

Addendum to:

**Town of Ajax
2018 Development Charges
Background Study**

June 20, 2018



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 **Planning for growth**

Summary of Revisions made to the May 7, 2018 Development Charges Background Study

1. Background

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

- May 7, 2018 – Release of the D.C. Background Study;
- May 22, 2018 – Public Meeting; and
- July 9, 2018 – Anticipated passage of D.C. by-law

The purpose of the addendum to the May 7, 2018 D.C. Background Study is to provide for minor revisions to the calculation of the charges arising from changes to the capital program for Transportation Services and Library Services, the introduction of a proposed by-law rule for the deferral of D.C. payments by qualifying housing service developments, and other minor housekeeping matters. The refinements are detailed in the subsequent sections of this report, and will form part of the D.C. Background Study for Council's consideration and approval prior to adoption of the D.C. By-Law.

2. Discussion

Subsequent to the issuance of the May 7, 2018 D.C. Background Study, and statutory public meeting on May 22, 2018, further review and feedback by Town staff and Council identified revisions to the D.C. Background Study, and draft D.C. by-law. These refinements include:

- Textual revisions to Transportation Services project T09;
- Removal of Transportation Services project T44;
- Inclusion of approved Ontario Municipal Commuter Cycling Program (OMCC) grant funding for Transportation Services projects T46, T47 and T52;
- Correction to Dec 31, 2017 D.C. reserve fund balance for Library Services;
- Inclusion of a D.C. deferral policy for qualifying housing service developments; and

- Miscellaneous housekeeping matters.

The following subsections summarize the necessary changes.

2.1 Transportation Services

2.1.1 Lake Ridge Road Reconstruction

Project T09 for the reconstruction of Lake Ridge Road from Bayly Street to Kingston Road, the road segment was incorrectly identified. The project has been updated to reflect correct road segment from Bayly Street to Ontoro Blvd.

2.1.2 Ravenscroft Multi-Use Trail (MUT)

Project T44, Ravenscroft MUT from Paulynn Park to Taunton, has been removed from the Transportation Services capital program as this project will be constructed by a private landowner under conditions of an agreement made with the Town under Section 37 of the *Planning Act*.

Project numbering within the Transportation Services capital program has been revised to reflect the removal of this project.

2.1.3 OMCC Grant Funding

The Town has received grant funding under OMCC in the amount of \$387,849 to be applied to the following Transportation Services projects:

- T46 – Taunton Road Multi-Use Trail (Audley Road to Lake Ridge Road);
- T47 – Westney Road Multi-Use Trail (Kingston Road to Delaney Drive); and
- T52 – Bayly Street Multi-Use Trail (Harwood to Salem Road).

s.6(2) of O.Reg. 82/98 requires that the estimated capital costs shall be reduced by the amount of any grant, subsidy or other contribution made in respect of the capital costs in the same proportion as the increase in the need for service was reduced to reflect the benefit to existing development. As such, the D.C. eligible costs of the above noted projects have been reduced by the growth related share of the OMCC grant.

This revision lowers the D.C. recoverable costs for Transportation Services by approximately \$349,000.

2.1.4 Transportation Services Summary

The combined impact of the revisions identified in subsections 2.1.2 and 2.1.3 decrease the D.C. recoverable costs for Transportation Services by approximately \$821,000. To quantify the impact of these revisions, the Transportations Services D.C. for single detached residential dwelling units decreases from \$16,511 to \$16,402 (\$109 decrease).

2.2 Library Services D.C. Reserve Fund Balances

Presented in Table 4-2 of the May 7, 2018 D.C. Background Study are the D.C. reserve fund balances as at December 31, 2017. The reserve fund balance for Library Services was understated by approximately \$47,000. Making this revision to increase the reserve fund balance has the effect of decreasing the D.C. recoverable costs required to be collected over the 10-year forecast period. This revision produces a minor reduction in the charge, as a corresponding reduction to the post-period benefit deduction for the ARC Facility serves to offset most of the adjustment.

2.3 D.C. Deferral Policy for Housing Services

Section 27 of the D.C.A. allows a municipality to enter into an agreement with a person who is required to pay a development charge, providing for all or any part of a development charge to be paid before or after it would otherwise be payable. To guide Council and potential applicants as to the situations in which the D.C. deferral may be considered, some municipalities seek to develop a policy defining the criteria that must be met. The definition of eligibility criteria may take place within the D.C. by-law or through in the development of a separate D.C. deferral policy.

Subsequent to the May 22, 2018 D.C. public meeting, Council passed a resolution directing staff to include the following in the Town of Ajax 2018 D.C By-law:

- “A definition of ‘housing services’ (similar to how it has been defined under the Region of Durham’s Development Charges By-law); and
- Provisions allowing for the deferral of payment for up to 18 months for a housing services use subject to, at minimum, entering into an agreement with the Town of Ajax and the Region of Durham under section 27 of the Development Charges Act.”

The following sections are recommended to be added to the draft D.C. by-law in response to this Council resolution:

Definitions

- (r) “housing services use” / “housing services” means social housing which is rental housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham and Affordable Housing which are rental units provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program;

9. Timing and Calculation of Payment

- (4) Notwithstanding any of the foregoing, for lands, buildings and structures developed for a housing services use, the Town of Ajax may defer the timing of payment of development charges from building permit issuance to a period of time not to exceed 18 months from the date of first building permit issuance, to be at the discretion of the Director of Finance, if the owner enters into an agreement with the Town of Ajax and Region of Durham under section 27 of the Act, respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands.

2.4 Impacts on the Calculated Development Charge

The refinements presented in sections 2.1 and 2.2 have impacts on the calculated D.C.s. Table 2-1 compares the calculated charges within the May 7, 2018 D.C. Background Study and the amended D.C. rates contained herein. The comparison is provided for a single detached residential dwelling unit, and per square foot of non-residential gross floor area.

In total the charge per single detached residential dwelling unit decreases by \$111, from a total of \$25,089 to \$24,978. The charge per square foot of non-residential gross floor area decreases by \$0.04, from \$6.47 to \$6.43.

**Table 2-1
Comparison of Calculated D.C.s
Residential (Single Detached) Comparison**

Service	May 7, 2018	Addendum
Municipal Wide Services:		
Transportation Services	16,511	16,402
Fire Services	474	474
Parks and Recreation Services	6,413	6,413
Library Services	1,302	1,300
Administration Services	389	389
Total Municipal Wide Services	25,089	24,978

Non-Residential (per ft².) Comparison

Service	May 7, 2018	Addendum
Municipal Wide Services:		
Transportation Services	6.05	6.01
Fire Services	0.16	0.16
Parks and Recreation Services	0.11	0.11
Library Services	0.02	0.02
Administration Services	0.13	0.13
Total Municipal Wide Services	6.47	6.43

3. Changes to the Background Report

Based on the foregoing, the following revisions are made to the pages within the May 7, 2018 Background Study. Accordingly, the revised pages are appended to this report:

- Page 1-3 – Revised to reflect this addendum;
- Page 4-8, 5-3, and 5-7 – Reissued to reflect changes described in section 2-2;
- Pages 5-10, 5-12, and 5-13 – Reissued to reflect changes described in section 2-1;
- Pages 6-1 to 6-3 – Updated tables updated to reflect newly calculated D.C.s.;
- Page 7-7 – Revised to reflect policy changes detailed in section 2.3;
- Page 7-8 – Reissued to reflect this addendum;
- Pages 8-4 and C-3 – Updated reflective of impacts of changes in section 2.1 and 2.2;
- Page 9-6 – Updated page numbering
- Appendix F – Revised draft D.C. By-Law

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

The revisions provided herein form the basis for the D.C. By-Law and will be incorporated into the D.C. Background Study to be provided to Council and the general public prior to Council's consideration and adoption of the proposed D.C. By-Law on July 9, 2018.

If Council is satisfied with the above noted changes to the D.C. Background Study and D.C. By-Law, then prior to By-Law passage Council must:

- Approve the D.C. Background Study, as amended;
- Determine that no further public meetings are required on the matter; and
- Adopt the new D.C. By-Law.

Appendix A - Amended Pages

**Figure 1-1
Schedule of Key D.C. Process Dates**

Process Steps	Dates
1. Project initiation meetings with Town Steering Committee	July, 2017
2. Data collection, staff interviews, methodology review, preparation of D.C. calculations	August – December, 2017
3. Stakeholder Consultation Session #1	December 5, 2017
4. Preparation of draft D.C. Background Study and review of draft findings with Town of Ajax Management Committee	March 21, 2018
5. Stakeholder Consultation Session #2	April 6, 2018
6. D.C. Background Study and proposed D.C. by-law available to public (60 days prior to by-law passage)	May 7, 2018
7. Statutory notice of Public Meeting advertisement placed in newspaper(s)	April 25, 2018
8. Public Meeting of Council	May 22, 2018
9. Addendum to May 7, 2018 D.C. Background Study	June 20, 2018
10. Council considers adoption of D.C. Background Study and passage of by-law	July 9, 2018
11. D.C. By-Law in force date	July 16, 2018
12. Newspaper notice given of by-law passage	By 20 days after passage
13. Last day for by-law appeal	40 days after passage
14. Town makes available D.C. pamphlet	by 60 days after in force date

4.6 Existing Reserve Funds

Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 of subsection 5(1).”

There is no explicit requirement under the D.C.A. calculation method set out in s.s.5(1) to net the outstanding reserve fund balance as part of making the D.C. calculation; however, s.35 does restrict the way in which the funds are used in future.

The Town's adjusted D.C. reserve fund balances, by service, as at December 31, 2017 are presented in Table 4-2. 2017 year-end reserve fund balances have been adjusted to account for completed D.C. eligible projects not funded from the D.C. reserve funds (e.g. Audley Recreation Centre Phase 1 debt payments), 2013-2017 unfunded D.C. exemptions, and 2018 D.C. eligible projects budgeted to be funded from the Town's D.C. reserve funds. These balances have been applied against future spending requirements for all services.

Table 4-2
Town of Ajax
Adjusted 2017 Year-End D.C. Reserve Funds Balances
(December 31, 2017)

Service	Totals
Transportation Services	(\$3,632,667)
Fire Services	(\$1,123,211)
Parks and Recreation Services	\$11,828,537
Library Services	\$2,075,597
Administration Services	(\$63,631)
Total	\$9,084,624

4.7 Deductions

The D.C.A., 1997 potentially requires that five deductions be made to the increase in the need for service. These relate to:

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development;
- anticipated grants, subsidies and other contributions; and
- a 10% reduction for certain services.

forecast period, the per capita level of service produces a maximum D.C. eligible amount for Library Services of \$4.5 million.

The gross capital costs for Library Services included in the D.C. calculation for the 10-year forecast period total \$14.3 million. The capital cost estimates include a new library at the Audley Recreation Centre (Phase 2) and the associated collection materials, as well as the net present value of the remaining principal and interest debt payments for the Main Library Branch. A total deduction of \$6.3 million in capital costs has been provided reflecting the benefits to development beyond the 10-year forecast period. Recognizing the overall service level benefits to existing developments, as contained in the Town's 2013 D.C. Background Study, a total of \$1.3 million has been deducted from the growth-related capital costs benefiting development over the 10-year forecast period. Furthermore, deductions of \$0.6 million for the required 10% statutory deduction have been applied. After deducting the current Library Services reserve fund balance of \$2.1 million from the net growth related costs, the potential D.C. recoverable costs included in the calculation of the charge total \$3.9 million.

Similar to Parks and Recreation Services, the predominant users of library services tend to be residents of the Town, and as such the forecast growth-related costs have been allocated 95% to residential development and 5% to non-residential development.

5.1.4 Administration Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Town's capital works program and the D.C. Background Study. The Town has made provision for the inclusion of new studies undertaken to facilitate future D.C. processes, as well as other studies which benefit future growth. These studies include a Transportation Master Plan, master plans/servicing studies for other services, planning and intensification studies, and the growth-related costs of asset management.

The gross capital cost estimates for these studies total \$3.2 million over the 10-year forecast period. Approximately \$906,000 has been deducted for the benefit to existing development, and \$137,000 has been deducted for the 10% statutory deduction. The current Administration Studies D.C. reserve fund is in a deficit position totalling \$64,000. Including the funding of this deficit, the net growth-related capital costs included in the calculation of the charge totals approximately \$2.2 million.

These costs have been allocated 50% to residential development, and 50% to non-residential development based on the incremental growth in population to employment for the 10-year forecast period.

Infrastructure Costs Covered in the D.C. Calculation – Library Services

Prj.No	Increased Service Needs Attributable to Anticipated Development 2018-2027	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Net Capital Cost	Less:		Subtotal	Less:	Potential DC Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share 95%	Non-Residential Share 5%
	Facilities											
L01	ARC Facility (15,640 sq.ft.)	2018	12,809,000	6,339,076	6,469,924	1,280,900		5,189,024	518,902	4,670,121	4,436,615	233,506
L02	Main Library Branch (Net Present Value of Principal Payments)	2018-2019	352,000	-	352,000	-		352,000		352,000	334,400	17,600
L03	Main Library Branch (Net Present Value of Interest Payments)	2018-2019	27,000	-	27,000	-		27,000		27,000	25,650	1,350
	Materials											
L04	Library Materials for ARC - 35,000 items	2018-2019	893,000	-	893,000	44,650		848,350	84,835	763,515	725,339	38,176
L05	Library Materials for ARC - 5,000 items	2021	179,000	-	179,000	8,950		170,050	17,005	153,045	145,393	7,652
	Reserve Fund Adjustment							(2,075,597)		(2,075,597)	(1,971,817)	(103,780)
	Total		14,260,000	6,339,076	7,920,924	1,334,500	-	4,510,827	620,742	3,890,085	3,695,581	194,504

The gross capital estimates for the anticipated Transportation Services capital needs totals \$157.2 million. Approximately \$15.3 million in capital costs have been deducted as a post-period benefit reflecting the anticipated increase in needs for future development beyond the forecast period to 2031. Moreover, although identified as a potential post-2031 need, a structure over Highway 401 at Audley Road has not been included due to potentially prohibitive nature of the costs.

Maintaining the same approach used in the Town's 2013 D.C. Background Study and recognizing the benefit to existing development, \$15.0 million has been deducted from the growth-related capital costs attributable to development over the forecast period. Moreover, \$6.4 million has been deducted for the growth-related share of anticipated grants, subsidies and other anticipated contributions (e.g. developer contributions) to support the Transportation Services capital costs. The Transportation Services D.C. reserve fund is currently in a deficit position totalling \$3.6 million. With the inclusion of the current reserve fund deficit, \$124.1 million in capital costs have been included in the D.C. calculation for Transportation Services.

The net growth-related costs for Transportation Services have been allocated between future residential and non-residential development on the basis of incremental population to employment growth over the forecast period (i.e. 46% residential, 54% non-residential).

Infrastructure Costs Covered in the D.C. Calculation – Transportation Services (Cont'd)

Prj .No	Increased Service Needs Attributable to Anticipated Development	From:	To:	Description	Length (km)	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
											Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2031												46%	54%	
T44	Salem Road Multi-Use Trail	CPR Bridge	Taunton Road	MUT	1.27	2023-2027	665,000	-	-	665,000	66,500	-	598,500	275,310	323,190
T45	Salem Road Multi-Use Trail	Achilles Road	Chambers Drive	MUT	0.78	2023-2027	408,000	-	-	408,000	40,800	-	367,200	168,912	198,288
T46	Taunton Road Multi-Use Trail	Audley Road	Lake Ridge Road	MUT	0.83	2023-2027	432,000	-	-	432,000	43,200	90,081	298,719	137,411	161,308
T47	Westney Road Multi-use Trail	Kingston Road	Delaney Drive	MUT	1.02	2023-2027	534,000	-	-	534,000	53,400	111,350	369,250	169,855	199,395
T48	Westney Road Multi-use Trail	Delaney Drive	North of Delaney Drive	MUT	0.20	2023-2027	105,000	-	-	105,000	10,500	-	94,500	43,470	51,030
T49	Westney Road Multi-use Trail	401 WB Off-Ramp	Bayly Street	MUT	1.27	2023-2027	665,000	-	-	665,000	66,500	-	598,500	275,310	323,190
T50	Salem Road - Multi-use Trail	Kerrison	Rossland Road	MUT	1.30	2023-2027	681,000	-	-	681,000	68,100	-	612,900	281,934	330,966
T51	Chambers Drive Multi-Use Trail	Salem Road	Current terminus of Chambers	MUT	0.68	2028-2031	353,000	-	-	353,000	35,300	-	317,700	146,142	171,558
T52	Bayly Street Multi-Use Trail	Harwood	Salem Road	MUT	1.10	2028-2031	708,000	-	-	708,000	70,800	147,632	489,568	225,201	264,367
T53	Salem Road Multi-Use Trail	Chambers Drive	Kingston Road	MUT	0.45	2028-2031	236,000	-	-	236,000	23,600	-	212,400	97,704	114,696
T54	Westney Road Multi-Use Trail	Bayly Street	Clements Road	MUT	0.91	2031+	476,000	476,000	-	-	-	-	-	-	-
T55	Westney Road Multi-use Trail	Clements Road	Harwood	MUT	1.74	2031+	911,000	911,000	-	-	-	-	-	-	-
	Active Transportation Network (Off Road Trails)														
T56	Porte Road Trail - (Design 2017, Construction 2018)	Achilles Road	Bayly	Off-Road Trail	0.70	2018	256,000	-	-	256,000	19,200	-	236,800	108,928	127,872
T57	Carruthers Trail	Greenhall	Marjoram	Off-Road Trail	0.55	2019	576,000	-	-	576,000	43,200	-	532,800	245,088	287,712
T58	Lion's Clubhouse Trail Connection			Off-Road Trail	0.05	2019	52,000	-	-	52,000	3,900	-	48,100	22,126	25,974
T59	Duffins Trail (HEPC)	Church Street	Paulynn Park	Off-Road Trail	1.30	2020	1,361,000	-	-	1,361,000	102,075	301,354	957,571	440,483	517,088
T60	Duffins Trail (HEPC)	Paulynn Park	Ravenscroft	Off-Road Trail	0.16	2020	84,000	-	-	84,000	6,300	-	77,700	35,742	41,958
T61	Carruthers Trail	Bayly Street	Achilles	Off-Road Trail	1.20	2021	1,258,000	-	-	1,258,000	94,350	-	1,163,650	535,279	628,371
T62	Church Street Trail	Ajax/Pickering Boundary	Taunton Road	Off-Road Trail	2.10	2021	1,100,000	-	-	1,100,000	82,500	-	1,017,500	468,050	549,450
T63	Carruthers Trail	Mayor Crescent	Shoal Point Road	Off-Road Trail	0.38	2022	199,000	-	-	199,000	14,925	-	184,075	84,675	99,401
T64	Hydro Corridor Trail	Audley Road	Lake Ridge Road	Off-Road Trail	0.91	2031 +	954,000	954,000	-	-	-	-	-	-	-
T65	Hydro Corridor Trail		Ravenscroft	Off-Road Trail	1.46	2031 +	1,530,000	1,530,000	-	-	-	-	-	-	-
T66	Hydro Corridor Trail	Sideline 4 / Concession 5	Audley Road	Off-Road Trail	0.81	2031 +	849,000	849,000	-	-	-	-	-	-	-
T67	Rail Trail	Carruthers Trail	Audley Road	Off-Road Trail	0.74	2031 +	776,000	776,000	-	-	-	-	-	-	-
T68	Rail Trail	Church Street	Taunton Road	Off-Road Trail	2.63	2031 +	2,756,000	2,756,000	-	-	-	-	-	-	-
T69	Rail Trail	Hearson Street	Carruthers Trail	Off-Road Trail	0.74	2031 +	776,000	776,000	-	-	-	-	-	-	-
T70	Rail Trail	Taunton Road	Williamson	Off-Road Trail	0.94	2031 +	985,000	985,000	-	-	-	-	-	-	-
	Bike Lanes, Cycle Tracks, and Paved Shoulders														
T71	Audley Road S bike lanes	Bayly Street	Ashbury	BIKE LANES	2.15	2020	34,000	-	-	34,000	2,550	-	31,450	14,467	16,983
T72	Mills Road	Station Street	Hunt	BIKE LANES	0.71	2021	11,000	-	-	11,000	825	-	10,175	4,681	5,495
T73	Harwood Avenue (West Side)	Bayly Street	Falby Court	BIKE LANES	0.46	2021	4,000	-	-	4,000	300	-	3,700	1,702	1,998
T74	Harwood Avenue (East Side)	Bayly Street	Falby Court	CYCLE TRACK	0.46	2021	368,000	-	-	368,000	27,600	-	340,400	156,584	183,816
T75	Lloyd Minster Avenue	Rossland Road	Fomosa Ave	BIKE LANES	0.26	2021	4,000	-	-	4,000	300	-	3,700	1,702	1,998
T76	Fomosa Avenue	Lloyd Minster Ave	Turnerberry Ave	BIKE LANES	0.35	2021	6,000	-	-	6,000	450	-	5,550	2,553	2,997
T77	Turnerberry Avenue	Fomosa Ave	Kerrison Drive	BIKE LANES	1.02	2021	16,000	-	-	16,000	1,200	-	14,800	6,808	7,992
T78	Rushworth Drive	Rossland Road	Audley Road	BIKE LANES	1.06	2022	17,000	-	-	17,000	1,275	-	15,725	7,234	8,492
T79	Telford Street	Ravenscroft Road	Westney Road	BIKE LANES	0.84	2022	13,000	-	-	13,000	975	-	12,025	5,532	6,494
T80	Hurst Drive	Stannardville	Church St	BIKE LANES	0.44	2023-2027	7,000	-	-	7,000	525	-	6,475	2,979	3,497
T81	Shoal Point Road	Bayly Street	Lakeview Blvd	BIKE LANES	2.04	2023-2027	33,000	-	-	33,000	2,475	-	30,525	14,042	16,484
T82	Harwood Avenue	Falby Crt	Westney Road	BUFFERED BIKE LNS	1.11	2023-2027	429,000	-	-	429,000	32,175	-	396,825	182,540	214,286
T83	Harwood Avenue	Kingston Road	Station Street	CYCLE TRACK	1.11	2023-2027	1,774,000	-	-	1,774,000	133,050	-	1,640,950	754,837	886,113
T84	Harwood Avenue	Station Street	Bayly Street	CYCLE TRACK	0.86	2023-2027	1,375,000	-	-	1,375,000	103,125	-	1,271,875	585,063	686,813
T85	Hunt Street	Harwood	Monarch Ave	CYCLE TRACK	0.53	2023-2027	847,000	-	-	847,000	63,525	-	783,475	360,399	423,077
T86	Stannardville Drive	Bayly Street	Hurst Drive	BIKE LANES	0.62	2023-2027	10,000	-	-	10,000	750	-	9,250	4,255	4,995
T87	Woodcock Ave	Harwood Ave	Rossland Road	BIKE LANES	0.71	2023-2027	11,000	-	-	11,000	825	-	10,175	4,681	5,495
T88	Old Kingston Road	Windsor Dr	Elizabeth St	BIKE LANES	0.16	2023-2027	3,000	-	-	3,000	225	-	2,775	1,277	1,499
T89	Windsor Drive	Sherwood Rd	Old Kingston Rd	BIKE LANES	0.09	2023-2027	2,000	-	-	2,000	150	-	1,850	851	999
T90	Salem Road	Buggey Lane	Concession Road 5	PAVED SHOULDERS	1.13	2023-2027	225,000	-	-	225,000	16,875	-	208,125	95,738	112,388
T91	Lake Driveway East	Harwood	McClaman	BIKE LANES	0.67	2031 +	11,000	11,000	-	-	-	-	-	-	-
T92	Lake Driveway West	Westney Road	Harwood	BIKE LANES	3.01	2031 +	48,000	48,000	-	-	-	-	-	-	-
T93	Windsor Drive	Sherwood Rd	Old Kingston Rd	BIKE LANES	0.09	2031 +	16,000	16,000	-	-	-	-	-	-	-

Infrastructure Costs Covered in the D.C. Calculation – Transportation Services (Cont'd)

Prj .No	Increased Service Needs Attributable to Anticipated Development	From:	To:	Description	Length (km)	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
											Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2031													46%	54%
	Operations Vehicles and Equipment							-		-			-	-	-
P24	Crew Cab 4x4 Pickup (S)					2019	34,000	-		34,000	1,700		32,300	14,858	17,442
T94	Equipment Trailer					2019	15,000	-		15,000	750		14,250	6,555	7,695
P25	Front Runner (S)					2019	18,000	-		18,000	900		17,100	7,866	9,234
P27	Trades Van (S)					2020	33,000	-		33,000	1,650		31,350	14,421	16,929
T95	Single Axle Snow Plow Unit					2020	285,000	-		285,000	14,250		270,750	124,545	146,205
T96	Street Sweeper					2021	285,000	-		285,000	14,250		270,750	124,545	146,205
P28	Fleet Service Truck (S)					2022	47,000	-		47,000	2,350		44,650	20,539	24,111
T97	Single Axle Snow Plow					2025	290,000	-		290,000	14,500		275,500	126,730	148,770
	Reserve Fund Adjustment							-		-			3,632,667	1,671,027	1,961,640
							157,160,000	15,270,000	-	141,890,000	14,954,918	6,434,547	124,133,202	57,101,273	67,031,929

(s) = Shared vehicles and equipment items between Parks and Recreation and Transportation Services.

6. D.C. Calculation

Tables 6-1 and 6-2 present the D.C. calculation for the growth-related capital costs identified in Chapter 5. Table 6-1 presents the D.C. calculation for Transportation Services provided on a Town-wide basis over the 13-year period (i.e. 2018-2031). Table 6-2 presents the calculation of the D.C.s for Town-wide services over the 10-year planning horizon (i.e. 2018-2027). Table 6-3 summarizes the schedule of charges reflecting the maximum D.C.s by residential dwelling type, and per square foot of G.F.A. for non-residential development.

The D.C. calculation has been undertaken on an average cost basis, whereby the calculated charge seeks to recover the total costs from the anticipated development over the planning period. Additional financing costs related to potential shortfalls in D.C. reserve funds due to the timing of capital needs and development have not been considered. For the residential calculations, charges are calculated on a single detached unit equivalent basis and converted to four forms of dwelling unit types (single and semi-detached, apartments 2 bedrooms and larger, bachelor and 1 bedroom apartments, and other multiples). The non-residential D.C. has been calculated uniformly on a per square foot of gross floor area (G.F.A.) basis.

Tables 6-4 and 6-5 compare the Town's existing charges (as of July 1, 2018) to the charges proposed herein (Table 6-3), for a single detached residential dwelling unit and per square foot of G.F.A. area for non-residential development respectively. The calculated charges for a single detached residential dwelling unit would be \$24,978, this represents an increase of \$8,360 per unit or an increase of 50% over current rates. Similarly, the calculated charge per square foot of non-residential G.F.A. would be \$6.43, this represents an increase of \$1.28 per square foot or an increase of 25% over current rates.

**Table 6-1
Municipal-Wide Services D.C. Calculation
2018 – 2031**

SERVICE	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
1. Transportation Services	\$ 57,101,273	\$ 67,031,929	\$ 16,402	\$ 6.01
TOTAL	\$57,101,273	\$67,031,929	\$16,402	\$6.01
DC ELIGIBLE CAPITAL COST	\$57,101,273	\$67,031,929		
13 Year Gross Population / GFA Growth (ft ² .)	13,323	11,153,500		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$4,285.92	\$6.01		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.827	\$16,402		
Apartments - 2 Bedrooms +	1.841	\$7,890		
Apartments - Bachelor and 1 Bedroom	1.157	\$4,959		
Other Multiples	3.022	\$12,952		

**Table 6-2
D.C. Calculation
Municipal-Wide Services D.C. Calculation
2018 – 2027**

SERVICE	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
2. Fire Services	\$ 1,346,503	\$ 1,346,503	\$ 474	\$ 0.16
3. Parks and Recreation Services	18,228,716	959,406	6,413	0.11
4. Library Services	3,695,581	194,504	1,300	0.02
5. Administration Services	1,105,915	1,105,915	389	0.13
TOTAL	\$24,376,715	\$3,606,328	\$8,576	\$0.42
DC ELIGIBLE CAPITAL COST	\$24,376,715	\$3,606,328		
10 Year Gross Population / GFA Growth (ft ² .)	10,879	8,484,750		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$2,240.71	\$0.43		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.827	\$8,575		
Apartments - 2 Bedrooms +	1.841	\$4,125		
Apartments - Bachelor and 1 Bedroom	1.157	\$2,593		
Other Multiples	3.022	\$6,771		

**Table 6-3
Calculated Schedule of Charges**

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services:					
Transportation Services	16,402	7,890	4,959	12,952	6.01
Fire Services	474	228	143	374	0.16
Parks and Recreation Services	6,413	3,085	1,939	5,064	0.11
Library Services	1,300	625	393	1,027	0.02
Administration Services	389	187	118	307	0.13
Total Municipal Wide Services	24,978	12,015	7,552	19,724	6.43

**Table 6-4
Comparison of Current and Calculated D.C.s
For Residential Single-Detached Dwelling Units**

Residential (Single Detached) Comparison

Service	Current	Calculated
Municipal Wide Services:		
Transportation Services	9,042	16,402
Fire Services	367	474
Parks and Recreation Services	6,394	6,413
Library Services	605	1,300
Administration Services	210	389
Total Municipal Wide Services	16,618	24,978

**Table 6-5
Comparison of Current and Calculated D.C.s
For Non-Residential Development (per sq.ft. G.F.A.)**

Non-Residential (per ft².) Comparison

Service	Current	Calculated
Municipal Wide Services:		
Transportation Services	4.50	6.01
Fire Services	0.21	0.16
Parks and Recreation Services	0.32	0.11
Library Services	0.02	0.02
Administration Services	0.10	0.13
Total Municipal Wide Services	5.15	6.43

The proposed by-law includes provisions for a deferral of D.C.s up to 18 months after building permit issuance under s.27 of the D.C.A., 1997 for:

- Rental housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham; or
- Affordable Housing which are units provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program.

The Town will only consider the deferral of D.C. payment under the above policy if the owner has first entered into an agreement with the Region of Durham for the deferral of payment of Regional D.C.s.

7.2.7 Indexing

All D.C.s will be subject to mandatory indexing annually on July 1st in accordance with provisions under the D.C.A.

7.2.8 D.C. Spatial Applicability

In accordance with the D.C.A., the Town gave, consideration to the imposition of D.C.s on an area-specific basis, and is maintaining its current approach of imposing uniform Town-wide D.C.s for all services.

7.3 Other D.C. By-law Provisions

7.3.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the Town's D.C. collections be contributed into five (5) separate reserve funds, including: Transportation Services, Fire Services, Parks and Recreation Services, Library Services, and Administration Studies Services.

It is further recommended that all D.C. exemptions granted over the life of the By-law be contributed into the applicable D.C. reserve funds from non-D.C. sources.

7.3.2 By-law In-force Date

The proposed by-law under D.C.A., 1997 will come into force on July 16, 2018.

7.3.3 Minimum Interest Rate Paid on Refunds and Charged for Inter-Reserve Fund Borrowing

The minimum interest rate is the Bank of Canada rate on the day on which the by-law comes into force (as per s.11 of O.Reg. 82/98).

7.4 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the “Town of Ajax 2018 Development Charges Background Study” dated May 7, 2018, as amended, subject to further annual review during the capital budget process;”

“Approve the “Town of Ajax 2018 Development Charges Background Study” dated May 7, 2018, as amended;”

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

“Approve the Development Charges By-Law as set out in Appendix F”.

Table 8-1
Town of Ajax
Asset Management – Future Expenditures and Associated Revenues (2018\$)

	2031 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 1,996,335
Annual Debt Payment on Post Period Capital ²	\$ 3,803,619
Lifecycle:	
Annual Lifecycle - Town Wide Services	\$ 8,910,559
Incremental Operating Costs (for D.C. Services)	\$5,395,755
Total Expenditures (Net of post period benefit interim funding)	\$16,302,650
Revenue (Annualized)	
Total Existing Revenue ³	\$107,398,018
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$8,705,114
Total Revenues	\$116,103,132

¹ Non-Growth Related component of Projects including 10% mandatory deduction on soft services

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

The most effective way to ensure that purchasers are aware of this condition would be to require it as a provision in a registered subdivision agreement, so that any purchaser of the property would be aware of the charges at the time the title was searched prior to closing a transaction conveying the lands.

program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

Table C-1
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Transportation Services	5,544,831	1,645,814	7,190,645
2. Fire Services	123,636	1,604,474	1,728,110
3. Parks and Recreation Services	2,717,876	1,743,137	4,461,013
4. Library Services	524,216	402,330	926,546
5. Administration Services		-	-
Total	8,910,559	5,395,755	14,306,314

THE CORPORATION OF THE TOWN OF AJAX

BY-LAW NO. XX-2018

BEING A BY-LAW OF THE TOWN OF AJAX WITH RESPECT TO DEVELOPMENT CHARGES.

WHEREAS section 2(1) of the *Development Charges Act, 1997* (hereinafter called “the Act”) enables the Council of a municipality to pass by-laws for the imposition of development charges against land located in the municipality 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 the Council of The Corporation of the Town of Ajax has made “The Town of Ajax Development Charge Background Study,” dated May 7, 2018, prepared by Watson & Associates Economists Ltd., available to the public at least two weeks prior to the public meeting and has given Notice in accordance with section 12 of the Act of its intention to pass a by-law under section 2 thereof and has heard all persons who applied to be heard whether in objection thereto or in support thereof;

AND WHEREAS the Council in adopting the Development Charge Background Study on July 9, 2018, directed that development charges be imposed on land under development or redevelopment within the geographical limits of the municipality as hereinafter provided.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF AJAX enacts as follows:

1. In this by-law,

DEFINITIONS

- (a) “Act” means the *Development Charges Act, 1997, S.O. 1997, c. 27, as amended*;
- (b) “agricultural operations” means general farming and shall include such uses as breeding and rearing of livestock, including poultry, fowl and fur-bearing animals, the general cultivation of land and associated production, conditioning, processing and storing of field crops, fruits, vegetables and horticultural crops and the selling of such produce on the premises. For the purposes of this by-law, “agricultural operations shall exclude retail sales and commercial activities, including but not limited to restaurants, banquet facilities, hospitality and accommodation facilities, gift shops, services related to grooming, boarding, or breeding of household pets, and marijuana and alcohol processing or production facilities;
- (c) “air supported structure” means a structure consisting of a pliable membrane that achieves and maintains its shape and is supported by internal air pressure;
- (d) “apartment dwelling” means a dwelling consisting of four or more dwelling units, which units have a common entrance from street level and common halls and /or stairs, elevators and yards;
- (e) “bedroom” means any room used or designed or intended for use as sleeping quarters including but not limited to, a den, a study, a family room or other similar use;

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- (f) “commercial” means any non-residential use not defined as “industrial” in this by-law;
 - (g) “Council” means the council of the Town;
 - (h) “detached dwelling” means a dwelling containing only a dwelling unit or a dwelling unit and an accessory apartment
 - (i) “development” includes redevelopment;
 - (j) “development charge” means a charge imposed pursuant to this by-law adjusted in accordance with Section 13;
 - (k) “dwelling unit” means a room or group of rooms in a dwelling used or intended to be used as a single independent and separate housekeeping unit containing a kitchen and sanitary facilities, and has a private entrance from outside the dwelling or from a common hallway or stairway inside the dwelling. For the purpose of this by-law, a unit in a retirement residence that may be occupied by a person or persons as his or her residence shall be deemed to be a dwelling unit;
 - (l) “farm building” means a building or structure used, or designed or intended for use in connection with a bona fide agricultural operation and includes barns, silos and similar structures but excludes a building or structure used or designed or intended for use for residential or commercial uses;
 - (m) “garden suite dwelling” means a one-unit detached residential structure containing bathroom and kitchen facilities that is ancillary to an existing residential structure and is used for a limited period of time;
 - (n) “grade” means the average level of finished ground adjoining a building at all exterior walls;
 - (o) “gross floor area” means the total floor area, measured between the outside of exterior walls or pliable membrane in the case of an air supported structure, or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors, whether above or below grade;
 - (p) “hospice” means a non-residential building or the non-residential space in a mixed-use building providing not for profit palliative care to the terminally ill;
 - (q) “hospital” means land, buildings or structures used, or designed or intended for use as defined in the Public Hospitals Act, R.S.O. 1990, c. P.40, as amended;
 - (r) “housing services use” / “housing services” means social housing which is rental housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham and Affordable Housing which are rental units provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program;

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- (s) “industrial” means any building used for or in connection with,
- (i) manufacturing, producing, processing, storing or distributing something and includes a greenhouse;
 - (ii) research or development in connection with manufacturing, producing or processing something;
 - (iii) retail sales by a manufacturer, producer or processor of something manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place; and,
 - (iv) office for administrative purposes, if carried out with respect to manufacturing, processing, producing, storage or distribution and in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;
- (t) “non-residential use” means land, buildings or structures or portions thereof used, or designed or intended for a use other than a residential use;
- (u) “nursing home” means a nursing home owned by an organized body for a profit purpose where the use is carried on without profit or gain, the body is registered as a charitable organization and is licensed or approved under a special or general Act but does not include any part of a nursing home containing a dwelling unit.
- (v) “office” means a building or part thereof, intended or used for the practice of a profession, conduct of a business or public administration;
- (w) “other dwelling” means any residential dwelling which is not a detached dwelling, a semi-detached dwelling, or an apartment dwelling;
- (x) “parking structure” means any part of a building or structure used exclusively for purposes of parking motor vehicles, excluding parking spaces for display, inventory of motor vehicles for sale or lease, and parking spaces associated with the servicing of motor vehicles;
- (y) “personal service” means premises or a shop where professional or personal services are provided for gain and where the sale of retail goods, wares, merchandise, articles or things is only accessory to the provision of such services;
- (z) “place of worship” means that part of a building or structure used for worship and that is exempt from taxation as a place of worship under the Assessment Act, R.S.O. 1990, c. A.31, as amended;
- (aa) “residential care facility” means a publicly or privately funded residential facility having 6 or more beds, not greater than 37 beds, in which *persons* with physical disabilities, *persons* who are developmentally delayed, *persons* with psychiatric disabilities, and/or pensioners are provided care and lodging.
- (bb) “retirement residence” means a residential building or the residential portion of a mixed-use building which provides accommodation for persons of retirement age, where common facilities for the preparation and consumption of food are provided for the residents of the building, and where each unit or living accommodation has separate sanitary facilities,

less than full culinary facilities and a separate entrance from a common hall;

- (cc) “retirement residence dwelling unit” means a unit within a retirement residence
- (dd) “residential use” means land or buildings or structures or part thereof of any kind whatsoever used, designed or intended to be used as a residence for one or more individuals including a retirement residence but does not include a hotel or motel, a nursing home or a residential care facility;
- (ee) “retail” means a building or part thereof, not otherwise defined in this by-law, in which goods, wares, merchandise, substances, articles or things are offered or kept for sale at retail directly to the public;
- (ff) “semi-detached dwelling” means the whole of a dwelling divided vertically both above grade and below grade into two separate dwelling units;
- (gg) “Town” means The Corporation of the Town of Ajax.

2. SCHEDULE OF DEVELOPMENT CHARGES

- (1) Subject to the provisions of this by-law, development charges against land shall be calculated and collected in accordance with the base rates set out in Schedule B, which relate to the services set out in Schedule A.
- (2) The development charge with respect to the use of any land, buildings or structures shall be calculated as follows:
 - (a) in the case of residential development, or the residential portion of a mixed-use development, based upon the number and type of dwelling units, in accordance with Schedule B;
 - (b) in the case of non-residential development, or the non-residential portion and 50% of common areas of a mixed-use development, based upon the number of square feet of gross floor area of such development, in accordance with Schedule B; and
 - (c) in the case of the development of residential garden suite dwellings, the development charge shall be calculated based on the charge for residential bachelor and one-bedroom apartment dwellings, subject to changes in the regulation pursuant to the Promoting Affordable Housing Act, 2016.
 - (d) Notwithstanding 2(2)(c), the owner would be required to enter into an agreement with the Town to pay the difference between the development charges paid and the rate for single and semi detached dwelling units at the time of severance, if the property is severed within 10 years of building permit issuance for the additional dwelling unit
- (3) Council hereby determines that the development of land, buildings or structures for residential and non-residential uses have required or will require the provision, enlargement, expansion, or improvement of the services referenced in Schedule A.

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- (4) This by-law does not provide for the phasing in of the base rates in Schedule B beyond the provision that complete building permit applications received prior to July 16, 2018 and issued by August 31, 2018, will be subject to the development charge rate in effect as of July 15, 2018. A complete building permit application means that the submission meets the requirements as set out in Division C, Sentence 1.3.1.3.(5) of the *Ontario Building Code*, and notwithstanding subsection 9.(1), includes the payment of the applicable Town of Ajax development charge”

3. APPLICABLE LANDS

- (1) Subject to subsections (2), (3), (4) and (7), this by-law applies to all lands in the Town, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act*, 1990, c.A..31.
- (2) This by-law shall not apply to land that is:
- (a) owned by and used for purposes of:
 - (i) a board as defined in subsection 1(1) of the *Education Act*;
 - (ii) the Town, or any local board thereof;
 - (iii) The Regional Municipality of Durham, or any local board thereof; or
 - (b) used for the purposes of:
 - (i) the development of a farm building used for bona fide agricultural operations;
 - (ii) a place of worship; or
 - (iii) a hospital.
- (3) This by-law shall not apply to:
- (a) a temporary use permitted under a zoning by-law amendment enacted under section 39 of the *Planning Act*;
 - (b) temporary erection of a building without foundation as defined in the *Building Code Act* for a period not exceeding six (6) consecutive months and not more than six (6) months in any one calendar year on a site;
 - (c) parking structures.;
 - (d) development where, by comparison with the land at any time within five years previous to the imposition of the charge:
 - (i) no additional dwelling units are being created;
 - (ii) no additional non-residential gross floor area is being added;

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- (e) development of the type referenced in Schedule “C,” to the extent of the exemption noted, where such development is located within the Downtown Community Improvement Project Area, as defined in Schedule “E” and as may be amended from time to time.
 - (f) development of the type referenced in Schedule “D”, to the extent of the exemption noted, where such development is located within the Pickering Village Community Improvement Project Area, as defined in Schedule “F” and as may be amended from time to time and subject to the approval of a Community Improvement Project Area for the Pickering Village Community Project Area.
 - (g) one (1) additional dwelling unit that is located within an existing accessory building or structure provided that:
 - (i) there is no secondary dwelling unit in the existing residential building ; and
 - (ii) the accessory building or structure must be located on a residential lot containing a single detached, semi-detached, or townhouse dwelling.
 - (iii) Notwithstanding (i) and (ii), the owner would be required to enter into an agreement with the Town to pay development charges at the single and semi detached dwelling rate if the property is severed within 10 years of building permit issuance for the additional dwelling unit.
 - (iv) Notwithstanding (i), (ii), and (iii), development charges shall be imposed at the time of building permit issuance if the additional dwelling unit has a gross floor area greater than the gross floor area of the existing dwelling unit.
 - (4) Section 2 of this by-law shall not apply to that category of exempt development described in s.s.2(3) of the *Act*, namely:
 - (a) the enlargement of an existing dwelling unit or the creation of one or two additional dwelling units in an existing single detached dwelling; or
 - (b) the creation of one additional dwelling unit in any other existing residential building already containing at least one dwelling unit.
 - (5) Notwithstanding subsection (4)(a), development charges shall be calculated and collected in accordance with Schedule B where the total residential gross floor area of the additional one or two dwelling units is greater than the total gross floor area of the existing dwelling unit.
 - (6) Notwithstanding subsection (4)(b), development charges shall be calculated and collected in accordance with Schedule B, where the additional dwelling unit has a residential gross floor area greater than,
 - (a) in the case of a semi-detached dwelling unit, the gross floor area of the existing smallest dwelling unit, and
 - (b) in the case of any other residential building, the residential gross floor area of the smallest dwelling unit contained in the residential building.

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- (7) Section 2 of this by-law shall not apply to that category of exempt development described in s.4 of the Act, and s.1 of O.Reg. 82/98, namely:
- (a) the enlargement of the gross floor area of an existing industrial building, if the gross floor area is enlarged by 50 percent (50%) or less;
 - (b) for the purpose of (a), the term “gross floor area” shall have the same meaning as those terms have in O.Reg. 82/98 under the Act;
 - (c) notwithstanding subsection (a), if the gross floor area is enlarged by more than 50 percent (50%), development charges shall be payable and collected and the amount payable shall be calculated in accordance with s.4(3) of the Act.
 - (d) that for greater certainty in applying the exemption in this section, the gross floor area of an existing industrial building is enlarged where there is a bona fide increase in the size of the existing industrial building, the enlarged area is attached to the existing industrial building, there is a direct means of ingress and egress from the existing industrial building to and from the enlarged areas for persons, goods, and equipment, and the existing industrial building and the enlarged area are used for or in connection with an industrial purpose as set out in subsection 1(r) of this by-law. Without limiting the generality of the foregoing, the exemption in this section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor, or other passage-way, or through a shared below-grade connection such as a service tunnel, foundation, footing, or a parking facility;
 - (e) notwithstanding subsection (d), where, at the sole discretion of the Town, there is a physical or planning constraint preventing an enlargement of an existing industrial building from meeting the requirements described in subsection (d), the Town may provide for an exemption to be granted pursuant to this section of the By-law.
 - (e) in particular, for the purposes of applying this exemption, the industrial building is considered existing if it is built, occupied, and assessed for property taxation at the time of the application respecting the enlargement;
 - (f) the exemption of an existing industrial building provided by this section shall be applied to a maximum of fifty percent (50%) of the gross floor area that existing on the date of passage of this By-law.
- (8) That where a conflict exists between the provisions of this by-law and any other agreement between the Town and the owner, with respect to land to be charged under this by-law, the provisions of such agreement prevail to the extent of the conflict.

4. APPLICATION OF CHARGES

- (1) Subject to subsection (2), development charges shall apply to, and shall be calculated, paid and collected in accordance with the provisions of this by-law in respect of land to be developed for residential and non-residential uses within the geographical limits of the Town, where,
- (a) the development requires,

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- (i) the passing of a zoning by-law or an amendment thereto under Section 34 of the *Planning Act*, R.S.O. 1990, cP.13, as amended (the "*Planning Act*");
 - (ii) the approval of a minor variance under Section 45 of the *Planning Act*;
 - (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
 - (iv) the approval of a plan of subdivision under Section 51 of the *Planning Act*;
 - (v) a consent under Section 53 of the *Planning Act*;
 - (vi) the approval of a description under Section 9 of the *Condominium Act*, 1998 S.O. c. 19, as amended; or
 - (vii) the issuing of the first permit under the *Building Code Act*, 1992 S.O. c. 23, as amended, in relation to a building or structure.
- (2) Subsection (1) shall not apply in respect of local services as described in s.s.59(2) (a) and (b) of the Act;
 - (3) The development charges imposed on a retirement residence dwelling unit under section 2 shall be payable at the rate applicable to an apartment dwelling unit smaller than 2 bedrooms.

5. LOCAL SERVICE INSTALLATION

Nothing in this by-law prevents Council from requiring, as a condition of any approval under s. 41, 51 or 53 of the *Planning Act*., that the owner, at his or her own expense, shall install or pay for such local services, as Council may require, or that the owner pay for the local connection to a water, sanitary sewer or storm drainage facility related to the approval or within the area to which the approval relates.

6. MULTIPLE CHARGES

- (1) Where two or more of the actions described in Section 4(1) of this by-law are required before land to which a development charge applies can be developed, only one development charge shall be calculated, paid and collected in accordance with the provisions of this by-law.
- (2) Notwithstanding subsection (1), if two or more of the actions described in Section 4(1) of this by-law occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as set out in Schedule A, an additional development charge shall be calculated and collected in accordance with the provisions of this by-law.
- (3) If a development does not require a building permit but does require one or more of the actions described in Subsection 4(1) of this by-law, then the development charge shall nonetheless be payable in respect of any increased or additional development permitted by such action.

7. **SERVICES IN LIEU**

Council may authorize an owner, through an agreement under s.38 of the Act, to substitute such part of the development charge applicable to the owner's development as may be specified in the agreement, by the provision at the sole expense of the owner, of services in lieu. Such agreement shall further specify that where the owner provides services in lieu in accordance with the agreement, Council shall give to the owner a credit, without interest, against the development charge in accordance with the agreement provisions and the provisions of s.39 of the Act, equal to the reasonable cost to the owner of providing the services in lieu, as determined by the Town. In no case shall the agreement provide for a credit which exceeds the total development charge payable by an owner to the Town in respect of the development to which the agreement relates.

8. **DEVELOPMENT CHARGE REDEVELOPMENT CREDITS**

- (1) An owner who has obtained a demolition permit and demolished existing dwelling units or a non-residential building or structure in accordance with the provisions of the *Building Code Act* shall not be subject to the development charge with respect to the development being replaced, provided that the building permit for the replacement residential units or non-residential building or structure is issued not more than 5 years after the date of issuance of the demolition permit and provided that any dwelling units or non-residential floor area created in excess of what was demolished shall be subject to the development charge imposed under section 2.
- (2) Where residential space is being converted to non-residential space or being demolished and replaced by non-residential space, a credit shall be allowed equivalent to the number of dwelling units demolished/converted multiplied by the applicable residential development charge in place at the time the development charge is payable, net of applicable exemptions pursuant to this by-law;
- (3) Where non-residential space is being converted to residential space or demolished and replaced by residential space, a credit shall be allowed equivalent to the gross floor area of the non-residential portion of the building multiplied by the applicable non-residential development charge in place at the time the development charge is payable, net of applicable exemptions pursuant to this by-law;
- (4) No redevelopment credit shall be made in excess of the development charge payable for a redevelopment.
- (5) Notwithstanding subsections (1), (2), and (3) above, no credit shall be allowed if the development being replaced or converted would be exempt from development charges pursuant to this by-law.

9. **TIMING OF CALCULATION AND PAYMENT**

- (1) Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted by the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.
- (2) Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full to the Town.

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- (3) Notwithstanding subsections (1) and (2), an owner and the Town of Ajax may enter into an agreement to provide for the payment in full of a development charge before building permit issuance or later than the issuing of a building permit.
 - (4) Notwithstanding any of the foregoing, for lands, buildings and structures developed for a housing services use, the Town of Ajax may defer the timing of payment of development charges from building permit issuance to a period of time not to exceed 18 months from the date of first building permit issuance, to be at the discretion of the Director of Finance, if the owner enters into an agreement with the Town of Ajax and Region of Durham under section 27 of the Act, respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands.
 - (5) If a development does not require a building permit, the development charge shall be calculated and paid in full at the rate in effect at the time the approval is granted as a condition of the earliest of any of the approvals required for the development and enumerated in Section 4 of this by-law.

10. BY-LAW REGISTRATION

This By-law or a certified copy of this by-law may be registered against the title to any land to which this by-law applies.

11. RESERVE FUNDS

- (1) Monies received from payment of development charges shall be maintained in a separate reserve fund for each service designated in Schedule "A," plus interest earned thereon.
- (2) Monies received for the payment of development charges shall be used only in accordance with the provisions of s.35 of the Act.
- (3) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected as taxes.
- (4) Where any unpaid development charges are collected as taxes under subsection (3), the monies so collected shall be credited to the development charge reserve fund or funds referred to in subsection (1).
- (5) The Treasurer of the Town shall, commencing in 2019 for the 2018 year, furnish to Council a statement in respect of the reserve funds established hereunder for the prior year, containing the information set out in Sections 12 and 13 of O.Reg. 82/98, or any amending regulation.

12. BY-LAW AMENDMENT OR REPEAL

- (1) Where this by-law or any development charge prescribed thereunder is amended or repealed by order of the Local Planning Appeal Tribunal or by resolution of the Council, the Town Treasurer shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.
- (2) Refunds that are required to be paid under subsection (1) shall be paid to the registered owner of the land on the date on which the refund is paid.

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- (3) Refunds that are required to be paid under subsection (1) shall be paid with interest to be calculated as follows:
- (a) interest shall be calculated from the date on which the overpayment was collected to the day on which the refund is paid;
 - (b) interest shall be paid at the Bank of Canada rate in effect on the date of enactment of this by-law.

13. DEVELOPMENT CHARGE SCHEDULE INDEXING

The development charges referred to in Schedule “B” shall be adjusted annually, without amendment to this by-law, commencing on July 1, 2019, and annually thereafter on July 1, while this by-law is in force, in accordance with the most recent twelve-month change in the Statistics Canada Quarterly, “Construction Price Statistics”.

14. BY-LAW ADMINISTRATION

This by-law shall be administered by the Finance Department and the Planning and Development Services Department.

15. SCHEDULES TO THE BY-LAW

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

Schedule A - Designated Municipal Services Under this By-law

Schedule B - Schedule of Development Charges

Schedule C – Exemption Schedule re s.s.3(3)(f)

Schedule D – Exemption Schedule re s.s.3(3)(g)

Schedule E – Downtown Community Improvement Project Area

Schedule F – (proposed) Pickering Village Community Improvement Project Area

16. DATE BY-LAW EFFECTIVE

This by-law shall come into force and effect on July 16, 2018.

17. EXISTING DEVELOPMENT CHARGE BY-LAW REPEAL

By-law 81-2013 as amended, is repealed, effective the date that this by-law comes into force and effect.

18. SEVERABILITY

If, for any reason, any provision, section, subsection or paragraph of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all of the remainder of this by-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

19. SHORT TITLE

This by-law may be cited as the "Ajax Development Charge By-law #xx-2018."

20. NON-BINDING NATURE

Nothing in this by-law or Council's approval of a capital forecast shall be construed so as to commit or require the Town or its Council to authorize or proceed with any specific capital project at any specific time.

READ a first and second time this
Ninth day of July, 2018

READ a third time and passed this
Ninth day of July, 2018

Mayor

D-Clerk

SCHEDULE “A”
(To Development Charges By-law XX-2018)
DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW

1. Administration, including development-related capital growth studies;
2. Fire, including stations, vehicles and equipment;
3. Transportation, including roads, structures, sidewalks, streetlights, traffic signals, multi-use trails and operations facilities, vehicles and equipment providing services related to a Highway;
4. Parks and Recreation, including parkland, recreational trail development, recreation facilities, and operations facilities, vehicles and equipment items related thereto;
5. Library, including furniture, shelving, equipment and items related thereto and including materials acquired for circulation, reference or information purposes by a library board.

SCHEDULE "B"
SCHEDULE OF DEVELOPMENT CHARGES
(To Development Charges By-law XX-2018)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services:					
Transportation Services	16,402	7,890	4,959	12,952	6.01
Fire Services	474	228	143	374	0.16
Parks and Recreation Services	6,413	3,085	1,939	5,064	0.11
Library Services	1,300	625	393	1,027	0.02
Administration Services	389	187	118	307	0.13
Total Municipal Wide Services	24,978	12,015	7,552	19,724	6.43

SCHEDULE “C”
(To Development Charges By-law XX-2018)

**EXEMPTION SCHEDULE RE S.S.3(3)(f) PERTAINING TO FULLY OR PARTIALLY EXEMPT
DEVELOPMENT USES WITHIN THE DOWNTOWN COMMUNITY IMPROVEMENT PROJECT
AREA, AS DEFINED IN SCHEDULE “E”**

1. FULL DEVELOPMENT CHARGE EXEMPTION APPLIES TO:
 - 1.1 office development consisting of two or more storeys of office uses in a building or hotels of at least six storeys
 - 1.2 Commercial development provided that:
 - (i) the retail/personal service component is located in a non-residential mixed-use building having two or more storeys of office, and the Gross Floor Area of the retail/personal service component does not exceed that of the office component, or,
 - (ii) the commercial development is located in residential mixed-use building 6 storeys in height or greater, and the Gross Floor Area of the commercial uses does not exceed an amount equal to 30% of the total residential Gross Floor area.
 - 1.3 Residential development equal to or greater than 90 units per net hectare, calculated on a block-by-block basis.
2. 75% RESIDENTIAL DEVELOPMENT CHARGE EXEMPTION APPLIES TO:
 - 2.1 Residential development equal to or greater than 25 units per net hectare, but less than 90 units per net hectare, calculated on a block-by-block basis, for those dwelling units for which underground parking is provided in a common area or areas.
3. 50% RESIDENTIAL DEVELOPMENT CHARGE EXEMPTION APPLIES TO:
 - 3.1 Residential development equal to or greater than 25 units per net hectare, but less than 90 units per net hectare, calculated on a block-by-block basis, for those dwelling units for which surface parking is provided.

SCHEDULE “D”
(To Development Charges By-law xx-2018)

**EXEMPTION SCHEDULE RE S.S.3(3)(g) PERTAINING TO FULLY OR PARTIALLY EXEMPT
DEVELOPMENT WITHIN THE PICKERING VILLAGE COMMUNITY IMPROVEMENT
PROJECT AREA, AS DEFINED IN SCHEDULE “F”**

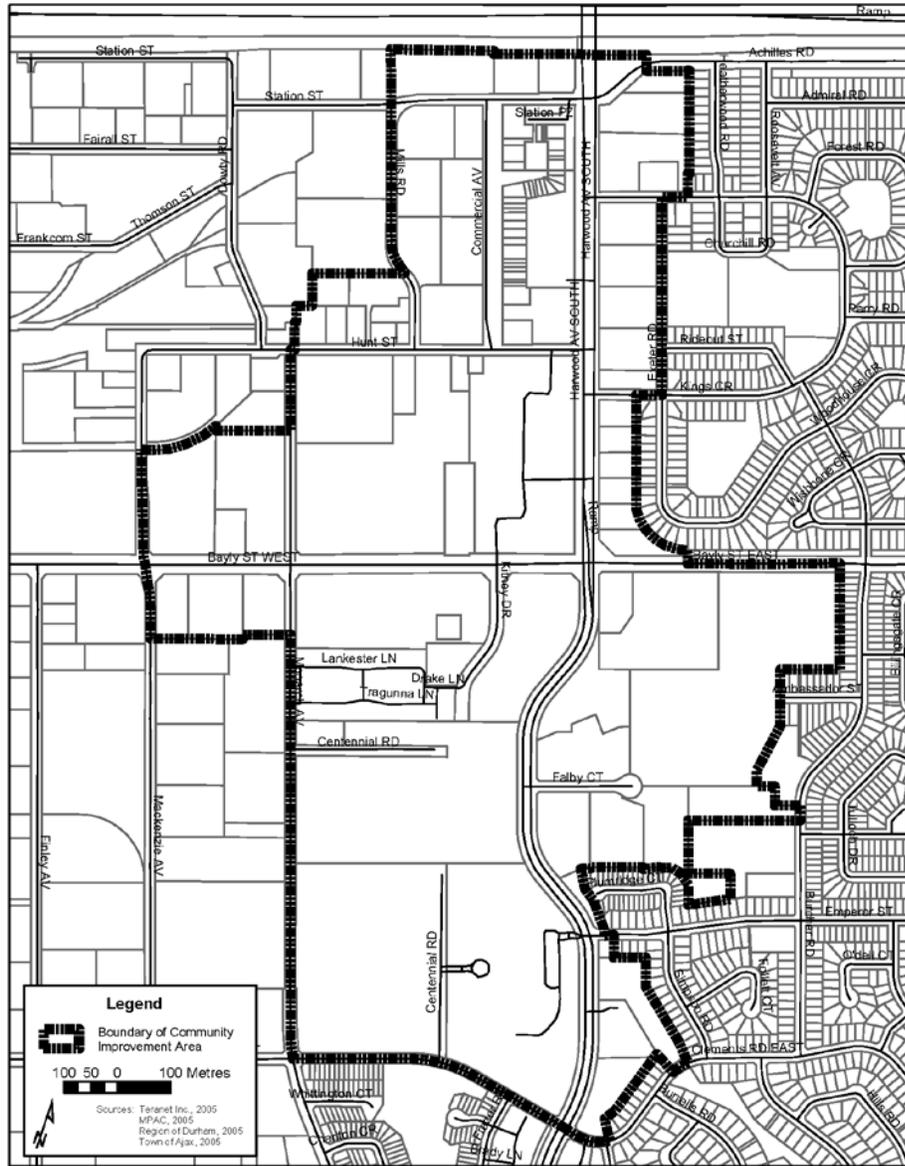
Program Funding

1. 50% EXEMPTION OF DEVELOPMENT CHARGES FOR ALL ELIGIBLE COMMERCIAL/
RESIDENTIAL OR COMMERCIAL/OFFICE MULTI-STOREY DEVELOPMENT PROVIDED
THAT:
 - 1.1 The new residential/commercial or commercial/office development consists of two or more
storeys with the ground floor only comprised of any of the following uses: retail stores,
restaurants, art gallery, place of entertainment, museum, convenience store, financial
institution (bank only) as defined in Zoning By-law 95-2003.
2. 50% EXEMPTION OF DEVELOPMENT CHARGES FOR ALL DEVELOPMENT PROVIDED
THAT:
 - 2.1 The development provides a minimum of 60% of required on-site parking as underground
parking and/or above ground deck parking that is appropriately designed to fit in with the
proposed development and existing streetscape at the discretion of the Town.
3. PROJECTS WHICH SATISFY BOTH SECTION 1.1 AND 2.1 ABOVE WILL BE ELIGIBLE
FOR A FULL EXEMPTION OF THE TOWN OF AJAX DEVELOPMENT CHARGES.

SCHEDULE "E"
(To Development Charges By-law xx-2018)

**AREA BOUNDARIES FOR THE TOWN OF AJAX
DOWNTOWN COMMUNITY IMPROVEMENT PROJECT AREA**

Schedule 'A' of By-law 43-2005



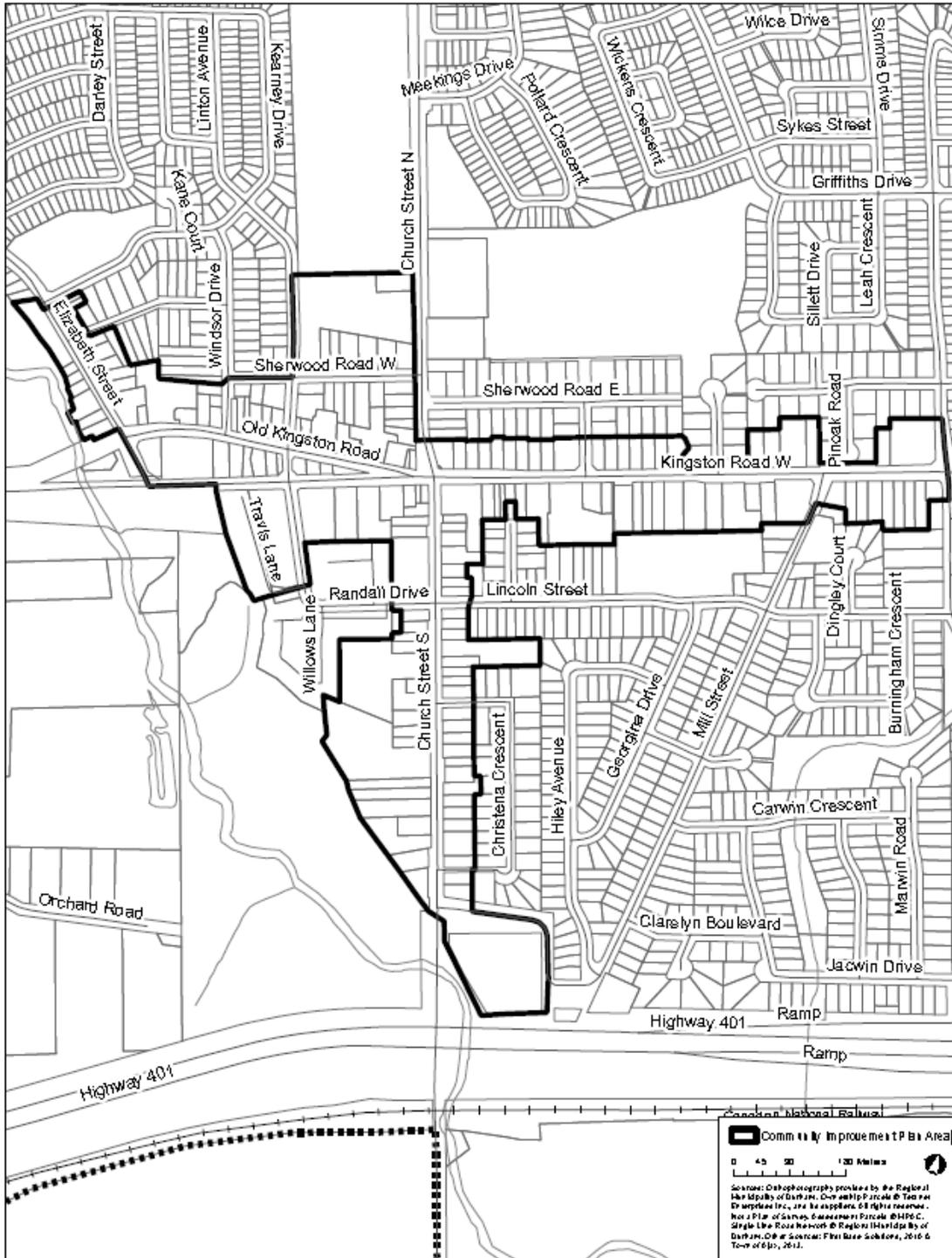
**This plan may be amended from time to time without the need to amend this
Schedule "E".**

SCHEDULE "F"

(To Development Charges By-law XX-2018)

AREA BOUNDARIES FOR THE TOWN OF AJAX

(Proposed) PICKERING VILLAGE COMMUNITY IMPROVEMENT PROJECT AREA



This plan may be amended from time to time without the need to amend this Schedule "F".