

#### CITY OF HAMILTON

Development Charges (DC) Information – Pamphlet Summary of By-laws 24-072 and 11-174 (as amended)

## Rates Effective July 1, 2024 – July 5, 2024

Please ensure the effective date of this pamphlet corresponds with your needs.

The information contained within is intended only as a guide. Interested parties should review the approved DC By-laws and DC Act.

## **Purpose of DCs:**

The purpose of DCs is to recover the growth-related costs associated with the capital infrastructure needed to service new development and redevelopment within the municipality.

## By-Laws for the City of Hamilton:

By-law No. 24-072 - City DCs

By-law No. 11-174 (as amended) - GO Transit DCs

City DC rates shall be indexed on June 1 (GO Transit DCs, July 6) each year by the percentage change recorded in the average annual Non-Residential Construction Price Index for Toronto produced by Statistics Canada. Table: 18-10-0276-02 (formerly 18-10-0135-01 / CANSIM 327-0058). Education DCs, controlled and set by the respective education boards, are indexed on July 1 each year as well.

## Payment of DCs:

DCs are payable at the time of building permit issuance and are collected by the City of Hamilton Building Department. Pursuant to legislative changes which came into effect as of January 1, 2020, DCs for the following types of developments are eligible to be paid in instalments:

- Rental Housing (6 annual instalments commencing at occupancy)
- Institutional (6 annual instalments commencing at occupancy). This category includes long-term care homes; retirement homes; universities and colleges; memorial homes, clubhouses, or athletic grounds of the Royal Canadian Legion; and hospices.

The City also offers deferrals for developments in the ERASE Redevelopment Grant Program (ERG), non-residential and apartment developments, subject to availability. Please connect with staff for further details (contact information below).

## DC Rate Lock-In:

As per Section 26.2 of the DC Act, the DC rate charged to a development will be based on the application date of a Site Plan Application or a Site-specific Zoning Amendment, if such application is applicable, and only where such application is applied for on or after January 1, 2020 and the related building permit is issued within two years/18 months of the approval of the related application. Interest charges will apply. Please connect with staff for further details.

## **Demolition Credits:**

A credit is allowed for demolitions for a period of 5 years from the date of issuance of the demolition permit. The dollar value of the credit is based on the rate in effect at the time of redevelopment and on the exemption status of the demolished/redeveloped building at the time of redevelopment (i.e., no credit if the demolished building is exempt under the current By-Law). Note that the credit for residential demolitions expires 2 years and 5 years from the date of demolition permit issuance for HWDSB (Public) and HWCDSB (Catholic) Education DCs, respectively, non-residential is 5 years.

## **Transition Policy:**

Normally, the DC rate payable is the rate in effect on the day that the building permit is issued. However, where the DC Rate lock-in per Section 26.2 of the DC Act does not apply, the City's policy is that the DC rate payable is the rate in effect on the date that a complete building permit application is received and accepted by the City's Chief Building Officer, provided that the building permit is issued within 6 months of the first rate increase following application. If the building permit is revoked on or after the date of the rate increase, the rates in effect on the date of permit issuance will be payable. Please note: This is not applicable to Education DCs or in cases where the DC Rate Lock-in is applicable.

## **Credits and Exemptions:**

Refer to attached pages for rate highlights as well as exemption and credit policies.

## **Treasurer's Statement:**

The City Treasurer prepares an annual statement regarding the use of DC funds and sets out the balance in each of the DC reserves.

## **Copies of By-laws and Treasurer's Statement:**

Copies of the DC By-laws as well as the Treasurer's statement are available from the Clerk's office on the 1<sup>st</sup> Floor of City Hall, 71 Main St. W., Hamilton, Ontario L8P 5Y4 and on the City's website.

## For further information regarding DCs, contact:

Finance at <a href="mailton.ca">DCRequest@hamilton.ca</a> (ext. 4400) or Building at 905-546-2720

Please check with City Staff at <a href="ParklandRequest@hamilton.ca">ParklandRequest@hamilton.ca</a> regarding Parkland Dedication fees and <a href="CBCRequest@hamilton.ca">CBCRequest@hamilton.ca</a> regarding Community Benefits

Charges which may apply and are separate and distinct from Municipal DCs.

RESIDENTIAL (\$)						NON-RESIDENTIAL (\$) (note a)	
Service	Single- Detached Dwelling & Semi- Detached Dwelling (per dwelling unit)	Townhouses & Other Multiple Unit Dwellings (per dwelling unit)	Apartments & Stacked	Apartments & Stacked Townhouses & Mobile Homes Bachelor & 1-Bedrooms+ (per dwelling unit)	Residential Facility Dwelling & Lodging House & Garden Suite (per bedroom)	(per sq.ft. of Gross Floor Area)	(per sq. m.)
Municipal Wide "Soft" Services:						1	
Parks and Recreation	11,977	8,940	7,343	4,550	3,729	1.03	11.09
Library Services	2,231	1,665	1,368	848	695	0.19	2.05
Long Term Care Public Health	250	186	154 28	95 17	78	0.04	0.43
Provincial Offences Act	45 56	34 42	35	22	14 17	0.01 0.03	0.11 0.32
Total Municipal Wide "Soft" Services	14,559	10,867	8,928	5,532	4,533	1.30	14.00
Municipal Wide "Hard" Services:	14,555	10,007	0,320	3,332	4,333	1.30	14.00
Services Related to a Highway	19,596	14,626	12,014	7,443	6,101	14.41	155.11
Public Works	1,445	1,078	885	549	450	0.87	9.36
Police Services	1,102	823	675	419	343	0.66	7.10
Fire Protection Services	1,246	930	764	473	388	0.75	8.07
Ambulance Services	352	263	215	133	109	0.06	0.65
Transit Services	1,733	1,294	1,063	658	539	1.04	11.19
Waste Diversion	375	279	229	142	117	0.03	0.32
Total Municipal Wide "Hard" Services	25,849	19,293	15,845	9,817	8,047	17.82	191.80
Total Municipal Wide - "Soft" and "Hard" Services	40,408	30,160	24,773	15,349	12,580	19.12	205.80
Wastewater and Water Services (note b)		1					
Wastewater Facilities	7,712	5,756	4,728	2,929	2,401	4.90	52.74
Wastewater Linear Services	11,506	8,588	7,054	4,371	3,583	7.31	78.68
Water Services Stormwater Services - Combined Sewer System	7,421	5,539	4,550	2,819	2,311	4.72	50.81
Stormwater Drainage and Control Services (note c)	10,341	7,718	6,340	3,928	3,219	-	-
Stormwater Services - Separated Sewer System							
Stormwater Drainage and Control Services (note c)	24,616	18,374	15,092	9,350	7,664	5.14	55.33
Total Urban Services - Combined Sewer System	20,000	07.004	20.670	44.047	44 544	40.00	400.00
Urban Area A (note f) Total Urban Services - Separated Sewer System	36,980	27,601	22,672	14,047	11,514	16.93	182.23
Urban Area A	51,255	38,257	31,424	19,469	15,959	22.07	237.56
Urban Area B (note f)	32,328	24,130	19,820	12,279	10,065	10.04	108.07
CITY DC TOTAL - COMBINED SEWER SYSTEM	32,320	24,130	13,020	12,213	10,003	10.04	100.07
Urban Area A	77,388	57,761	47,445	29,396	24,094	36.05	388.03
CITY DC TOTAL - SEPARATED SEWER SYSTEM	11,000		,		_,,		
Urban Area A	91,663	68,417	56,197	34,818	28,539	41.19	443.36
Urban Area B	72,736	54,290	44,593	27,628	22,645	29.16	313.87
Other Development Charges		•					
GO Transit (City-Wide)	357	256	221	148	116	-	-
Education - HWDSB (Public - note d)	1,873	1,873	1,873	1,873	1,873	0.60	6.46
Education - HWCDSB (Catholic - note d) TOTAL BEFORE SPECIAL AREA CHARGES - COMBINED SEWER SYSTEM	1,539	1,539	1,539	1,539	1,539	0.65	7.00
Urban Area A	81,157	61,429	51,078	32,956	27,622	37.30	401.49
TOTAL BEFORE SPECIAL AREA CHARGES - SEPARATED SEWER SYSTEM		, -					
Urban Area A	95,432	72,085	59,830	38,378	32,067	42.44	456.82
Urban Area B	76,505	57,958	48,226	31,188	26,173	30.41	327.33
Special Area Charges	,		,		_==,		
Dundas/Waterdown (note e) GRAND TOTAL AFTER SPECIAL AREA CHARGES - COMBINED SEWER SYSTEM	1,931	1,441	1,884	734	601	1.07	11.52
Urban Area A	83,088	62,870	52,962	33,690	28,223	38.37	413.01
GRAND TOTAL AFTER SPECIAL AREA CHARGES - SEPARATED SEWER SYSTEM	00,000	02,070	02,002	55,530	20,220	00.57	410.01
Urban Area A	97,363	73,526	61,714	39,112	32,668	43.51	468.34
Urban Area B	78,436		50,110	31,922	26,774	31.48	338.85
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#### Notes:

- a) There are 2 categories of Non-Residential charges "Industrial" and "Non-Industrial" as defined in the By-laws. See Page 3 for applicable rates.
- b) Charges applicable to developments outside of the urban area shall be determined with regards to the Urban services required or used.
- c) Charges related to Stormwater services are differentiated within the geographic location of the development between Combined Sewer System Area and Separated Sewer System Area (identified on Page 6) and shall be determined with regards to the Area-Specific DC calculation for Stormwater services.
- d) Education DCs are controlled and set by the respective education boards and collected by the City on their behalf. DC Policies approved by the City of Hamilton do not impact these charges. Full list of exemptions for Education DCs can be found on Page 4.
- e) Land affected by the Dundas & Waterdown Special Area Charge can be found on Page 9. This charge is not subject to annual indexing.
- f) New for the 2024 DC By-law: City DCs are differentiated within the geographic location of the development between Urban Area A and Urban Area B (defined in the 2024 DC By-law; Urban Area A identified on Page 10).

### Non-Residential Rates:

## **Industrial (Excluding Manufacturing)**

The City's per square foot charge for industrial development (excluding manufacturing) has been discounted from the full non-residential rates to reduced industrial rates shown as follows, between June 1, 2024 – May 31, 2025:

(Per Sq. Ft. of GFA)	Reduced Industrial Rate	Full Non-Residential Rate
Combined Sewer System – Urban Area A	\$22.72	\$36.05
Separated Sewer System – Urban Area A	\$25.96	\$41.19
Separated Sewer System – Urban Area B	\$18.37	\$29.16

## **Manufacturing, Production Studios and Artist Studios**

The City's per square foot charge for development of manufacturing facilities, production studios and artist studios has been discounted from the full non-residential rates to reduced rates shown as follows, between June 1, 2024 – May 31, 2025:

(Per Sq. Ft. of GFA)	Reduced Rate – Manufacturing & Production/Artist Studios	Full Non-Residential Rate
Combined Sewer System – Urban Area A	\$22.72	\$36.05
Separated Sewer System – Urban Area A	\$25.96	\$41.19
Separated Sewer System – Urban Area B	\$18.37	\$29.16

## Non-Industrial (Commercial/Institutional)

The rates for new non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) is phased as follows, between June 1, 2024 – May 31, 2025:

(Per Sq. Ft. of GFA)	1st 5,000 Sq. Ft.	2 <sup>nd</sup> 5,000 Sq. Ft.	10,000+ Sq. Ft.
,	(50% of charge in effect)	(75% of charge in effect)	(100% of charge in
	,	,	effect)
Combined Sewer	\$18.07	\$27.04	\$36.05
System – Urban Area A			
Separated Sewer	\$20.64	\$30.90	\$41.19
System – Urban Area A			
Separated Sewer	\$14.62	\$21.88	\$29.16
System – Urban Area B			

The above exemptions / deductions DO NOT apply to Education DCs and Special Area Charges.

## **Exemptions (City of Hamilton DCs):**

#### Residential:

Exemptions as per the DC Act:

- Non-profit housing development 100%.
- Rental housing: unit with 3+ bedrooms: 25% reduction: unit with 2 bedrooms: 20% reduction: all other: 15% reduction.
- Exemption for residential units in existing residential buildings The following are 100% exempt from DCs: (1) enlargement of a dwelling unit; (2) an addition of up to 2 secondary dwelling units (SDUs) to single detached, semi-detached, and row dwelling units, where one SDU can be detached; and (3) the greater of 1 unit or 1% of existing units to a rental building.
- Exemption for additional residential units in new residential buildings The following are 100% exempt from DCs: an addition of up to 2 SDUs to single detached, semi-detached, and row dwelling units, where one SDU can be detached.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the City DC By-law:

- Downtown Hamilton CIPA exemption for residential development 40% exemption of DCs otherwise payable for June 1, 2024 to May 31, 2025. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Redevelopment of an existing residential development for the purpose of creating residential facilities within the existing building is exempt from 50% of DCs otherwise payable (credit for 100% of previous residential facility use).
- Farm labour residences 100%.

#### Non-Residential:

Exemption as per the DC Act:

■ Industrial expansion (attached building) – 100% exemption for up to 50% expansion of existing GFA.

Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the City DC By-law:

- Downtown Hamilton CIPA exemption for non-residential development (excluding Class A Office Developments), industrial development and the non-residential component of mixed-use development 40% exemption of DCs otherwise payable. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Downtown Hamilton CIPA exemption for Class A Office Developments (20K+ sq. ft. GFA) 70% exemption of DCs otherwise payable. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.
- Reduced rate exemption for manufacturing, production studios and artist studios 37%. See rates above.
- Reduced rate exemption for industrial development (other than manufacturing) 37% for June 1, 2024 to May 31, 2025.
  See rates above.
- Industrial expansion (detached building) 100% exemption for up to 50% expansion of existing GFA be applied only to industrial businesses with primary economic activity identified as manufacturing.
- Agricultural use/bona fide farming use 100%. Farm Business Registration Number required, see City DC By-law for further details.
- A temporary building or structure 100%. See City DC By-law for further details.
- Parking structure (excluding commercial parking) 100%.
- Place of worship 100%. Excludes revenue-generating space (must be exempt from property taxes).
- Office expansion (attached or detached; medical clinic excluded) 100% exemption for the initial 5K sq. ft. of GFA.

#### Both:

Exemption as per the DC Act:

- Public university 100%.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemption as per the City DC By-law:

■ Heritage buildings – 100% exempt for adaptive reuse within the existing building, excluding sections that are not covered by a Heritage designation.

Please note the majority of these exemptions DO NOT apply to Education DCs.

Please go to <u>Interactive Mapping | Open Hamilton (arcgis.com)</u> and select Commercial District & Corridor CIPAs, BIAs and the Downtown UGC to confirm CIPA and BIA boundaries.

## **Exemptions (GO Transit DCs):**

## Residential:

Exemptions as per the DC Act:

- Non-profit housing development 100%.
- Rental housing: unit with 3+ bedrooms: 25% reduction: unit with 2 bedrooms: 20% reduction: all other: 15% reduction.
- Exemption for residential units in existing residential buildings The following are 100% exempt from DCs: (1) enlargement of a dwelling unit; (2) an addition of up to 2 secondary dwelling units (SDUs) to single detached, semi-detached, and row dwelling units, where one SDU can be detached; and (3) the greater of 1 unit or 1% of existing units to a rental building.
- Exemption for additional residential units in new residential buildings The following are 100% exempt from DCs: an addition of up to 2 SDUs to single detached, semi-detached, and row dwelling units, where one SDU can be detached.
- Public university 100%. See City DC By-law for further details.
- Note: See the DC Act for further details. The above list accurate as of the date of publication of the DC pamphlet and subject to change.

Other exemptions as per the GO Transit DC By-law:

- Exemption for residential units in existing residential buildings (in addition to the DC Act) 100% exemption for 1 unit to any other residential buildings (other than a single detached, semi-detached, and row dwelling units). DCs shall be imposed if the additional unit has a GFA greater than the GFA of the smallest unit in the building.
- Redevelopment of an existing residential development for the purpose of creating residential facilities within the existing building is exempt from 50% of DCs otherwise payable (credit for 100% of previous residential facility use).
- Heritage buildings 100% exempt for adaptive reuse within the existing building, excluding sections that are not covered by a Heritage designation.

■ Downtown Hamilton CIPA exemption – 40% exemption of DCs otherwise payable. Boundaries of the Downtown Hamilton CIPA are as shown in By-law 21-163. Building height restrictions for the exemption are as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto.

Please note the majority of these exemptions DO NOT apply to Education DCs.

Please go to <u>Interactive Mapping | Open Hamilton (arcgis.com)</u> and select Commercial District & Corridor CIPAs, BIAs and the Downtown UGC to confirm CIPA and BIA boundaries.

## Exemptions (Education DCs: Public & Catholic):

## Residential:

- Exemption for residential units in existing residential buildings The following are 100% exempt from DCs: (1) enlargement of an existing dwelling unit; and (2) creation of 1 or 2 units to an existing single detached dwelling, or 1 unit to any other existing residential building (subject to GFA restrictions).
- Long-term care home, as defined in the *Long-Term Care Homes Act*, 2007 100%.
- Retirement home, as defined in the *Retirement Homes Act*, 2010 100%.
- Hospice or other facility that provides palliative care services 100%.

## Non-Residential:

- Public Hospital Exempt from 100% of DCs if receiving aid under Public Hospitals Act.
- Place of Worship, churchyard, cemetery, or burial site 100% exempted (must be exempt from property taxes).
- Non-residential farm buildings 100% exempted.
- Enlargement of existing industrial buildings 100% exemption for up to 50% expansion of existing GFA.
- Metrolinx, or a predecessor or successor corporation identified under the Metrolinx Act, 2006, C. 16, excluding retail use development – 100%.
- Private school 100%.
- Child care centre, as defined in the Child Care and Early Years Act, 2014 100%.
- Memorial home, clubhouse or athletic grounds owned by the Royal Canadian Legion 100%.
- The owner is a college of applied arts and technology established under the Ontario Colleges of Applied Arts and Technology Act, 2002 100%.
- The owner is a university that receives regular and ongoing operating funds from the Government of Ontario for the purposes of post-secondary education 100%.
- The owner is an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institutes Act, 2017. O. Reg. 371/19, s. 1; O. Reg. 263/22, s. 1 100%.
- Lands that are owned by and are used for the purpose of a community college 100%.

#### Both:

■ Localized Education Development Agreements – 100%.

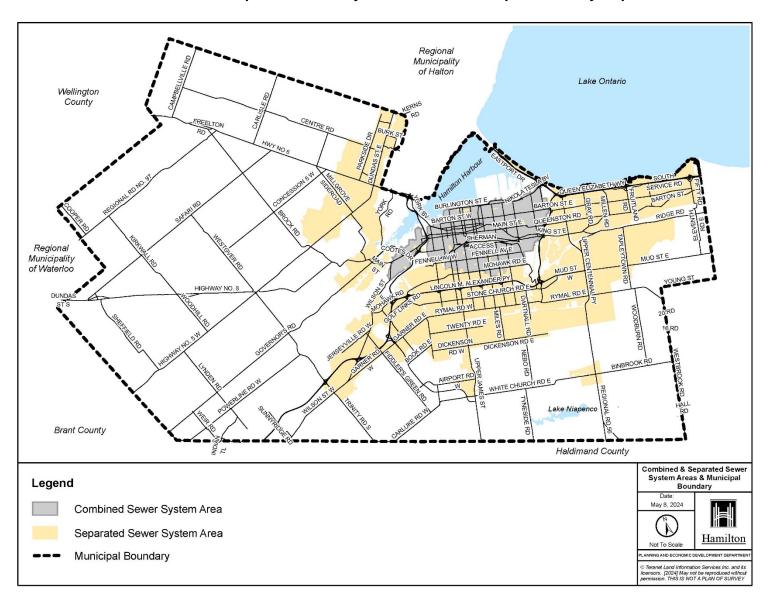
## **Complaints Procedure:**

A person required to pay a DC, or the person's agent, may complain under Section 20 of the DC Act to the Council of the municipality that:

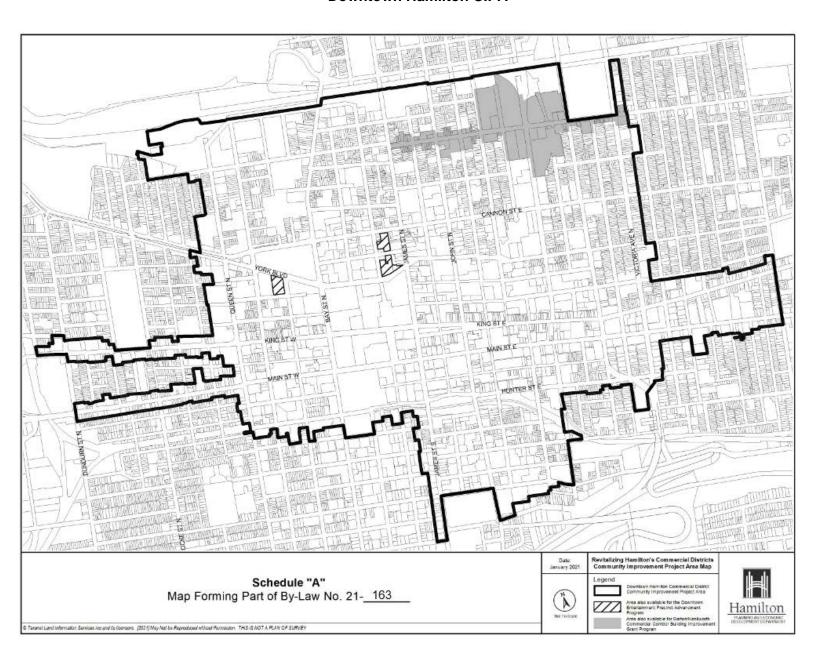
- 1. the amount of the DC was incorrectly determined;
- 2. whether a credit is available to be used against the DC, or the amount of the credit or the service with respect to which the credit was given, was incorrectly determined; or,
- 3. there was an error in the application of the DC By-law(s).

The complaint must be made in writing to the City Clerk with a copy to Corporate Services and must identify that it is a Section 20 complaint and include all information required by the DC Act. The complaint may not be made more than 90 days after the DC, or any part of it, is payable.

# Combined & Separated Sewer System Areas & Municipal Boundary Map



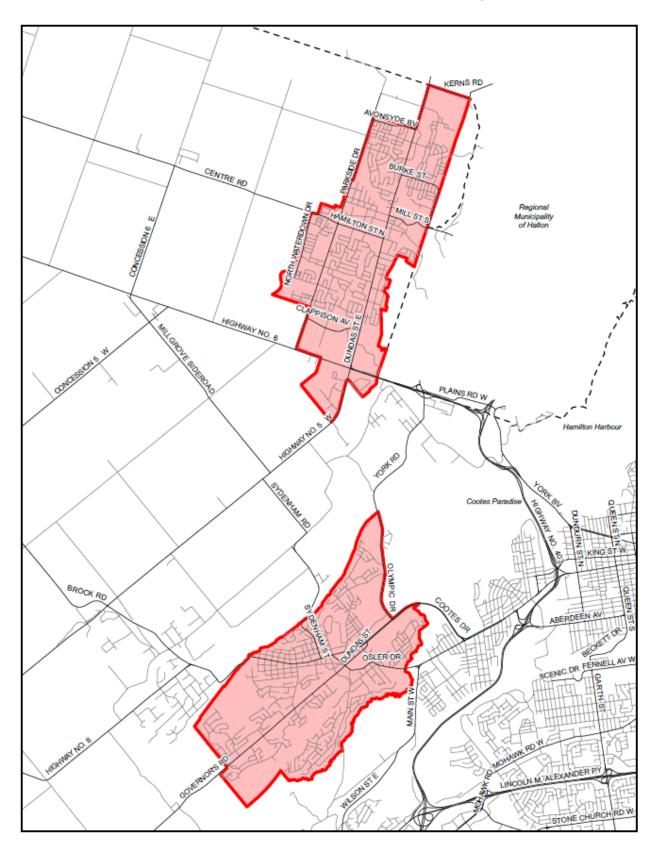
## **Downtown Hamilton CIPA**



## **Downtown CIPA Building Height Restrictions**



# Waterdown / Dundas Special Area Development Charge Map



# **Urban Area A and Municipal Boundary Map**

