



## **Development charges**

Imposed under By-laws (2024) – 20866 to (2024) – 20880 Effective March 2, 2024, to March 1, 2034

This pamphlet summarizes information relating to the City of Guelph development charges bylaws. It is intended only as a guide. Applicants should review the bylaws and consult with City staff to determine the charges that may apply to specific development proposals. If there is a discrepancy between this pamphlet and the development charges bylaws, the development charges bylaws and current legislation shall prevail.

This pamphlet is available in an accessible format upon request in accordance with the Accessibility for Ontarians with Disabilities Act, 2005. Please contact:

Financial Services  
Guelph City Hall, 1 Carden Street, Guelph ON N1H 3A1  
519-837-5610  
TTY: 519-826-9771  
[finance@guelph.ca](mailto:finance@guelph.ca)

## **Purpose of development charges**

On January 16, 2024, the Council of the City of Guelph passed By-laws (2024) – 20866 to (2024) – 20880, under the authority of the Development Charges Act, 1997. They impose development charges against land to pay for increased capital costs required because of increased needs for physical and other services arising from development and redevelopment within the municipality.

## **Services for which development charges are imposed:**

- I. Water services
- II. Wastewater services
- III. Stormwater services
- IV. Services related to a highway

- V. Public works (facilities and fleet)
- VI. Fire protection services
- VII. Policing services
- VIII. Transit services
- IX. Library services
- X. Parks and recreation services
- XI. Ambulance services
- XII. Public health services
- XIII. Long-term care services
- XIV. Waste diversion services
- XV. Any other eligible services set out in the Act or amendments thereto

The current components of the services/class of services above are described in Schedule A of By-law (2024) – 20866.

### **Development charges rules**

- 1) Development charges bylaws apply to all lands in the City of Guelph except those owned by and used for the purposes of the City, a local board of the City, a board of education, the County of Wellington or a local board of the County of Wellington.
- 2) Development charges are imposed if the development of land, buildings or structures requires any of the following:
  - The passing of a zoning by-law or amendment
  - The approval of a minor variance
  - A conveyance of land not subject to part-lot control
  - The approval of a plan of subdivision
  - A consent
  - The approval of a condominium
  - The issuing of a building permit
- 3) Development charges are calculated, payable and collected upon issuance of the first building permit.
- 4) Development charges for Institutional and Rental Housing Developments (where not otherwise exempt) are due and payable in six (6) equal annual instalments starting with the first installment payable on the earlier of the date of the issuance of a permit authorizing occupation of the Building and the date the Building is first occupied.
- 5) The City's development charges bylaws provide for the following exemptions from development charges:
  - The enlargement of an existing dwelling unit or the creation of up to two additional dwelling units in prescribed classes of new and existing residential buildings
  - The creation of the greater of one additional dwelling unit or 1% of the existing dwelling units in existing residential rental housing development
  - Development of certain land, buildings, or structures for the University of Guelph or university-related purposes
  - Land, buildings or structures to be used by a college of applied arts and technology established under the Ontario Colleges of Applied Arts and Technology Act, 2002, as amended, or any successor thereof
  - A place of worship, cemetery, or burial ground

- Non-residential temporary uses permitted pursuant to Section 39 of the Planning Act
- Development creating or adding an accessory use or accessory structure not exceeding 10 square metres of gross floor area
- A public hospital
- The portion of an enlargement, whether attached or separate, of the gross floor area of an existing industrial building up to 50 per cent of the gross floor area before the first enlargement for which an exemption was granted.
- Parking structures
- Non-profit residential housing

6) The City's development charges bylaws provide for certain discounts from development charges.

Development charges payable for rental housing developments, where the residential dwelling units are intended to be used as a rented residential premises will be reduced based on the number of bedrooms in each dwelling unit as follows:

- Three or more bedrooms – 25 per cent reduction
- Two bedrooms – 20 per cent reduction
- All other bedroom quantities – 15 per cent reduction

7) The City's development charges bylaws provide for certain credits to development charges for redevelopment.

Credits are available for when property is redeveloped within 48 months of being demolished and for when the use is converted to another. The credit amount is determined by the applicable rate multiplied by the appropriate quantity that will be demolished or converted.

Credits that exceed the amount of the development charge otherwise payable can only reduce the development charge payable to zero. Excess credits cannot be transferred to other developments or redevelopments.

## Residential development charges

Residential development charges are imposed according to the number and type of dwelling units proposed and are calculated, payable and collected at the time of building permit issuance.

**Table 1: Residential development charges**

Unit type	Municipal DCs	Education DCs	Total DCs
Single detached or semi-detached unit	\$51,850	\$3,441	\$55,291
Multiple dwelling unit	\$37,337	\$3,441	\$40,778
Apartment unit, stacked townhouse (two or more bedrooms)	\$31,039	\$3,441	\$34,480

Unit type	Municipal DCs	Education DCs	Total DCs
Apartment unit stacked townhouse (bachelor or one bedroom)	\$22,747	\$3,441	\$26,188
Special care/special dwelling unit	\$16,771	\$3,441	\$20,212

These rates became effective March 2, 2024, and are inclusive of the mandatory 20 per cent discount required under the Development Charges Act. They will be adjusted annually for inflation and the phase out of the mandatory discount.

## Non-residential development charges

Development charges applicable to non-residential development shall be calculated by multiplying the total gross floor area (square feet) of the building or structure by the non-residential rate in effect at the time of final building permit issuance.

**Table 2: Non-residential development charges**

Unit type	Total
Non-residential	\$20.62 / square foot

This rate became effective March 2, 2024, and are inclusive of the mandatory 20 per cent discount required under the Development Charges Act. They will be adjusted annually for inflation and the phase out of the mandatory discount.

## Development charge complaint procedure

The Development Charges Act allows owners to register complaints if they believe that the amount of the development charges was incorrectly determined, that a credit should have been applied or was incorrectly determined, or that there was an error in the application of the development charges bylaws. A complaint to City Council must be in writing and made within 90 days of the day any part of the development charge became payable. Council is required to hold a hearing about the complaint and give the complainant an opportunity to make representations at the hearing within 60 days of receiving the complaint.

## Annual statement

The City Treasurer provides Council with an annual financial statement related to the development charges bylaws and development charge reserve funds. The purpose of the statement is to document opening balances, development charge collections, interest earned, contributions to capital projects, borrowing, and closing balances for each development charge reserve fund. A copy of the statement may be obtained from the Finance Department in Guelph City Hall or from the City's website at [guelph.ca](http://guelph.ca).

**For further information**

Please contact the City of Guelph Finance department in any of the following ways if you require further information regarding development charges:

Guelph City Hall, 1 Carden Street, Guelph ON N1H 3A1

519-837-5610

[finance@guelph.ca](mailto:finance@guelph.ca)

**Education development charges**

The City also collects education development charges on behalf of local school boards. Information regarding education development charges can be obtained by contacting the Upper Grand District School Board at 519-822-4420 or visiting

<https://www.ugdsb.ca/board/planning/education-development-charges-edcs/> and the

Wellington Catholic District School Board at 519-821-4600 or visiting

<https://www.wellingtoncdsb.ca/apps/pages/edc>