



Town of Perth

DEVELOPMENT CHARGES November 2014

The Development Charges Act came into effect March 1, 1998. Under this Act, municipalities must undertake a study and adopt a by-law if they wish to impose a Development Charge. The Town of Perth has prepared a study and has adopted a by-law which will be effective for the period **November 10, 2014 to November 9, 2019.**

General Purpose

The purpose of a development charge is to generate new revenues to finance eligible municipal services required because of growth. In essence, the development charge is designed to maintain the same level of service offered to existing residents of the municipality. One might say it is similar to buying a corporate share (investment) in the municipality.

An example of the purpose of the charge would be as follows: Forty additional dwellings are built in the municipality and there arises the need for additional library books to serve new library patrons and build a new playground structure to serve new children in the neighbourhood. The need for new books and new playground equipment arose from growth and is now charged back through development charges to those who created the demand for the additional services. Funds from the development charge reserve fund would then be used to purchase new books and build a new playground. Development charges may **not** be used for salaries, maintenance costs, operational costs, or for the replacement equipment and furniture.

Who must pay development charges?

Development charges are levied on all new buildings and structures throughout the municipality with certain exceptions. The charges do not apply to accessory uses to residences such as a garage, storage building, garden shed, swimming pool, small additions nor do they apply to buildings less than 10 m² (107.6 ft.²). Generally, development charges are only applied to new dwelling units or new non-residential buildings. Any expansion of up to 50% of any existing industrial building is exempt. Development charges are pro-rated to reduce the charge applicable to larger industrial development.

When must the charge be paid?

The development charge is payable prior to the issuing of a building permit unless a binding agreement is entered into with the Town for an alternative arrangement.

Indexing and Phasing

The development charges in this By-Law shall be adjusted once annually on the 9th of September in accordance with the "Construction Price Statistics" index in accordance with section 4 of By-law 4464.

Treasurer's Statement

A statement must be prepared annually by the Treasurer of the municipality. This statement is mandatory and describes the services for which a development charge fund has been established, the closing balance in each reserve fund as of December 31 of each year, how the funds were spent, the extent of any funds borrowed and the interest which is accrued. This statement must be submitted to Council and the Ministry of Municipal Affairs and Housing.

For further information or to obtain a copy of the Treasurer's statement, please contact:

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Services to which the Development Charges Relate and Amount of Development Charge

MUNICIPAL SERVICE	Residential Uses	Non-residential Uses
Fire Protection	x	X
Transportation	x	X
Environmental	x	X
Recreation and Cultural Services	X	-
Studies	x	X
Interest	x	X

Summary of Development Charges for Residential and Non-residential Uses				
Residential (per unit)	General	North Area Charge	West Area Charge	East Area Charge
Low Density	\$ 6192.71	\$ 6739.66	\$ 7,605.43	\$ 6804.37
Medium Density	\$ 4,338.13	\$ 4,722.31	\$ 5,327.24	\$ 4,766.79
High Density	\$ 2,658.93	\$ 2,894.02	\$ 3,265.29	\$ 2,922.60
Non-Residential (per ft. ²)	\$ 3.04	\$ 3.52	\$ 3.07	\$ 3.17