

Town of Parry Sound Development Charges Information Pamphlet

Purpose of Development Charges:

A capital charge imposed on growth, including new buildings, additions to existing buildings, redevelopment, and intensification. The development charges are to recover funding to assist in providing infrastructure required to service future development in the Town of Parry Sound through the establishment of a viable capital funding source to meet the municipality's financial requirements.

General:

This pamphlet summarizes the Town of Parry Sound's policies contained in the by-laws. However, the information contained herein is intended only as a guide, therefore, applicants should review the by-laws and consult with the Town's Building Department to determine the applicable charges that may apply to specific development proposals.

Development Charge by-laws are available for inspection at the Town of Parry Sound municipal office, Monday to Friday, 8:30 AM to 4:30 PM and on the municipality's website at <https://www.parrysound.ca/news/posts/development-charge-by-laws-passed/>.

By-laws and Applicable Services:

On June 6, 2023, the Town of Parry Sound passed the following Development Charge By-laws:

- By-law 2023-7346 related to Ambulance Services;
- By-law 2023-7347 related to Fire Protection Services;
- By-law 2023-7348 related to Library Services;
- By-law 2023-7349 related to Parks and Recreation Services;
- By-law 2023-7350 related to Provincial Offences Act, including By-law Enforcement Services; and
- By-law 2023-7351 related to Services Related to a Highway.

These by-laws establish the charges applicable to residential and non-residential development in the Town and are applicable on all lands within the Town boundaries. All of these by-laws became effective on June 6, 2023.

Timing of Payment:

The development charges are calculated and be payable at the time of the first building permit issuance, unless otherwise identified within the by-laws.

Mandatory Exemptions:

The following uses are wholly exempt from development charges as per the Development Charges Act:

- Lands owned by and used for purposes of a municipality, local board thereof, or board of education;
- The enlargement of an existing residential dwelling unit, or the creation of one or two additional units where specific conditions are met (refer to the by-laws for rules and restrictions);
- The creation of an additional unit or an ancillary unit to a new unit where specific conditions are met (refer to the by-laws for rules and restrictions);
- The enlargement of the gross floor area of an existing industrial building where the gross floor area is enlarged by 50 percent or less of the original gross floor area of the industrial building prior to the first expansion; and
- Non-profit housing.

Discretionary Exemptions:

The following uses are also wholly exempt from development charges as per Council of the Town of Parry Sound:

- A public hospital exempt from taxation under section 3 of the *Assessment Act*;
- A non-residential farm building, in connection with a bona fide Agricultural use including, but excluding a residential use and cannabis production facilities;
- Seasonal structures;
- Temporary residential units and temporary non-residential units where the Owner signs an undertaking under seal to remove the structure within three (3) years after the date of building permit issuance; and
- A Place of Worship and land used in connection therewith, where used for worship purposes, if exempt from taxation under section 3 of the *Assessment Act*, R.S.O. 1996, c. A31, as amended;
- Buildings or structures owned by and used for the purposes of any conservation authority.

Future Exemptions:

Once proclaimed by the Province, development charges will be wholly exempt for Affordable residential units and Attainable residential units.

Discount for Rental Housing:

The development charges for rental housing, as defined by the Development Charges Act, shall be reduced based on the number of bedrooms in each units as follows:

- Three or more bedrooms – 25% reduction;
- Two bedrooms – 20% reduction; and
- All other bedroom quantities – 15% reduction

Redevelopment Credit:

A reduction in development charges under the by-laws are provided in the case of a demolition or redevelopment of a residential, non-residential, or mixed-use building or structure, provided that the building or structure was occupied, and a building permit for the redevelopment of the land was issued within five years of the issuance of the demolition permit.

Conversion Credit:

A development charge credit shall be provided where, as a result of the redevelopment of land, a building or structure existing on the land was, or is to be, converted from one principal use to another principal use on the same land, based on the development charge that would be applicable for the original principal use being converted.

Town Contact:

For further information, please contact:

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Statement of the Treasurer:

As required by the Development Charges Act, 1997, and Regulation 82/98, the Treasurer for the Town of Parry Sound must prepare an annual financial statement reporting on the status and transactions relating to the development charge reserve funds for the previous year. This statement must be presented to the Council of the Town of Parry Sound for their review and must be made available on the Town's website.

Annual Indexing:

The Development Charge rates are indexed annually on October 1st without amendment to the by-laws, in accordance with the prescribed index (i.e., the Statistics Canada Quarterly, “Construction Price Statistics”).

Mandatory Phase-in of Development Charges:

As required by the *Development Charges Act, 1997*, the calculated rates, as provided for the in by-laws, are to phased-in based on the following:

- Year 1: 80% of the Development Charges contained within the by-laws;
- Year 2: 85% of the Development Charges contained within the by-laws;
- Year 3: 90% of the Development Charges contained within the by-laws;
- Year 4: 95% of the Development Charges contained within the by-laws;
- Years 5-10: 100% of the Development Charges contained within the by-laws;

Current Development Charge Rates:

A list of the Town-wide services for which development charges are imposed and the amount of the charge by service is as follows (based on the mandatory phase-in for year 3 at 90%), subject to annual indexing:

EFFECTIVE JUNE 06, 2025

| Service | Development Charges By-law Number | Residential Single and & Semi-Detached Dwellings (per unit) | Residential Other Multiple Dwellings (per unit) | Residential Apartments with 2 or more bedrooms (per unit) | Residential Apartments 1 bedroom and Bachelor (per unit) | Residential Special Care/Special Dwelling Units (per unit) | Non-Residential (\$ per square foot of Gross Floor Area) |
|--|-----------------------------------|---|---|---|--|--|--|
| Services Related to a Highway | 2023-7351 | \$4,149 | \$3,213 | \$3,094 | \$1,839 | \$1,868 | \$2.59 |
| Fire Protection Services | 2023-7347 | \$89 | \$69 | \$66 | \$40 | \$40 | \$0.05 |
| Parks and Recreation Services | 2023-7349 | \$1,801 | \$1,395 | \$1,343 | \$798 | \$811 | \$0.11 |
| Provincial Offences Act, including By-law Enforcement Services | 2023-7350 | \$2 | \$2 | \$1 | \$1 | \$1 | \$0.00 |
| Ambulance Services | 2023-7346 | \$25 | \$19 | \$19 | \$11 | \$11 | \$0.02 |
| Library Services | 2023-7348 | \$1,576 | \$1,220 | \$1,176 | \$698 | \$710 | \$0.10 |
| Total | | \$7,642 | \$5,919 | \$5,700 | \$3,388 | \$3,440 | \$2.88 |