



The Corporation of the
Town of Tecumseh
DEVELOPMENT CHARGES PAMPHLET
Effective September 1, 2019 to August 31, 2024
(Updated on August 10, 2022)

This pamphlet summarizes
The Corporation of the Town of
Tecumseh's policy with respect to
development charges.

The information contained herein is
intended only as a guide. Applicants
should review the approved By-law No.
2019-63, as amended by By-law 2022-
062 and consult with the Manager
Building Services to determine the
charges that may apply to specific
development proposals.

Development Charge
By-law No. 2019-63, as amended by
By-law 2022-062 is available for
inspection in Town Hall during regular
office hours, Monday to Friday,
between 8:30 am and 4:30 pm and
available on the Town's website at
www.tecumseh.ca

Purpose of Development Charges

The general purpose for which development charges are imposed by the Town is to assist in providing the infrastructure required by future development in the municipality by establishing a viable capital funding source to meet the Town's financial requirement.

The Council of the Town of Tecumseh passed By-law No. 2019-63 on August 13, 2019, under subsection 2(1) of the *Development Charges Act, 1997*. Development Charge By-law No. 2019-63, as amended by By-law 2022-062 includes both development charges which are applicable on a Municipal-Wide basis and on an Urban Service Area basis which is payable in addition to the Municipal wide charge.

Development Charge Rules

The rules for determining if a development charge is payable in a particular case and for determining the amount of the charge, are as follows:

1. The development charge by-law applies to all lands in the Town of Tecumseh;
2. Development charges are payable prior to issuance of a building permit;
3. Notwithstanding the provisions of By-law No. 2019-63, development charges shall not be imposed with respect to:
 - a) the development of non-residential farm buildings constructed for bona fide farming uses;
 - b) one or more enlargements of an existing industrial building or one or more industrial buildings on the same lot or parcel of land, up to a maximum of fifty percent (50%) of the combined gross floor area of the existing industrial building. An enlargement shall include expansion of the existing industrial building as well as new industrial buildings on the same parcel of land.

If the gross floor area is enlarged by more than 50 per cent, the amount of the development charge in respect of the enlargement is the amount of the development charge that would be payable multiplied by the fraction determined as follows:

1. Determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement.
2. Divide the amount determined under paragraph 1 by the amount of the enlargement.

Pursuant to 3.5 (b) of this by-law, the total eligible gross floor area exemption for the enlargement of an industrial building provided for by this section shall be fifty percent of:

- i) the gross floor area that existed prior to the first enlargement for which an exemption from the payment of development charges was eligible to be granted pursuant to this By-law or any previous Town of Tecumseh Development Charges By-Law enacted pursuant to the *Development Charges Act, 1997*, as amended or its predecessor legislation; or
 - ii) the gross floor area of the existing industrial building where there has not been an enlargement in accordance with item i. above.
- c) the issuance of a building permit in accordance with Section 2(3) of the Act.
 - d) Rules with Respect to Exemptions for Intensification of Existing Housing
*** See note below.**
*** refer to 3.5 d) of DC By-law for details with respect to subsection d).**
 - e) Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the *Development Charges Act, 1997* if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

4. A credit shall be due to an Owner, upon the finalization of the building permit for the construction of a residential or non-residential building or structure on the Owner's land provided that the finalization of the building permit occurs within the six years immediately subsequent to the date of the issuance of the demolition permit.

Development Charge Time of Payment

1. Development charges imposed under this section are payable upon issuance of the first building permit with respect to each dwelling unit, building or structure.
2. Notwithstanding #1. above, development charges for rental housing and institutional developments are due and payable in 6 equal annual payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest at the interest rate as provided in the Town's D.C. Interest Rate Policy, as may be revised from time to time.
3. Notwithstanding #1. above, development charges for non-profit housing developments are due and payable in 21 equal annual payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest at the interest rate as provided in the Town's D.C. Interest Rate Policy, as may be revised from time to time.
4. Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under Sections 7 and 8 (of By-law 2019-63, as consolidated) shall be calculated on the rates set out in Schedules "B-1", and "B-2" on the date of the planning application, including interest. Where both planning applications apply development charges under Sections 3.6, 3.7, and 3.8 (of By-law 2019-63, as consolidated) shall be calculated on the rates, including interest at the interest rate as provided in the Town's D.C. Interest Rate Policy, as may be revised from time to time, as set out in Schedules "B-1", and "B-2" on the date of the later planning application.

TOWN OF TECUMSEH

DEVELOPMENT CHARGES

Effective: **SEPTEMBER 1, 2019 to AUGUST 31, 2024**

Residential, Commercial, Institutional & Industrial Development

| | RESIDENTIAL (Per Dwelling Unit) | | | | | NON RESIDENTIAL |
|--|--|-------------------------------|---------------------------------------|--------------------|--|---|
| | Single- Detached Dwelling & Semi- Detached Dwelling | Apartments 2 Bedrooms + | Apartments Bachelor & 1 Bedroom | Other Multiples | Special Care / Special Dwelling Units | Per ft ² of Gross Floor Area |
| TOTAL MUNICIPAL WIDE DEVELOPMENT CHARGE (Urban and Rural) | \$18,296 | \$10,201 | \$7,883 | \$11,664 | \$6,587 | \$6.64 |
| Additional Charge Affecting Urban Service Area * <small>(see Schedule C-1 of By-Law 2019-63)</small> | \$5,910 | \$3,295 | \$2,547 | \$3,767 | \$2,128 | \$2.60 |
| TOTAL URBAN AREA DEVELOPMENT CHARGE | \$24,206 | \$13,496 | \$10,430 | \$15,431 | \$8,715 | \$9.24 |

*Boundary of the Urban Service Area is shown on Schedule "C-1" of By-law 2019-63.

Indexing of Development Charges

The schedule of development charges will be adjusted annually as of September 1st each year (on the anniversary of the date of adoption of By-law No. 2019-63), in accordance with the Statistics Canada Quarterly Construction Price Index.

Rates identified in chart above are in effect from September 1, 2022 to August 31, 2023.

Services Covered

Development charges have been imposed for the following categories of Town services in order to pay for the increased capital costs required as a result of the increased needs for services arising from development:

Municipal Wide:

- Fire Protection
- Police
- Services Related to a Highway
- Administration Studies
Engineering Related
- Library
- Parks and Recreation
- Growth Studies
- Water

Urban wide:

- Wastewater Services

Purpose of the Treasurer's Statement

The purpose of the annual Statement of the Treasurer is to document the continuity of each development charge reserve fund, including services covered, development charge collections, interest earnings, funding transfers, borrowing and landowner credit transactions.

The Treasurer's annual statement may be reviewed by the public at Town Hall during regular office hours, Monday to Friday, between 8:30 am and 4:30 pm.

Further Information

For additional information, please contact:

Tom Kitsos
 Director Financial Services &
 Chief Financial Officer
 Town of Tecumseh
 917 Lesperance Road
 Tecumseh, ON N8N 1W9
 Phone: 519-735-2184, Ext 125
 Email: tkitsos@tecumseh.ca



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