



DEVELOPMENT CHARGES GUIDE

WHAT ARE DEVELOPMENT CHARGES?

Development Charge means a charge imposed with respect to growth-related net capital costs against land. Under the Development Charges Act, municipalities must undertake a background study. The Town of Prescott completed a detailed background study (dated March 17, 2018), and passed Development Charge By-law No. 36-2018 on Sept. 24, 2018.

GENERAL PURPOSE

The purpose of a development charge is to generate adequate revenue to finance growth-related net capital costs for municipal services required because of growth. In essence, a development

charge is designed to maintain the same average level of service offered to existing residents of the municipality. One might say it is similar to buying a corporate share (investment) in the municipality.

An example of the purpose of the charge would be as follows: Four hundred additional dwellings are built in the municipality and there arises the need for an additional volunteer fire fighter. The development charges reserve fund could be used to fund the purchase of a bunker suit and communications equipment for that individual. The need for an additional volunteer fire fighter emerged from growth and now is charged back to growth through development charges. Development charges may not be used for salaries, maintenance costs, operational costs, or replacement equipment and furniture.

WHO MUST PAY DEVELOPMENT CHARGES?

Development charges are imposed on all forms of development, with certain exceptions. The charges do not apply to accessory uses to residential uses, including: a garage, storage building, garden shed, swimming pool, small additions, or other similar uses.

Generally, development charges are only applied against new dwelling units or new non-residential buildings. The non-residential charges are pro-rated to account for economies of scale. The scale is provided on the reverse.

WHEN MUST THE CHARGE BE PAID?

Development charges must be paid on the date a building permit is issued for a building or structure on land to which a development charge applies. The municipality is not required to issue a building permit unless the development charges have been paid. An agreement can be entered into for early or late payment of the charges in accordance with the legislation.

TREASURER'S STATEMENT

The public may view the annual treasurer's development charges reserve fund statement at the Town Office during regular business hours. The purpose of this mandatory statement is to provide details on the reserves, amounts collected and expenditures from each service category.

EXEMPTIONS

By-law No. 36-2018 does not apply to land that is owned by or used for the purposes of a board of education, a municipality or local board thereof, the United Counties, a cemetery, place of worship, hospital, university, or accessory uses to residential dwellings. Not-for-profit subsidized housing is 50% exempt from applicable charges.

This by-law shall not apply to development creating or adding an accessory use or structure not exceeding 10 square metres of nonresidential gross floor area.

Demolitions: This by-law shall not apply to development where, by comparison with the land at any time within 60 months previous to the imposition of the charge:

- (a) no additional dwelling units are being created;
- (b) no additional non-residential gross floor area is being added.

The owner must have secured the necessary approvals (Demolition Permit).

This by-law shall not apply to that category of exempt development described in subsection 2(3) of the Development Charges Act, and prescribed in Section 2 of Ontario Regulation 82/98, (namely enlargements to an existing dwelling unit or the creation of up to two additional dwelling units as prescribed) and the following are not subject to development charges under the Act and this by-law if the only effect of an action referred to in Section 5 of this by-law is to:

- (a) permit the enlargement of an existing dwelling unit; or
- (b) permit the creation of up to two additional dwelling units, as prescribed, subject to the prescribed restrictions, in prescribed classes of Existing Residential Buildings.

This by-law shall not apply to additions to Existing Industrial Use (up to 50% of existing building) as described in subsection 4(2) of the Development Charges Act.

That where a conflict exists between the provisions of the new by-law and any other agreement between the Town and the owner, with respect to land to be charged under this policy, the provisions of such agreement prevail to the extent of the conflict.

This by-law is not applicable to development for which a complete application for building permit has been issued prior to the in force date of this by-law.

MUNICIPAL SERVICES INCLUDED IN THE DEVELOPMENT CHARGES BY-LAW

- » Administrative (Studies)
- » Public works (Garage, contents, vehicles, equipment)
- » Fire Protection (Stations, equipment)
- » Recreation Services (Buildings, equipment, facilities)

THE CORPORATION OF THE TOWN OF PRESCOTT
BY-LAW No. 36-2018

Schedule of Development Charges by Type of Dwelling Unit

Type of Unit	Development Charges per Unit
Single Detached	\$3,413
Semi-detached / Duplex	\$3,185
Row Dwelling / Townhouse Back-to-Back and Stacked Townhouse	\$2,730
Apartment 3 bedroom	\$2,616
Apartment 2 bedroom	\$2,389
Apartment 1 bedroom	\$1,802
Apartment Bachelor	\$1,365
Special Care/Special Needs Dwelling	\$569 / Resident (Capacity)

**Schedule of Development Charges for Non-residential Uses
of Land, Buildings or Structures**

NON-RESIDENTIAL DEVELOPMENT CHARGES					
TOTAL BUILDING SIZE	(1) FOR THE FIRST 2,500 S.F.	(2) FOR THE NEXT 2,500 S.F. BEYOND (1)	(3) FOR THE NEXT 25,000 S.F. BEYOND (1&2)	(4) FOR THE NEXT 25,000 S.F. BEYOND (1,2&3)	(5) FOR ANY ADDITIONAL S.F. BEYOND (1,2,3&4)
0-2,500 S.F.	\$1.5518	-	-	-	-
2,501-5,000 S.F.	\$1.5518	\$0.7759	-	-	-
5,001-30,000 S.F.	\$1.5518	\$0.7759	\$0.38	-	-
30,001-55,000 S.F.	\$1.5518	\$0.7759	\$0.38	\$0.19	-
55,001 S.F. +	\$1.5518	\$0.7759	\$0.38	\$0.19	\$0.09

S.F. - Square Feet