or designed or intended for use by one or more persons living together in which culinary and sanitary facilities are provided for the exclusive use of such person or persons

"farm based home industry building" means an accessory building to a single detached dwelling where a small-scale use is located, which is operated by a bona fide farmer, which is located on and is subordinate or incidental to a permitted farm operation; which is associated with limited retailing of products created in whole or in part in the accessory building performed by one or more residents of the farm property and may include a carpentry shop; a craft shop; a metal working shop; a repair shop; a farm equipment repair shop; a farm tractor repair shop; a plumbing shop; an electrical shop; a welding shop; a woodworking shop; a blacksmith, a building for the indoor storage of school buses, boats, snowmobiles, or similar uses, but shall not include an motor repair shop or vehicle paint shop

"farm winery" and "farm cidery" means buildings or structures used by a bona fide farmer for the processing of juice, grapes, fruit or honey in the production of wines or ciders, including the fermentation, production, bottling, aging or storage of such products as a secondary use to a farm operation. The winery or cidery may include a laboratory, administrative office, hospitality room and retail outlet and, if required, must be licensed or authorized under the appropriate legislation.

"garden suite" means a one-storey, free standing, temporary and portable residential structure, with a single dwelling unit containing kitchen and bathroom facilities, which is designed for year round occupancy and is accessory to a single-detached dwelling, but excludes a trailer.

"grade" means the average level of finished ground adjoining a building or structure at all of its exterior walls.

"green commercial or industrial building" means a commercial or industrial building that:

- (i) is Leadership in Energy and Environmental Design (LEED) certified;
- or a commercial or industrial building where:
- (ii) twenty-five (25%) percent of the total amount of energy required for full operation of such building, including all equipment and machinery therein, is provided by a solar hot water system;
  - (iii) ten (10%) percent of the total amount of energy required for full operation of such building, including all equipment and machinery therein, is provided by transpired solar collectors;
  - (iv) five (5%) percent of the total amount of energy required for full operation of such building, including all equipment and machinery therein, is provided by a solar photovoltaic system;
  - (v) all of the employee and visitor parking spaces that are accessory to such building are constructed with permeable pavement; or
  - (vi) there is a storm water cistern accessory to such building that provides one hundred (100%) percent of the water required to irrigate the lot on which such building is located;

"industrial building" means a building used for or in connection with:

- (i) manufacturing, producing, processing, storing or distributing something;
- (ii) research or development in connection with manufacturing, producing or processing something;
- (iii) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place; or
- (iv) office or administrative purposes, if they are,
  - (1) carried out with respect to manufacturing, producing, processing, storage or distributing of something; and
  - (2) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution.

"institutional use" means the use of land, buildings, or structures for a public or non-profit purpose, including a religious, charitable, educational, health or welfare purpose, and without limiting the generality of the foregoing, may include such uses as schools, hospitals, places of worship, recreation facilities, community centres and government buildings.

"local board" means a local board as defined in the *Municipal Act, 2001* other than a board defined in subsection 1(1) of the *Education Act*;

"mixed use" means land, buildings or structures used or designed or intended to be used for a combination of residential uses and non-residential uses.

"non-residential" means used or designed or intended to be used other than for residential purposes.

"outbuilding" means a building that is accessory to a primary or main non-residential building or mixed use building, that is located on the same land as such primary or main non-residential building and that is used for a storage purpose that is accessory to the primary or main use on such land, such as the storage of equipment used to maintain such land or the buildings and structures thereon or the storage of equipment that is ordinarily used for the purposes of the primary or main use on such land, but shall not include a building used for the storage of inventory.

"protracted", in relation to a temporary building or structure, means the existence of such temporary building or structure for a continuous period of more than eight months.

"redevelopment" means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure on such land has been or is to be demolished, or changing the use of a building or structure from residential to non-residential or from non-residential to residential.

"Regulation" means Ontario Regulation 82/98, as amended.

"rehabilitation building" means a non-residential building located on land from which aggregate has been lawfully extracted.

"residential" means used or designed or intended to be used as a home or residence of one or more persons.

"retail" means the use or intended use of land, buildings or portions thereof for the purpose of offering foods, wares, merchandises, substances, articles or things for sale directly to the public or providing services or entertainment to the public. Retail includes, but is not limited to:

- (I) the use or intended use of land, buildings or portions thereof for the rental of wares, merchandise, substances, articles or things;
- (II) offices and storage used or intended to be used in connection with, related to or ancillary to a retail use; and,
- (III) conventional restaurants; fast food restaurants; concert halls/theatres/cinemas/movie houses/drive-in theatres; automotive fuel stations with or without service facilities; specialty automotive shops/auto repairs/collision services/cars or truck washes; auto dealerships; shopping centres and plazas, including more than two attached stores under one ownership; department/discount stores; banks and similar financial institutions, including credit unions; warehouse clubs and retail warehouses.

"secondary use farm building or structure" means a building or structure secondary to the principal use of the property by a bona fide farmer, including home occupations, farm-based home industries, and uses that involve the production and sale of value-added agricultural products produced from the farm operation on the property.

"semi-detached dwelling" means a dwelling unit in a building divided vertically into two dwelling units each of which has a separate entrance.

"service" means a service described in this by-law or in an agreement made under section 44 of the Act.

"single-detached dwelling" means a dwelling unit in a completely detached building containing only one dwelling unit.

"structure" means anything constructed or erected and requiring location on or in the ground or attached to something having location on or in the ground.

"temporary building or structure" means a building or structure that is constructed, erected or placed on land for a continuous period of not more than eight months, or an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof for a continuous period of not more than eight months.

"total floor area" means the total of the areas of the floors in a building or structure, whether at, above or below grade, measured between the exterior faces of the exterior walls of the building or structure or from the centre line of a common wall separating two

uses, or from the outside edge of a floor where the outside edge of the floor does not meet an exterior or common wall, and:

- (i) Includes space occupied by interior walls and partitions
- (ii) Includes, below grade, only the floor area that is used for commercial or industrial purposes
- (iii) Includes the floor area of a mezzanine
- (iv) where a building or structure does not have any walls, the total floor area shall be the total area of the land directly beneath the roof of the building or structure and the total areas of the floors in the building or structure
- (v) excludes any parts of the building or structure used for mechanical equipment related to the operation or maintenance of the building or structure, stairwells, elevators, washrooms, and the parking and loading of vehicles; and
- (vi) excludes the area of any self contained structural shelf and rack storage facility approved by the Building Materials Evaluation Commission; and

"Town" means The Corporation of the Town of Caledon.

- (2) All words defined in the Act or the Regulation have the same meaning in this by-law as they have in the Act or Regulation unless they are defined otherwise in this by-law.
- (3) All references to the provisions of any statute or regulation or to the Ontario Building Code contained in this by-law shall also refer to the same or similar provisions in the statute or regulation or code as amended, replaced, revised or consolidated from time to time.

#### Affected Land

- 2. (1) Subject to subsections 2 and 3 of this section, this by-law applies to all land in the Town of Caledon, whether or not such land is exempt from taxation under section 3 of the *Assessment Act*.
- (2) This by-law shall not apply to land within
  - (a) the Bolton Business Improvement Area as outlined in By-law No. 80-72, as has been or may be amended; or
  - (b) the Caledon East Commercial Core Area as outlined on Schedule D of the Town of Caledon Official Plan.
- (3) This by-law shall not apply to land that is owned by and used for the purposes of
  - (a) a board as defined in subsection 1(1) of the *Education Act*;
  - (b) a college or university that is eligible to receive funding from the government of the Province of Ontario;
  - (c) a hospital as defined in section 1 of the *Public Hospitals Act*;
  - (d) the Ontario Provincial Police;
  - (e) the Town or any local board thereof;
  - (f) The Regional Municipality of Peel or any local board thereof; or,
  - (g) any other municipality or local board thereof.

#### Imposition of Development Charges

3. (1) Subject to subsections 2 and 3 of this section, development charges shall be imposed against land that is to be developed if the development 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 50 of the *Condominium Act*; or,
  - (g) the issuing of a building permit for the construction or erection of a building or structure.
- (2) Only one development charge shall be imposed against land to which this by-law applies even though two or more of the actions described in subsection 1 of this section are required for such land to be developed.
- (3) Notwithstanding subsection 2 of this section, if two or more of the actions described in subsection 1 of this section occur at different times, additional development charges shall be imposed in accordance with this by-law in respect of any additional development permitted by the subsequent action.

Description of Services

4. (1) Development charges shall be imposed in accordance with this by-law in respect of the following services based on the following percentages with respect to residential and non-residential development respectively:

	Service	% of Total Charge	
		Residential	Non-Residential
(a)	development-related studies	1.2	2.3
(b)	roads and related structures and installations	64.2	81.6
(c)	Works vehicles and equipment	2.3	4.1
(d)	parkland and trail development	8.7	1.4
(e)	indoor recreation facilities	15.0	2.3
(f)	animal control facilities	0.2	-
(g)	fire facilities, vehicles and equipment	4.1	7.1
(h)	library facilities and materials	4.0	0.7
(i)	Ontario Court of Justice (Provincial Offences) court facilities	0.3	0.5
	Total	100.0	100.0

- (2) The development charges applicable to a development, as determined under this by-law, shall apply without regard to the services required for or to be used by such development.

Calculation of Development Charges

5. (1) The development charges applicable to a development shall be calculated as follows:

- (a) in the case of residential development, or the residential portion of a mixed use development, the development charges shall be based upon the number of dwelling units included in such development; or,
  - (b) in the case of non-residential development, or the non-residential portion of a mixed use development, the development charges shall be based upon the total floor area included in such development.
- (2) The development charges described in Schedule A to this by-law shall be imposed against land that is to be developed for residential uses, including dwelling units accessory to a non-residential use, and, in the case of a mixed use building or structure, on the residential portion of the mixed use building or structure, according to the type of residential development.
  - (3) The development charges described in Schedule A to this by-law shall be imposed against land that is to be developed for non-residential use and, in the case of a mixed use building or structure, on the non-residential portion of the mixed use building or structure, according to the type of non-residential development.

#### Residential Intensification

- 6. (1) This by-law shall not apply with respect to any of the actions described in subsection 1 of section 3 of this by-law if the only effect of such action is to:
  - (a) permit the enlargement of an existing dwelling unit;
  - (b) permit the creation of one or two additional dwelling units in an existing single-detached dwelling, provided that the total gross floor area of the additional dwelling unit or the additional dwelling units is not greater than the gross floor area of the dwelling unit in the existing single-detached dwelling;
  - (c) permit the creation of one additional dwelling unit in an existing semi-detached or row dwelling, provided that the gross floor area of the additional dwelling unit is not greater than the gross floor area of the dwelling unit in the existing semi-detached or row dwelling; or
  - (d) permit the creation of one additional dwelling unit in any other existing residential building, provided that the gross floor area of the additional dwelling unit is not greater than the gross floor area of the smallest dwelling unit in the existing residential building.
- (2) Notwithstanding any other provision of this by-law, for the purpose of subsection 1 of this section, the terms "single-detached dwelling", "semi-detached dwelling", "row dwelling" and "gross floor area" shall have the meanings provided for them in the Regulation.

#### Industrial Expansion

- 7. (1) Notwithstanding any other provision of this by-law, if a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge applicable to such development shall be determined as follows:
  - (a) if the gross floor area is enlarged by fifty percent or less, the amount of the development charge in respect of the enlargement shall be zero; or,
  - (b) if the gross floor area is enlarged by more than fifty percent, the amount of the development charge in respect of the enlargement

shall be calculated on the amount by which the enlargement exceeds fifty percent of the gross floor area of the existing industrial building before the enlargement.

- (2) Notwithstanding any other provision of this by-law, for the purpose of subsections 1 and 5 of this section, the terms "existing industrial building" and "gross floor area" shall have the meanings provided for them in the Regulation.
- (3) For the purpose of interpreting the definition of "existing industrial building" in the Regulation, regard shall be had for the classification of the land on which the existing industrial building is located under the Assessment Act and in particular:
  - (a) whether the land is within a tax class such that taxes on the land are payable at the industrial tax rate; and
  - (b) whether more than fifty percent of the gross floor area of the existing industrial building has an industrial property code for assessment purposes.
- (4) For the purpose of applying subsection 1 of this section, the gross floor area of an existing industrial building shall be calculated as it was prior to the first enlargement of such existing industrial building for which an exemption under subsection 1 of this section applies.
- (5) Notwithstanding any other provision of this by-law, development charges shall not be imposed with respect to the construction or erection of a building that is accessory to, and not more than fifty percent of the gross floor area of an existing industrial building or the construction or erection of buildings that are accessory to, and, in total, not more than fifty percent of the gross floor area of an existing industrial building, provided that, prior to a building permit or building permits being issued for such building or buildings, the owner or owners of the land on which such building or buildings are to be constructed or erected enter into a written agreement with the Town which has the effect of counting the floor area of such building or buildings against the exemption provided for in subsection 1 of this section.

#### Redevelopment

8. Subject to section 7 of this by-law, where, in conjunction with the redevelopment of land, a building or structure on such land was demolished in whole or in part on or after November 6, 1991 or is to be demolished in whole or in part or converted from a residential use to a non-residential use or vice-versa, the development charges to be imposed with respect to such redevelopment shall be reduced by the following amounts:
  - (1) in the case of a residential building or the residential portion of a mixed use building or structure, an amount calculated by multiplying the applicable development charge under section 5 of this by-law by the number of dwelling units, according to the type thereof, that have been or are to be demolished or converted to a non-residential use; or
  - (2) in the case of a non-residential building or the non-residential portion of a mixed use or building or structure, an amount calculated by multiplying the applicable development charge under section 5 of this by-law by the total floor area, according to the type thereof, that has been or is to be demolished or converted to a residential use;

provided that such amounts shall not exceed in total the amount of the development charges to otherwise be imposed with respect to the redevelopment.

#### Green Commercial and Industrial Buildings

9. (a) Upon application being made for a building permit for the construction of a commercial or industrial building that is intended to be a green

commercial or industrial building a professional architect or engineer shall certify to the Town in writing that such commercial or industrial building is intended to be a green commercial or industrial building.

- (b) If a professional architect or engineer has certified that a commercial or industrial building is intended to be a green commercial or industrial building, prior to the issuance of a building permit therefor:

- (i) non-residential development charges, discounted in accordance with Schedule B attached hereto, shall be paid to the Town with respect to such commercial or industrial building; and,
- (ii) an irrevocable letter of credit issued by a Canadian chartered bank, in a form satisfactory to the Town, in the amount of the discount referred to in paragraph (i) of this subsection shall be deposited with the Town.

- (c) If, within two (2) years after the construction of a commercial or industrial building that is intended to be a green commercial or industrial building has been completed:

- (i) an independent consultant who is recognized by the Canada Green Building Council certifies to the Town in writing, with all of the supporting information required by the Town, that such commercial or industrial building meets LEED Certified, LEED Silver, LEED Gold or LEED Platinum, as the case may be; or,
- (ii) a professional architect or engineer certifies to the Town in writing that such commercial or industrial building otherwise meets the requirements of a green commercial or industrial building;

the Town shall release the letter of credit referred to in paragraph (ii) of subsection (a) of this section.

- (d) If, within two (2) years after the construction of a commercial or industrial building that is intended to be a green commercial or industrial building has been completed:

- (i) an independent consultant who is recognized by the Canada Green Building Council has not certified to the Town in writing, with all of the supporting information required by the Town, that such commercial or industrial building meets LEED Certified, LEED Silver, LEED Gold or LEED Platinum, as the case may be; or,
- (ii) a professional architect or engineer has not certified to the Town in writing that such commercial or industrial building otherwise meets the requirements of a green commercial or industrial building;

then:

- (iii) non-residential development charges, without any discount therefrom, shall be applicable to such commercial or industrial building;
- (iv) the amount of the discount referred to in paragraph (ii) of subsection (b) of this section shall immediately become payable to the Town; and,
- (v) if the amount of the discount referred to in paragraph (i) of subsection (b) of this section is not paid to the Town within thirty (30) days after the expiry of such two (2) year period, the Town shall be entitled to draw upon the letter of credit referred to in paragraph (ii) of subsection (a) of this section and to use the proceeds thereof to collect such amount.

- (e) Unless otherwise authorized by the Council of the Town, if the total amount of the discounts referred to in paragraph (i) of subsection (a) of this section with respect to all commercial and industrial buildings where a professional architect or engineer has certified to the Town that such commercial or industrial building is intended to be a green commercial or industrial building reaches more than two hundred and fifty thousand (\$250,000.00) dollars in any year, this section shall not apply to any commercial or industrial building for the rest of that year.

#### Temporary Buildings or Structures

10. (1) Notwithstanding any other provision of the by-law, development charges shall not be imposed under this by-law in respect of the construction or erection of a temporary building or structure so long as its status as a temporary building or structure is maintained in accordance with the provisions of this by-law.
- (2) Upon application being made for the issuance of a building permit for the construction or erection of a temporary building or structure to which, but for subsection 1 of this section, development charges apply, the Town may require the owner or owners of the land on which such temporary building or structure is to be constructed or erected to enter into an agreement with the Town pursuant to section 27 of the Act and submit security, satisfactory to the Town, to be realized upon in the event that the temporary building or structure becomes protracted and development charges thereby become payable.
- (3) In the event that a temporary building or structure becomes protracted, it shall be deemed not to be, nor ever to have been a temporary building or structure and, subject to any agreement made pursuant to section 27 of the Act, development charges under this by-law shall become payable forthwith.

#### Exemptions

11. (1) Notwithstanding any other provision of this by-law, development charges shall not apply to
- (a) a country inn,
  - (b) a bed & breakfast establishment,
  - (c) a building or structure used for the purpose of agricultural tourism,
  - (d) a farm based home industry,
  - (e) a farm cidery,
  - (f) a farm winery,
  - (g) a garden suite,
  - (h) a non-residential agricultural building or structure,
  - (i) an outbuilding,
  - (j) a rehabilitation building, and
  - (k) a secondary use farm building or structure.

provided that a development charge, calculated in accordance with this by-law, shall be immediately payable if such bed & breakfast establishment, building or structure used for the purpose of agricultural tourism, farm based home industry, farm cidery or winery, garden suite, non-residential agricultural building or structure, outbuilding or rehabilitation building is converted to a use that is not exempt under this by-law.

- (2) Notwithstanding any other provision of this by-law, the Council of the Town may, by resolution, waive the payment of development charges in

whole or in part with respect to land to be developed for an institutional use.

Indexing

12. The development charges described in Schedule A to this by-law shall be adjusted without amendment to this by-law on February 1<sup>st</sup> and August 1<sup>st</sup> in each year, commencing on February 1<sup>st</sup>, 2010, in accordance with the Statistics Canada Quarterly Construction Price Statistics (catalogue number 62-007) with the base index value being that in effect on August 1, 2009.

Payment of Development Charges

13. (f) Development charges, adjusted in accordance with 12 of this by-law to the date of payment, shall be payable:
- (a) In regard to development charges imposed under subsection 2 of section 5 of this by-law, with respect to each dwelling unit in a building or structure for which a building permit is issued, on the date that the building permit is issued; and,
  - (b) In regard to development charges imposed under subsection 3 of section 5 of this by-law, with respect to a building or structure for which a building permit is issued, on the date that the building permit is issued.
- (2) In the alternative to payment by the means provided in subsection 1 of this section, the Town may, by an agreement made under section 38 of the Act with the owner or owners of land that is to be developed, accept the provision of services in full or partial satisfaction of development charges otherwise payable by such owner or owners, provided that:
- (a) If the Town and such owner or owners cannot agree as to the reasonable cost of providing the services, the dispute shall be referred to the Council of the Town and its decision shall be final and binding; and,
  - (b) If the reasonable cost of providing the services exceeds the amount of the development charge for the service to which the work relates:
    - (i) the excess amount shall not be credited against the development charge for any other service, unless the Town has so agreed in an agreement made under section 39 of the Act; and,
    - (ii) in no event shall the Town be required to make a cash payment to such owner or owners.
- (3) Nothing in this by-law shall prevent the Council of the Town from requiring, as a condition of any approval under the *Planning Act*, that the owner or owners of land install such local services as the Council of the Town may require in accordance with the policies of the Town with respect to local services.
- (4) The Town may require the owner or owners of land that is to be developed to enter into an agreement, including the provision of security for the obligations of such owner or owners under the agreement, pursuant to section 27 of the Act providing for all or part of a development charge to be paid before or after it otherwise would be payable, and the terms of such agreement shall prevail over the provisions of this by-law.

Unpaid Development Charges

14. (1) If a development charge or any part thereof remains unpaid after it is payable, the amount unpaid shall be added to the tax roll and shall be collected in the same manner as taxes.

- (2) If any unpaid development charges are collected as taxes in accordance with subsection 1 of this section, the monies so collected shall be credited to the appropriate development charges reserve fund.

**Phasing In**

15. (1) Subject to subsection 2 of this section, the development charges imposed pursuant to this by-law shall be payable in full, subject to any exemptions provided for in this by-law, from and including July 8, 2006.
- (2) Subject to subsection 3 of this section, the development charges described in Schedule A to this by-law shall, subject to the indexing and any exemptions provided for in this by-law, be payable in full with respect to non-retail non-residential development from and including July 8, 2010.
- (3) Subject to subsection 4 of this section, with respect to non-retail non-residential development, development charges calculated at the rate of \$30.83 per square metre upon the total floor area included in such development shall, subject to the indexing and any exemptions provided for in this by-law, be imposed and payable in full from and including July 8, 2009 to and including July 7, 2011.
- (4) With respect to any non-retail non-residential development for which a complete building permit application or a complete site plan application has been or is submitted to the Town on or before August 31, 2009, development charges shall, subject to the indexing and any exemptions provided for in this by-law, be calculated at the rate of \$28.00 per square metre upon the total floor area included in such development, provided that a building permit for such development is issued on or before January 31, 2010.

**Effective Date**

16. This by-law shall come into force and effect on 7 July 2009.

**Repeal**

17. By-law No. 2004-118, as amended, shall be and is hereby repealed effective on the date that this by-law comes into force and effect.

**Expiry Date**

18. This by-law shall expire five years from the date that it comes into force and effect, unless it is repealed at an earlier date by a subsequent by-law.

**Registration**

19. A certified copy of this by-law may be registered in the by-law register in the Peel Land Registry Office and/or against the title to any land to which this by-law applies.

**Severability**

20. In the event that any provision of this by-law is found by a court of competent jurisdiction to be invalid, such provision shall be deemed to be severed, and the remaining provisions of this by-law shall remain in full force and effect.

**Headings**

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


**Schedules**


22. Schedules A and B attached to this by-law shall be deemed to be a part of this by-law.

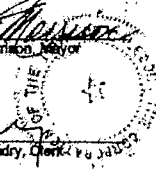
Short Title

23. This by-law may be referred to as the *2009 Town Wide Development Charges By-law*.

READ THREE TIMES AND  
FINALLY PASSED IN OPEN  
COUNCIL, this 7<sup>th</sup> DAY of  
JULY, 2009

  
Marilyn Morrison, Mayor

  
Karen Lindsay, Clerk



## SCHEDULE A

## BY-LAW 2008-090

## SCHEDULE OF DEVELOPMENT CHARGES

Type of Development	Development Charge
<b>Residential</b>	<b>Development Charge per Dwelling Unit</b>
1.1 Single detached, semi-detached and duplex dwellings	\$18,691.00
1.2 Apartments larger than 70 s. m.	\$12,461.00
1.3 Apartment 70 s.m. and smaller	\$7,314.00
1.4 Other residential dwellings	\$14,627.00
<b>Non-residential</b>	<b>Development Charge per square metre of total floor area</b>
	\$48.71

**SCHEDULE B  
BY-LAW 2009-080**

**DEVELOPMENT CHARGE DISCOUNT APPLICABLE TO QUALIFYING  
COMMERCIAL AND INDUSTRIAL BUILDINGS**

GREEN MEASURE	INCLUSIONS	DISCOUNT AS A PERCENTAGE OF NON-RESIDENTIAL DEVELOPMENT CHARGE
Green Technologies	Solar hot water system	5% for any inclusion or any combination of inclusions
	Transpired solar collectors	
	Solar photovoltaic systems	
	Permeable pavement	
	Storm water cistern	
LEED Certified	Certified and registered with the Green Building Council of Canada as meeting the applicable LEED Canada 1.0 Rating System (or its successor)	20%
LEED Silver		22.5%
LEED Gold		25%
LEED Platinum		27.5%

**APPENDIX B**  
**THE PROPOSED AMENDMENT TO BY-LAW 2009-090**

**THE CORPORATION OF THE TOWN OF CALEDON**

**BY-LAW NO. 2011-xxx**

A by-law to impose and provide for certain exemptions and discounts in regard to the payment of development charges

WHEREAS the *Development Charges Act, 1997* provides that the council of a municipality may by by-law impose development charges and may provide exemptions in respect of the payment of these development charges

AND WHEREAS the Council of The Corporation of the Town of Caledon considers it in the public interest to provide exemptions in respect of the payment of development charges on lands used for certain purposes

AND WHEREAS at the direction of the Council, Watson & Associates Economists Ltd. has prepared a development charge background study entitled *Re A Proposed Amendment to Development Charge By-law 2009-090 regarding (Partial) Exemptions or Discounts for Certain Forms of Non-retail, Non-residential Development*

AND WHEREAS notice of a public meeting was given during the week of 11 May 2011 as required by the *Development Charges Act, 1997* and in accordance with Ontario Regulation 82/98

AND WHEREAS the Council made the background study entitled *Re A Proposed Amendment to Development Charge By-law 2009-090 regarding (Partial) Exemptions or Discounts for Certain Forms of Non-retail, Non-residential Development*, including a proposed by-law available to the public as of 16 May 2011 as required by the *Development Charges Act, 1997*

AND WHEREAS the Council held a public information meeting on 1 June 2011 at which all persons in attendance were provided with an opportunity to make representations relating to the proposed by-law as required by the *Development Charges Act, 1997*

AND WHEREAS, by resolution passed on \_\_\_\_\_, the Council of The Corporation of the Town of Caledon.....

NOW THEREFORE the Council of The Corporation of the Town of Caledon ENACTS AS FOLLOWS:

1. That section 1 be amended by the addition of the following definitions:  
  
"hotel" means premises in which temporary overnight lodging or sleeping accommodations are provided to the traveling public, containing more than 29 guest rooms, and which may include accessory services such as restaurants, meeting facilities, recreation facilities, convention facilities, banquet facilities and accommodation for staff

"lodge" means premises that cater to the traveling public by providing temporary overnight accommodation with more than 29 guest rooms or cabins, and which may include accessory services such as restaurants, meeting facilities, recreation facilities, convention facilities, banquet facilities and accommodation for staff

"motel" means premises which provide temporary overnight accommodation to the traveling public, containing more than 29 guest rooms, with some of the rooms being accessed from the outside and which may include accessory services such as restaurant, meeting facilities, convention facilities, recreation facilities, banquet facilities and accommodation for staff

2. That the definition of "green commercial or industrial building" in section 1 be amended by the deletion of the phrase

"(v) all of the employee and visitor parking spaces that are accessory to such building are constructed with permeable pavement; or,"

and the substitution therefor of the following phrase,

"(v) the first seven millimeters of run-off from the developed area of the site (including the building, parking lot and landscaped areas) is filtered or infiltrated using innovative stormwater management practices as defined in the most current *Low Impact Development Stormwater Management Planning and Design Guide* prepared by the Credit Valley Conservation Authority and the Toronto and Region Conservation Authority, or"

3. That section 9 be amended by the changes set out in the following chart:

Subsection number	Deletion	Substitution
9 (b)	9 (b) (iii)	9 (b) (ii)
9 (b) (iii)	paragraph (ii)	paragraph (i)
9 (c)	paragraph (iii)	paragraph (ii)
9 (c)	two (2)	three (3)
9 (c)	subsection (a)	subsection (b)
9 (d)	two (2)	three (3)
9 (d) (iv)	paragraph (ii)	paragraph (i)
9 (d) (v)	two (2)	three (3)
9 (d) (v)	paragraph (ii)	paragraph (i)
9 (d) (v)	paragraph (iii)	paragraph (ii)
9 (d) (v)	subsection (a)	subsection (b)
9 (e)	subsection (a)	subsection (b)
9 (e)	paragraph (ii)	paragraph (i)

4. That section 11 be deleted and the following section substituted therefor.

"11. (1) Notwithstanding any other provision of this by-law, development charges shall not apply to

- (a) a country inn,
- (b) a bed & breakfast establishment in accordance with subsection 11 (2)
- (c) a building or structure used for the purpose of agricultural tourism,
- (d) a farm based home industry,
- (e) a farm cidery,
- (f) a farm winery,
- (g) a garden suite,
- (h) a non-residential agricultural building or structure,
- (i) an outbuilding,
- (j) a rehabilitation building,
- (k) a secondary use farm building or structure, and
- (l) hotel, lodge, motel in accordance with subsection 11 (3)

provided that a development charge, calculated in accordance with this by-law, shall be immediately payable if the country inn, the building or structure used for the purpose of agricultural tourism, the farm based home industry, the farm cidery or winery, the garden suite, the non-residential agricultural building or structure, the outbuilding or the rehabilitation building is converted to a use that is not exempt under this by-law.

(2) In the event that the construction of a single detached dwelling for use as a bed & breakfast establishment results in the imposition of, and payment of, development charges in accordance with this by-law, the Town may provide a refund of the Town development charges as imposed and paid where there is compliance with the following conditions.

- (a) A full refund may be provided where the dwelling has been actively and continuously used for the purpose of a bed & breakfast establishment for a period of ten years from the date of the payment of the development charges.
- (b) An application for the refund shall be made by the owner of the dwelling containing the bed & breakfast establishment on or before 31 March annually for a maximum period of ten years, commencing in the first calendar year after the date of the payment of the development charges.
- (c) The refund is payable to the owner of the dwelling containing the bed & breakfast establishment at the time that the refund is calculated.

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- (d) Upon application for the refund, the Town may review the application to determine whether the application meets the conditions of this by-law, and may
- i. refund to the owner of the dwelling  $1/10^{\text{th}}$  of the amount of the paid development charges if the dwelling has been actively and continuously used throughout the previous year as a bed & breakfast, or
  - ii. refund to the owner of the dwelling a proportionate share of the  $1/10^{\text{th}}$  of the amount of the paid development charges, calculated on a monthly basis, if the dwelling has not been actively and continuously used throughout the previous year as a bed & breakfast, and
  - iii. retain the balance, if any, of the paid development charges for each year during which the dwelling was not yet been used as a bed & breakfast establishment.
- (e) The applicant for the refund, and the owner of the dwelling, if the owner is a different entity or person than the applicant, shall, at the time of the application for the refund, grant permission in writing to the Town, its agents, employees and inspectors to enter the dwelling at any time during the ten years, upon reasonable notice, to determine whether the dwelling is used for the purpose of a bed & breakfast establishment.
- (f) The current owner of the dwelling shall advise any purchaser of the dwelling of the refund available pursuant to the provisions of this by-law.
- (g) The owner of the dwelling who is making the application for the refund shall provide all information requested by the Town to verify that the owner is entitled to a refund pursuant to the provisions of this by-law.
- (h) In making the application, the owner of the dwelling shall complete the form prepared for the purpose by the Town.
- (i) No interest or indexing is payable in respect of the refund of the Town paid development charges.
- (j) The entire application for a refund, including any future applications available in the remaining ten year period, shall be deemed to be abandoned in any or all of the following circumstances in any year that

- i. the owner of the dwelling containing the bed & breakfast establishment fails to make an application for the refund within the time required by this by-law,
  - ii. the Town makes a payment to the owner of the dwelling containing the bed & breakfast establishment in accordance with section 11 (2) (d) ii and the use of the dwelling as a bed and breakfast ceased in the previous year, or
  - iii. the operator of the bed & breakfast establishment has declared bankruptcy.
- (k) The seasonal operation of a dwelling as a bed & breakfast establishment, where the establishment does not operate for a maximum of 5 months during the year, shall not be deemed to be an abandonment or cessation of the use of the dwelling as a bed & breakfast establishment for the purpose of section 11(2) (j).
- (3) A hotel, lodge or motel eligible for an exemption from the payment of development charges pursuant to this by-law shall not be eligible for any grants under the Bolton Community Improvement Plan in respect of the same development.
- (4) Notwithstanding any other provision of this by-law, the Council of the Town may, by resolution, waive the payment of development charges in whole or in part with respect to land to be developed for an institutional use."
5. That section 15 be amended by
- (1) the deletion of "subsection 4" in subsection 15 (3) and the substitution of "subsection 5" therefor,
  - (2) the renumbering of subsection "15 (4)" as subsection "15 (5)" and the addition of the following subsection:
 

"15 (4) Subject to subsection 5 of this section with respect to non-retail non-residential development, development charges calculated at the rate of \$46.13 per square metre upon the total floor area included in such development shall be imposed and be payable in full from and including July 8, 2011 to July 7, 2013, subject to

    - (a) the indexing,
    - (b) any exemptions provided for in this by-law, and
    - (c) the industrial discount set out in section 9 and in Schedule B attached to, and forming part of this By-law."

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6. That Schedule B entitled *By-law 2009-090, Development Charge Discount Applicable to Qualifying Commercial and industrial Buildings* attached to By-law 2009-090 and forming part of that By-law be deleted and Schedule A entitled *By-law 2011-xxx Development Charge Discount Applicable to Qualifying Commercial and industrial Buildings* attached to this by-law be substituted therefor.
7. This by-law may be referred to as the "2011 Amending Development Charges By-law".

**READ A FIRST, SECOND AND  
THIRD TIME, AND PASSED  
IN OPEN COUNCIL  
THIS \_\_\_ DAY OF JUNE, 2011.**

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Marolyn Morrison, Mayor

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Karen Landry, Clerk

**Schedule A  
BY-LAW 2011-XXX  
Development Charge Discount Applicable to Qualifying Commercial and Industrial Buildings**

Green Measure	Current Commercial & Industrial Discount *	Additional Industrial Incentive† (July 1, 2011 to July 7, 2013)	Total Commercial Discount* (no change)	Total Industrial Discount (July 1, 2011 to July 7, 2013)	Inclusions
Green Measures					Solar hot water system that provides for min. 25% of the building's energy needs Thermostated solar collectors that provides for a min. 10% of the building energy needs Solar photovoltaic system that provides for 5% of the building's energy needs Innovative stormwater management practices (as listed in the most current <i>Low Impact Development Stormwater Management Planning and Design Guide</i> prepared by the Credit Valley Conservation Authority and the Toronto and Region Conservation Authority) where the first 7 millimetres of run off from the developed areas of the site including the building, parking lot and landscape area is filtered or infiltrated Storm water cistern that provides for 100% of irrigation needs
Green Technologies	5% for any inclusion or any combination of inclusions	5% for any inclusion or any combination of inclusions	5% for any inclusion or any combination of inclusions	10% for any inclusion or any combination of inclusions	
LEED Certified	20%	10%	20.00%	30.00%	Certified and registered with the Canada Green Building Council as meeting the current and applicable LEED Canada Rating Systems such as new construction, commercial interiors, core and shell.
LEED Silver	22.50%	12.50%	22.50%	35.00%	
LEED Gold	25.00%	15%	25.00%	40.00%	
LEED Platinum	27.50%	17%	27.50%	44.50%	

\* Discount as a % of Non-Residential Development Charge

