

**Subject: Development Charges – Reimposition of Corporate Studies
Development Charge**

File Number: ACS2024-PDB-GEN-0011

**Report to Planning and Housing Committee on 20 November 2024
and Council 27 November 2024**

**Submitted on November 8, 2024 by Vivi Chi, Interim General Manager, Planning,
Development and Building Services Department**

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Ward: City Wide

**Objet : Redevances d'aménagement – Réimposition des redevances
d'aménagement pour les études internes**

Dossier : ACS2024-PDB-GEN-0011

Rapport au Comité de la planification et du logement

le 20 novembre 2024

et au Conseil le 27 novembre 2024

**Soumis le 8 novembre 2024 par Vivi Chi, Directrice générale par intérim, Services
de la planification, de l'aménagement et du bâtiment**

**Personne ressource : Gary Baker, Coordonnateur du programme des redevances
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Quartier : À l'échelle de la ville

REPORT RECOMMENDATIONS

That Planning and Housing Committee recommend Council approve the enactment of the amendment to the Development Charges By-law 2024-218 attached as Document 1.

RECOMMANDATIONS DU RAPPORT

Que le Comité de la planification et du logement recommande au Conseil d'approuver l'adoption de la modification du *Règlement municipal sur les redevances d'aménagement* (n° 2024-218) ci-joint en tant que document 1.

BACKGROUND

Schedule 6 to Bill 185, (the Cutting Red Tape to Build More Homes Act, 2024) contained several amendments to the *Development Charges Act*. Amongst these amendments were provisions that permitted a municipality to reimpose development charges to recover growth-related capital costs in respect of development related studies including background studies. The ability to impose such development charge for such studies had been removed by the *More Homes Built Faster Act, 2022*, Bill 23.

Schedule 6 to Bill 185 provides that if a municipality enacted a development charges by-law after November 28, 2022, the municipality could impose a development charge to recover the cost of growth-related studies within six months of Bill 185 coming into force (i.e. on or before December 6, 2024) without:

- (a) The requirement to hold a public meeting,
- (b) A background study being prepared, and
- (c) The by-law being subject to appeal.

DISCUSSION

Included as an additional document to the report imposing a revised charge for Infrastructure was a [Development-Related Studies Development Charge Calculation Memorandum](#), Document 3 to the report, which was adopted by Council on October 30, 2024.

The proposed reintroduction of development-related studies will allow the City to once again offset these growth-related capital costs. As such, the members of the Development Charges Steering committee reviewed the initial draft project submission and subsequently amended the city-wide funding requirements over the ten-year forecast period for a total of \$70.2 million. A calculation of the proposed rates was undertaken by Hemson Consulting Ltd. using this final version of the project list, which requires the recovery of the negative reserve fund balance, various studies, including

Official Plan updates, DC By-law review, master plans, corporate and infrastructure studies. The benefit to existing (BTE) deductions for each project has been maintained and are consistent with the City's previous approved background studies.

Table 1 of the Memorandum sets forth the various growth-related studies for which development charges are being reimposed. Table 2 sets out the amount of the development charge, which is also shown immediately below. The city-wide residential charge applies in each of the Inside the Greenbelt, Outside the Greenbelt and Rural Areas:

Residential

	Singles and Semis	Multiple, Row and Mobile Dwelling	Apartment Dwelling, Stacked and Back-to-Back Townhomes	Apartment (less than 2 bedrooms)	Dwelling Rooms
Development Related Studies	\$655	\$517	\$355	\$253	\$195

Non-Residential

	Industrial Use (per square foot)	Non-Industrial Use (per square foot)
Development Related Studies	\$0.22	\$0.54

The above amounts are in 2024 dollars and therefore are not proposed to be indexed on April 1, 2025, but will be subject to indexation annually thereafter.

RURAL IMPLICATIONS

The same development charge for development related studies will apply in the rural area as in the urban area.

PUBLIC CONSULTATION

As stated above, Bill 185 removed the requirement for public consultation with respect to the reimposition of development charges for development related studies. Document 3 hyperlinked to above was released on October 23, 2024.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a City wide report.

LEGAL IMPLICATIONS

As stated above, if an amending by-law for development related studies is adopted on or before December 6, 2024, it is not subject to appeal to the Ontario Land Tribunal.

RISK MANAGEMENT IMPLICATIONS

Development Charges for development related studies can be enacted after December 6, 2024. However, the standard requirements for such by-laws (background study, public meeting with notice) must be observed and the by-law enacting such development charge would be subject to appeal to the Ontario Land Tribunal.

ASSET MANAGEMENT IMPLICATIONS

There are no direct Asset Management Implications resulting from recommendations of this report. The re-instatement of the eligibility of collecting development charges to cover the cost of growth-related infrastructure servicing studies will provide a revenue stream for the City that would otherwise have been required to be covered by existing ratepayers - who already are responsible for costs of servicing-related studies related to maintenance and replacement of existing infrastructure assets.

FINANCIAL IMPLICATIONS

The financial implications are as described in this report.

ACCESSIBILITY IMPACTS

There are no Accessibility impacts related to this report.

ECONOMIC IMPLICATIONS

Development charges are a key source of financing a portion of the capital program related to the expansion of infrastructure to service growth. It is advantageous to offset the cost of growth-related studies and reintroduce the charge prior to the six-month expiration date.

SUPPORTING DOCUMENTATION

Document 1 – Proposed Development Charge Amending By-law

DISPOSITION

Although there is no right of appeal, the standard notice of adoption provisions do apply.

Therefore, within 20 days of the passage of the by-law, the Planning, Development and Building Services Department will ensure that there is a notice of the passage of the By-laws placed in the Citizen and Le Droit. Within 20 days, the City Clerk's Office will notify everyone who has provided a written request for notice and a return address, and the secretary of every school board within the City of Ottawa, of the passage of the by-laws.