



**THE CORPORATION OF THE TOWNSHIP OF KING  
REPORT TO COMMITTEE OF THE WHOLE**

**Monday, November 16, 2020**

**Finance Department Report # FR-2020-12**

**RE: 2020 Development Charges Background Study and Draft Bylaw**

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**1. RECOMMENDATIONS:**

It is respectfully recommended that:

- a) Finance Report # FR-2020-12 for the 2020 Development Charge Background Study and draft bylaw, as required by the Development Charges Act, 1997 (DCA), be received;
- b) Staff be directed to proceed with consultation with the development community stakeholders;
- c) Finance report # FR-2020-12 be referred to a meeting of Council to be held November 30, 2020, and staff be directed to prepare a presentation outlining any updates related to the Development Charge Background Study and draft bylaw; and
- d) That staff be directed to present a final Development Charges Bylaw for adoption no later than January 24, 2021.

**2. PURPOSE:**

All municipalities in Ontario must follow the *Development Charges Act, 1997* ("DCA") and related regulations in order to levy development charges. The DCA is based on the core principle that "growth pays for growth" so that the cost of growth related infrastructure does not become the responsibility of the community by way of property taxation. Development Charges help ensure that municipalities have adequate funding to invest, in a timely manner, in necessary capital improvements to maintain service levels as the Township grows and provide long-term financial stability.

Development Charges ("DC") provide a substantive portion of the funding of all important growth related projects necessary to support the growing community. Development Charges are levied upon each residential unit constructed, and each construction, expansion or conversion of space for non-residential uses. Development Charge Bylaws expire after five years. Before enacting a replacement Bylaw, a comprehensive process and review leading to a complete Background Study and draft Bylaw must be undertaken.

This report is intended to present to Council the 2020 Development Charge Background Study pursuant to the requirements of the DCA and accordingly recommend new development charges and related policies for the Township of King. The Development Charge Background

Study is attached as Attachment C to this report. It is also readily available from the Township's Development Charges Information [webpage](#).

Following the due process as outlined within the DCA, the Development Charges Background Study (as may be amended) will form the basis for which the Township will undertake to complete growth related capital projects in support of eligible municipal services that range from indoor and outdoor recreation services including parks and trails, library, fire, roads and related to water and wastewater services among others throughout the municipality. The Bylaw will provide statutory and other limited exemptions to the charges.

This report will also set out the next steps in the process that will lead to approval of a new Bylaw for the imposition of Development Charges in the Township of King.

### **3. BACKGROUND:**

Staff commenced the process to update its Development Charge Bylaw in the fall of 2019 with the retainer of Watson & Associates Economists Ltd. to assist with preparation of the background study, consultation and review processes, and presentation of the new Development Charges Bylaw.

#### **Recent legislative changes must be addressed**

Since the last Background Study was prepared in 2014, there have been a couple of legislative changes to the DCA, with the passage of Bill 73 in 2015, and Bill 108 in 2019.

Bill 73 requires that the DC Background study must now include consideration of the following:

- area-rating
- extended public consultation process
- the potential inclusion of new services
- inclusion of an asset management plan
- a more enhanced defined local service policy.

Bill 108 brought more comprehensive changes to the DC process. It continues to evolve with passing into legislation some portions as recently as September 18, 2020. These changes primarily relate to mandating delayed payment terms for development charges in relation to developments of purpose built rental housing, non-profit housing, and institutional developments. The necessary changes to comply with the legislation have been included in the draft bylaw, and are discussed later in this report.

A longstanding concern of municipalities was addressed in these changes, being to eliminate the mandatory 10% of eligible growth related costs for soft services such as library and parks and

recreation. This change was welcomed by municipalities across Ontario, and directly results in some of the rate changes noted in the tables below.

Off-street parking has been removed as an eligible DC cost. King has a parking component charge in the current DC Bylaw, so this has now been deleted. There is now a formalized tool to implement Community Benefit Charges, which may be used to recover such parking costs in the future. The Finance Department will explore this option in the coming months. A more fulsome discussion of the recent legislation changes can be found in the Executive Summary section of the DC Background Study.

4. **DISCUSSION AND ANALYSIS:**

The Development Charges Background Study must be prepared and made public prior to the adoption of a new DC Bylaw. Normally such a study is prepared once each five year period. The DC Background Study provides full details and supporting materials for the 2020 DC by-law including:

- The requirements under the *Development Charges Act, 1997*
- The Township's current development charge policy and rates;
- Areas of growth with the Township;
- 10-year average level of service based on the inventory of the Township's assets;
- Capital infrastructure needs to accommodate the forecasted growth within the limits set out by the 10 year average service standard cap;
- Development Charge calculations, including statutory deductions to the cost of growth-related infrastructure to developers;
- Proposed development charge rates by development type

Separate calculations are prepared for each service area for which a separate DC charge is identified. For the 2020 background study, these include Fire, Parks and Recreation, Library, Growth Studies, Roads and Related, Water, and Wastewater Services.

With significant construction of municipal water and wastewater infrastructure within the village areas of the Township over the past years, the importance of ensuring that growth related costs are appropriately supported by developer contributions is paramount to the long-term financial sustainability of the municipality. As population growth continues to proceed in a planned and timely manner towards build-out, it is essential that growth related infrastructure needs are constructed as new residents arrive.

Staff has worked with the consultants in developing all schedules within the DC Background Study. All projects listed are not necessarily included in current budgets, however, they are contained within various applicable master plans, draft or executed agreements with

developers, or are reasonable to contain in the DC Background Study, as staff fully expect such projects to be included in future capital budgets within applicable timelines.

#### **Public and Developer Consultations are taking place**

As part of completing the required Development Charges Background Study, a public meeting of Council is required at which any person may provide feedback, comment or suggestions. This opportunity will take place at the regularly scheduled Council/ Committee of the Whole meeting on November 30, 2020. A statutory public notice of this meeting has been published as required.

In addition to the public meetings, staff has scheduled a consultation session with the developer community. Such consultations are best practices within the industry, but are not specifically required of the DC Act. The developer consultation session is scheduled for November 27<sup>th</sup>, 2020. This consultation session will focus on the detailed calculations and listed capital projects proposed in the Development Charges Background Study. The study was provided on November 12, allowing reasonable time for examination and development of questions for the session. Due to COVID-19, the consultation session is to be held virtually.

At the November 30<sup>th</sup> public meeting, staff and consultants will make a presentation to Council outlining the key changes to the Background Study arising from the consultations or further work of staff, the key changes proposed in the new draft bylaw, as well as a summary of the comments and feedback heard from the developer consultations. If necessary, a second developer consultation session can be scheduled in December to address any significant follow-up on outstanding matters.

#### **Changes Are Proposed in the Updated By-law**

In updating a DC By-law, not only must the Background Study be completed, the actual By-law text must also be updated to accommodate legislative changes, and changes or clarifications needed to improve administration of the bylaw and avoid misinterpretations in applying the bylaw to specific applications. As Township staff must also interpret and apply the Region of York DC bylaw to the same applications, staff have reviewed the Township bylaw and made minor changes to harmonize wording, definitions and applications to improve consistency, clarity, and simplify administration between the Region of York and King Township. The proposed new bylaw is included in Appendix G of the attached DC Background Study.

#### **Legislative Changes Require New Clauses for Some Development Types**

**Schedule A** attached sets out a summary of changes made to the Township's DC bylaw text in response to legislative changes made by the Province of Ontario. Definitions and a section related to timing of payment of DC's were added in respect of non-profit housing, rental housing

and institutional developments to comply with the updated DC Act. These three development types are now provided extended payment terms for the development charges. Rental Housing and Institutional developments can now pay full applicable development charges in six annual instalments, plus interest, beginning on the date of the first occupancy. Non-profit Housing developments are to have 21 annual instalments, plus interest, beginning on the date of first occupancy.

In addition, the updated legislation allows the freezing of DC rates applicable to a development to the rates in effect at the date of site plan application, or zoning bylaw amendment application. If both apply, the later application date is to be used. DC's as at that date are applicable, plus interest, to be paid at time of building permit issuance or as agreed with the municipality. The Region of York is coordinating such agreements for these situations to allow for the coordination of payments and applicable terms and interest.

#### **Administrative Changes Made for Clarity or to Improve Comparability with Region of York Bylaw**

**Schedule B** outlines all other changes made to the DC Bylaw. Many definitions were deleted as obsolete or redundant. Other definitions were clarified or added to enhance compatibility with the Region of York to streamline and simplify the application and administration of the bylaw to various building permit applications.

Bylaw Section 3.15 regarding Timing of Payment of DC's was updated to reflect current practices and industry terminology. No impact to the development industry or the Township arises from this change.

#### **Highlighted Changes in DC Bylaw**

In addition to the statutory changes above, the following sections highlight the more substantive changes made and rational for these changes.

##### **A. New Special Care Facilities type of development**

With the aging population, municipalities have experienced an increase in applications to construct retirement living facilities, including assisted living and progressive care type units. In the past, these have normally been treated as institutional facilities attracting a non-residential development charge. Recently, municipalities have begun treating these as residential facilities by defining them, and creating them as a specific development type within their DC Bylaw. This treatment results in a better classification of them, reflecting the residential type of accommodation constructed, and in most cases, a lower development charge. The Town's updated bylaw reflects such industry best practice, with a new DC rate for special care facilities.

#### B. Places of Worship definition and exemption

Most development charges bylaws allow exemptions for certain developments, including places of worship. King's previous definition of a Place of Worship was "that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act*". This definition has been recast to still reflect the *Assessment Act*, however specifies that it is the whole facility used for religious purposes, including administrative and support areas, but not dedicated commercial space such as weekday daycare centers, or regional organizational headquarters office administration areas. The Region of York in contrast only exempts up to 5,000 sq. feet of worship hall space, but not the supporting areas of the facility. Accordingly, our bylaw did and still does exempt a full local church facility, whereas the Region of York bylaw will only exempt a portion of it from payment of DC's. While it may appear as a substantive change, the definition was clarified for administration purposes, and still reflects the existing *Assessment Act* exemption effects.

#### C. Apartment Unit Size Delineation

The Township's and the Region of York's bylaws set different DC rates for small and large apartments. King's bylaw differentiated based on number of bedrooms, while the Region of York's differentiated on gross floor area of the unit. The updated bylaw now differentiates unit sizes based on the same square footage limits used by the Region of York, being less than 700 sq. ft., or 700 sq. ft. or more.

#### D. Industrial Enlargement Exemption

The DC Act mandates that industrial use properties may enlarge by up to 50% without triggering additional DC's on the expansion. This expansion provision allows existing industrial facilities to expand their capacity and employment on site without triggering additional DC costs.

The DC Act also allows the municipality to set rules regarding application of exemptions, payment terms etc. in its bylaw.

Most DC bylaws reflect the DC Act language for industrial expansion exemptions. Some try to clarify that only the first expansions up to 50% increase from the original structure are permitted and it is not intended to be multiple expansions.

However, some developers have tried to stage the timing of their construction into phases to avoid full payment of DC's by taking advantage of the expansion exemption. One case in an adjacent municipality saw a development of four structures of industrial use rental units. The

construction of each of the four structures was staged to take advantage of the expansion, even though they were simply adding additional rental units for new tenants.

The updated bylaw now reflects rules to clarify that the expansion cannot happen within 5 years of the last building permit, and must be for the benefit of an occupant who occupies at least 50% of the existing structure. This ensures legitimate industrial expansions can occur with the exemption, while trying to prevent abuse of the expansion exemption provision in some cases through staging or phasing construction.

#### E. Credit for Demolition

Most DC bylaws contain provisions for demolitions or destruction of property. For example, if your existing single family house burns down or you take it down, and reconstruct a new single family house, no DC's would be payable, as there are no additional capital costs required of the municipality to accommodate the new house, since it is simply a replacement of an existing unit. The Township's existing bylaw carries such provisions. The owner gets a DC credit equal to whatever structure is demolished, and can apply that credit towards the DC's payable on the new construction, both calculated at the time of permit issuance for the new construction. You may take down residential and rebuild non-residential, and the credit for the residential removal applies. For non-residential demolitions, you get credit for the square footage removed, to apply towards the square footage you are planning to rebuild. The excess of the new verses the old square footage is used to calculate your net DC payment.

The Region of York DC bylaw allows demolition credits up to 48 months following demolition, while King's current bylaw allows up to 60 months. To harmonize and reduce error or confusion in application by staff and clients, the Township's updated bylaw now reflects the 48 months period to be consistent.

Occasionally it becomes problematic to identify what was demolished, particularly for fire or natural destructions. New clauses similar to other jurisdictions have been added to put the onus on the owner to prove what type of structure was demolished, its size, and the date of destruction or demolition, for purposes of calculating the credit.

#### F. Deemed demolition

Several York municipalities have experienced situations where land is held by developers, and the developer leaves a structure abandoned on the property that comes into unsafe condition through neglect over time. They resist taking the structure down until they are ready for development, as there is normally a four or five year limit on the DC credit. To encourage safe properties and to remove unsightly, dangerous and dilapidated properties, municipalities have begun adding a clause to allow the structure to be deemed "derelict" and order its demolition.

In such a case, the demolition credit will be fully valid for four years as normal, but following four years will diminish over the following six years, so that following ten years from demolition, the DC credit becomes void. This approach allows developers longer between demolition and new construction, without losing their entire DC credit, and allows for earlier removal of the unsafe structure for community safety and appearance.

#### G. Standard Transition Clauses Between the Township and the Developer

Some developers have tried to avoid paying higher new DC rates by applying for and pulling a building permit in advance of the effective date of the new bylaw, yet not starting construction for a long period of time. Most municipalities now carry a transition clause that any permits issued prior to the effective date must start construction within six months, else they must pay the uplift in the new DC charge. This clause is now added at clause 4.1.

Also, the Building Code requires residential building permits to be issued within ten days of receipt of a complete building permit application. Most municipalities allow complete applications received 10 days or more prior to the effective date of the new DC bylaw to pay the old DC rates upon issuance of the building permit, as otherwise the municipality is late in issuing the permit and the applicant would otherwise be affected by having to pay the higher new rates without fault of their own. This new transition provision is now included at clause 4.2.

#### H. Indexing of DC Rates now to be Semi-annually

The DC Act allows for indexing of DC rates periodically, using a prescribed published index. Many municipalities index once per year, however more municipalities are beginning to index twice per year to ensure DC rates continue to reflect cost of construction of municipal infrastructure. The Township has traditionally indexed once per year on January 1, while the Region indexes once per year on July 1, although some of their DC components index at other times of the year. The updated bylaw now includes indexing each January 1 and July 1.

Implementing twice per year indexing does not cause any further confusion in our published DC rate tables. Those have been clarified to include all indexing dates applicable, and now carry clear “effective” and “valid until” dates on the schedule for ease of understanding for both staff and the public.

An additional clause has also been added to make the previously noted new transition clauses apply also at the date of each indexing.



**5. FINANCIAL IMPLICATIONS:**

Development Charges are the primary mechanism to have growth fund the costs of public infrastructure necessary to support that new growth.

Development Charges are set using similar methodology, but are based on dwelling type, or for non-residential properties. For comparative purposes, the following table outlines the differences between the 2020 existing DC rate for a single family dwelling, and the draft proposed DC rate for 2021.

Component Service	Current 2020 Rate Single Fam.	Proposed Draft Rate	% Change
<b>Township-Wide Services</b>			
Roads and Related	15,935	16,824	5.6%
Parking	8	-	N/A
Fire Protection	1,020	973	-4.6%
Parks and Recreation (now combined)	8,890	11,735	32.0%
Library	1,413	1,566	10.8%
Growth Studies	768	459	-40.2%
<b>Total Township-Wide Services (A)</b>	<b>28,034</b>	<b>31,557</b>	<b>12.6%</b>
<b>Urban Services</b>			
Stormwater Services		388	New
Water Services	3,235	2,788	-13.8%
Water and Wastewater Studies	398	313	-21.4%
<b>Total Urban Services (B)</b>	<b>3,633</b>	<b>3,489</b>	<b>-4.0%</b>
<b>Area Specific Services</b>			
Wastewater – King City (C)	6,375	4,186	-34.3%
Wastewater - Nobleton (D)	4,554	4,681	2.8%
<b>Total King City (A+B+C)</b>	<b>38,042</b>	<b>39,232</b>	<b>3.1%</b>
<b>Total Nobleton (A+B+D)</b>	<b>36,221</b>	<b>39,727</b>	<b>9.7%</b>
<b>Total Schomberg (A+B)</b>	<b>31,667</b>	<b>35,046</b>	<b>10.7%</b>
<b>Total Rural Unserviced Areas (A)</b>	<b>28,034</b>	<b>31,557</b>	<b>12.6%</b>

In reviewing the table above and the following table, it is important to bear in mind that the current 2020 DC rates shown will be indexed for inflation on January 1, 2021, by an expected 2.5%. This increase is not shown in the tables, and accordingly, the percentage increases shown will actually be less when comparing the draft rates to the January 2021 prevailing rates.

For comparative purposes, the following table outlines the differences between the 2020 existing DC rate for non-residential developments, and the draft proposed DC rate for 2021. Our updated bylaw will now use per square meter rates for non-residential construction as that is the most common measure basis on submitted drawings. Again, the noted 2020 current rates will be indexed January 1, 2021, by an estimated 2.5%.

Component Service	Published Current 2020 Non-Res per Sq. Ft rate.	Current rate converted to Sq. M.	Proposed Draft Rate per Sq. M.	% Change
<b>Township-Wide Services</b>				
Roads and Related	6.93	74.59	93.75	25.7%
Fire Protection	0.45	4.84	5.38	11.2%
Parks and Recreation (now combined)	0.73	7.86	17.55	123.3%
Library	0.11	1.18	2.26	91.5%
Growth Studies	0.35	3.77	2.48	-34.2%
<b>Total Township-Wide Services (A)</b>	<b>8.57</b>	<b>92.24</b>	<b>121.42</b>	<b>31.6%</b>
<b>Urban Services</b>				
Stormwater Services	0.00	0.00	2.15	New
Water Services	0.48	5.17	15.18	193.6%
Water and Wastewater Studies	0.05	0.54	1.61	198.1%
<b>Total Urban Services (B)</b>	<b>0.53</b>	<b>5.71</b>	<b>18.94</b>	<b>231.7%</b>
<b>Area Specific Services</b>				
Wastewater – King City (C)	0.80	8.61	15.93	85.0%
Wastewater - Nobleton (D)	0.37	3.98	4.63	16.3%
<b>Total King City (A+B+C)</b>	<b>9.90</b>	<b>106.56</b>	<b>156.29</b>	<b>46.7%</b>
<b>Total Nobleton (A+B+D)</b>	<b>9.47</b>	<b>101.93</b>	<b>144.99</b>	<b>42.2%</b>
<b>Total Schomberg (A+B)</b>	<b>9.10</b>	<b>97.95</b>	<b>140.36</b>	<b>43.3%</b>
<b>Total Rural Unserviced Areas (A)</b>	<b>8.57</b>	<b>92.24</b>	<b>121.42</b>	<b>31.6%</b>

Part of the legislated process of completing a Development Charge Background Study is to complete a financial analysis in the form of a prescribed Asset Management Plan related to all assets contained in the Background Study, and ensure that all assets are financially sustainable over their full life cycle amongst other prescribed content. Appendix F of the Background Study meets the statutory requirements for Asset Management Planning in the strict context of the Development Charges Act. The Township is currently updating its broader corporate Asset Management Plan, and expects to report to council by mid-year 2021.

## 6. INTEGRATED COMMUNITY AND SUSTAINABILITY & OFFICIAL PLAN LINKAGE

The ISCP and Official plan are the Township's overarching guiding documents based on common values, priorities and long term vision for King. King Township's Integrated Community Sustainability Plan (ICSP) was formally adopted by Council on April 2, 2012. King Township's Our

King: Official Plan was formally adopted by Council on September 23<sup>rd</sup>, 2019, which embodies and focuses on the sustainability pillars identified in the ICSP.

This report links to the theme Financial Sustainability and more specifically the goal of being cost effective and financially prudent with the Township's financial resources.

**7. CONCLUSION:**

The Township has now completed its Development Charges Background Study, including the financial analysis and considerations required of the Development Charges Act. This work ensures that the continued growth of the community appropriately contributes through development charges to the cost of implementing necessary municipal infrastructure to support and serve such growth.

Staff will continue to consult with the development community. If necessary an additional session will be held for final clarifications in December or January prior to bringing the final DC Bylaw and report to Council on January 11, 2021.

**Key Dates:**

**November 27<sup>th</sup>, 2020 – Developer Consultation Session**

This meeting is optional to the process but reflects best practices of the industry. It will be held virtually, and will include a presentation and discussion led by the Township's consultants. Outcomes, and concerns raised will be included in the staff presentation made to Council on November 30, 2020.

**November 30<sup>th</sup>, 2020 Statutory Public Meeting at beginning of Council meeting**

This meeting is being held in compliance with a requirement to hold a public meeting at which any interested party may speak to provide input to the Background Study and proposed rates. Staff will begin the session with a detailed presentation by Watson and Associates Economists Ltd. That presentation will include a summary of concerns raised during recent developer consultations, and adjustments made if any in response. Following the presentation and any questions by Council, the floor should be opened to hear delegations if any from the public. Following the meeting, staff will follow up with any action items arising from the meetings, and make any amendments necessary to the Background Study.

January 11, 2021 Council meeting

At the January meeting, staff will present the final report, and final bylaw for adoption by Council, with the changes and the new development charges rates effective immediately the next day.

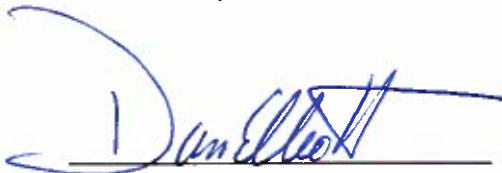
**8. ATTACHMENTS:**

Attachment A: Summary of Bylaw Text Changes Required by Legislative Amendments

Attachment B: Summary of Bylaw Text Changes for Clarity or for Alignment to Region of York DC Bylaw

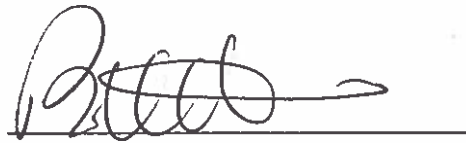
Attachment C: Development Charges Background Study - 2020

Submitted by:



Dan Elliott, CPA, CA  
Interim Manager of Revenue

Approved by:



Peggy Tollett, CPA, CGA  
Director of Finance & Treasurer

**Appendix A – Summary of Bylaw Text Changes Required by Legislative Amendments**

The following table summarizes text changes proposed to the Township of King DC bylaw text arising from legislative changes made to the Development Charges Act, or its Regulations.

Ref	Bylaw Section	Change	Source
1	1.1	Added definitions for Interest Rate, Rental Housing, Non-profit Housing Developments as definitions are required to apply to deferred payment requirements for Rental Housing, Non-profit Housing, or Institutional developments.	Legislatively required to be included, provided by Watson. Interest rate set at 5% to match Region of York.
2	3.13	New – timing of payment for rental housing and institutional developments required by legislation change: six annual instalments with interest from date of first occupancy.	Provided by Watson
3	3.14	New – timing of payment for Non-Profit Housing required by legislation change: 21 annual instalments with interest from date of first occupancy.	Provided by Watson
4	3.15	New- timing of payment for site plan or zoning bylaw amendment applications: freezes DC rates applicable to those in effect at site plan or zoning application, plus interest	Provided by Watson

**Appendix B: Summary of Bylaw Text Changes for Clarity or for Alignment to Region of York DC Bylaw**

The following table summarizes text changes proposed to the Township of King DC bylaw text made for administrative clarity or for improved alignment to Region of York DC Bylaw.

Ref	Bylaw Section	Change	Source
1	1.1	Deleted definitions not used or redundant: Bedroom, Benefiting Area, Building Code Act, Capital Cost, Farm Building, Local Services, Regulation, Servicing Agreement	
2	1.1	Definitions with minor clarifications to harmonize more closely with Region of York for purposes of administration and application consistency: Accessory Use, Apartment Unit, Dwelling Unit, Gross Floor Area, Multiple Dwellings, Residential Use, Single Detached Dwelling Unit	Region of York bylaw for harmonization
3	1.1	Agricultural Use, Bona Fide Farmer, Cannabis definitions added to clarify agricultural uses to exclude any processing, handling, storage or selling of cannabis or cannabis products.	Consistent with Area Municipalities
4	1.1	Added definition of Large Apartment and Small Apartment to harmonize with Region of York. York based on square footage of unit, King previously based on number of bedrooms	Consistency with Region of York for application of bylaw
5	1.1	Places of Worship definition clarified/changed to match that of Aurora. Now includes for exemption whole structure used for religious purposes, including administration, teaching, child minding etc., but excluded dedicated commercial space such as full weekday daycare facilities.	Not consistent with Region of York, as they only exempt up to 5,000 sq. ft. of worship hall, not administrative and supporting areas.
6	1.1	Special Care Facilities definition added, matching Region of York, used to create separate charge rate	Clarification of our bylaw definitions for consistency with

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			Region of York
7	1.1	Structure or Building definition clarified to now include mezzanine areas and air supported structures	Consistent with Other Municipalities
8	3.7	Exemption for Industrial Enlargements: a statutory exemption elsewhere exploited and abused. Changes reflect specific rules and qualifications intended to eliminate staging or phasing of development to avoid payment of DC's.	Consistent with Area Municipalities
9	3.11	Reduction of DC for redevelopment: text clarified. A statutory requirement to allow a DC credit for what was demolished to be applied to what will be built. Eg. Demolish one residential to put up three new residential, only need to pay for two, provided timelines between demo and new permit followed. Too long of delay loses credit. Current 60 month time period for credit reduced to match Region of York 48 month period.	Clarified for simplicity of application, and time period updated to match Region of York.
10	3.11.4	Added DC credit for demolition order issued by Town for derelict structures. Allows reducing DC credit towards new construction, diminishing over 10 years to zero credit, from date of demolition. Allows Council to order demolition of derelict structures for safety of community, yet offers owner DC credits.	Occasionally developer keeps derelict structure standing to hold the demo credit value. This allows longer than normal demo credit, but reduces over time.
11	3.12	Timing of payment of DC simplified to industry standard. Previous text was highly technical and confusing. Change reflects our current practice.	Now industry standard, and reflects current practice of King.
12	4	New Transition: clarifies transition period. Building permits issued prior to new bylaw, but not started within 6 months, to pay new DC rates. Residential building permit applications received prior to 10 days before new bylaw, but not issued by new bylaw, pay old rates.	Consistent with Area Municipalities
13	5.1, 5.2	Indexing previously once per year, now twice per year, each January 1, and July 1. The same new transition rules apply for each indexing point.	Semi-annual indexing keeps
14	Sched. C	Schedule C added related to the reducing DC credit arising from demolition ordered by Council for derelict buildings as set out in new Section 3.11.4.	Same schedule as used by area municipalities and the Region of York.

