



CITY OF HAMILTON
Development Charges (DC) Information – Pamphlet
Summary of By-laws 19-142 (as amended) and 11-174 (as amended)

**Rates Effective
November 28, 2022 – July 5, 2023**

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 By-laws.

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. 19-142 (as amended) – City DCs

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

Rates shall be indexed on 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: 18-10-0135-01 (formerly CANSIM 327-0058)

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.
- Non-Profit Housing (21 annual instalments commencing at occupancy)

The City also offers deferrals for 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 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 1st 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 DCRequest@hamilton.ca (ext. 4400) or Building at 905-546-2720

Please check with City Staff at Parklandrequest@hamilton.ca regarding Parkland Dedication fees which may apply and are separate and distinct from Municipal DCs.

DC Policies approved by City of Hamilton Council do not impact Education DCs which are controlled and set by the HWCDSB and HWDSB.

SERVICE COMPONENT BREAKDOWN EFFECTIVE November 28, 2022 - July 5, 2023

Service	RESIDENTIAL (\$)					NON-RESIDENTIAL (\$) (note a)	
	Single-Detached Dwelling & Semi-Detached Dwelling (per dwelling unit)	Townhouses & Other Multiple Unit Dwellings (per dwelling unit)	Apartments & Stacked Townhouses & Mobile Homes 2-Bedrooms+ (per dwelling unit)	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:							
Parkland Development	3,027	2,166	1,772	1,212	978	0.14	1.51
Indoor Recreation Services	5,761	4,123	3,373	2,308	1,861	0.26	2.80
Library Services	1,337	956	783	535	431	1.17	12.59
Growth Studies	472	337	277	189	153	0.24	2.58
Long Term Care	212	152	125	85	69	0.02	0.22
Public Health	3	2	2	1	1	-	-
Child Care and Early Years	18	13	11	7	5	-	-
Provincial Offences Act	47	34	27	19	15	0.02	0.22
Total Municipal Wide "Soft" Services	10,877	7,783	6,370	4,356	3,513	1.85	19.91
Municipal Wide "Hard" Services:							
Services Related to a Highway	12,570	8,997	7,361	5,036	4,061	9.40	101.18
Public Works	940	672	550	376	303	0.48	5.17
Police Services	612	438	358	245	197	0.31	3.34
Fire Protection Services	539	387	316	216	174	0.27	2.91
Ambulance Services	173	124	102	69	56	0.02	0.22
Transit Services	2,237	1,602	1,311	897	723	1.14	12.27
Waste Diversion	852	609	498	341	276	0.15	1.61
Total Municipal Wide "Hard" Services	17,923	12,829	10,496	7,180	5,790	11.77	126.69
Total Municipal Wide - "Soft" and "Hard" Services	28,800	20,612	16,866	11,536	9,303	13.62	146.60
Wastewater and Water Services (note b)							
Wastewater Facilities	4,725	3,382	2,767	1,893	1,527	2.28	24.54
Wastewater Linear Services	6,321	4,525	3,701	2,532	2,041	3.04	32.72
Water Services	5,564	3,983	3,259	2,230	1,798	2.67	28.74
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services (note c)	4,608	3,298	2,699	1,846	1,488	-	-
Stormwater Services - Separated Sewer System							
Stormwater Drainage and Control Services (note c)	12,212	8,741	7,152	4,892	3,946	2.52	27.13
Total Urban Services - Combined Sewer System	21,218	15,188	12,426	8,501	6,854	7.99	86.00
Total Urban Services - Separated Sewer System	28,822	20,631	16,879	11,547	9,312	10.51	113.13
CITY DC TOTAL - COMBINED SEWER SYSTEM	50,018	35,800	29,292	20,037	16,157	21.61	232.61
CITY DC TOTAL - SEPARATED SEWER SYSTEM	57,622	41,243	33,745	23,083	18,615	24.13	259.73
Other Development Charges							
Go Transit (City-Wide)	307	220	190	127	100	-	-
Education - HWDSB (Public - note d)	1,573	1,573	1,573	1,573	1,573	0.47	5.06
Education - HWDCSB (Catholic - note d)	1,401	1,401	1,401	1,401	1,401	0.45	4.84
TOTAL BEFORE SPECIAL AREA CHARGES - COMBINED SEWER SYSTEM	53,299	38,994	32,456	23,138	19,231	22.53	242.51
TOTAL BEFORE SPECIAL AREA CHARGES - SEPARATED SEWER SYSTEM	60,903	44,437	36,909	26,184	21,689	25.05	269.64
Special Area Charges							
Dundas/Waterdown (note e)	1,971	1,410	1,154	789	637	1.04	11.19
GRAND TOTAL AFTER SPECIAL AREA CHARGES - COMBINED SEWER SYSTEM	55,270	40,404	33,610	23,927	19,868	23.57	253.71
GRAND TOTAL AFTER SPECIAL AREA CHARGES - SEPARATED SEWER SYSTEM	62,874	45,847	38,063	26,973	22,326	26.09	280.83

<p>Notes:</p> <p>a) There are 2 categories of Non-Residential charges – “Industrial” and “Non-Industrial” as defined in the By-law. See Page 3 for applicable rates.</p> <p>b) Charges applicable to developments outside of the urban area shall be determined with regards to the Urban services required or used.</p> <p>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 5) and shall be determined with regards to the Area-Specific DC calculation for Stormwater services.</p>	<p>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.</p> <p>e) Land affected by the Dundas & Waterdown Special Area Charge can be found on Page 6. This charge is not subject to annual indexing.</p>
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Non-Residential Rates:**Industrial**

The City's per square foot charge for industrial development has been discounted from the full non-residential rates to reduced industrial rates shown as follows:

(Per Sq. Ft. of Gross Floor Area)	Reduced Industrial Rate	Full Non-Residential Rate
Combined Sewer System	\$12.86	\$21.61
Separated Sewer System	\$14.39	\$24.13

For expansions of existing industrial developments, enlargement up to 50% of existing gross floor area (gfa): exempt; any amount over 50% of existing gross floor area will pay the industrial rate in effect

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 July 6, 2022 – July 5, 2023:

(Per Sq. Ft. of Gross Floor Area)	1 st 5,000 square feet (50% of charge in effect)	2 nd 5,000 square feet (75% of charge in effect)	10,000+ square feet (100% of charge in effect)
Combined Sewer System	\$10.81	\$16.21	\$21.61
Separated Sewer System	\$12.07	\$18.10	\$24.13

For expansions of office development (medical clinic excluded) already in existence as of June 13, 2019, which did not previously receive the new non-industrial rates, the following City rates apply:

- 1st 5,000 square feet of expansion: exempt
- any amount over 5,000 square feet: \$21.61 per square foot with Combined Sewer System Area; \$24.13 per square foot with Separated Sewer System Area

For all other non-industrial development, the calculated set of rates \$21.61 and \$24.13 per square foot are applied to Combined Sewer System Area and Separated Sewer System Area respectively.

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

Exemptions (City of Hamilton and GO Transit DCs):**Residential:**

- Affordable Housing as defined in the By-laws and Non-profit housing development as defined in section 4.2 of the Development Charges Act
- Intensification of existing residential buildings – The following are 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; (3) the greater of 1 unit or 1% of existing units to a rental building; or (4) 1 unit to any other residential buildings, including the addition of residential dwelling structures ancillary to dwellings (subject to one-time use)
- Intensification of proposed new residential buildings – The following are 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 (subject to one-time use)
- Redevelopment of an existing residential for use of creating more residential facilities within the existing building envelope is exempt from 50% of DCs otherwise payable (credit for 100% of previous residential facility use)
- Rental housing: unit with 3+ bedrooms: 25% reduction; unit with 2 bedrooms: 20% reduction; all other: 15% reduction

Non-Residential:

- Agricultural use (bona fide farming/agricultural uses – farm business registration number required, see City DC By-law for further details)
- A temporary building or structure, subject to Section 28 of the City DC By-law
- Parking structure, excluding commercial parking
- Place of worship, excluding revenue-generating space (must be exempt from property taxes)
- Class A office development (min. 20K sq. ft. gfa) within the boundaries of the Downtown Hamilton CIPA – 70% exemption of DCs otherwise payable for the portion below maximum height

Both:

- Heritage buildings – 100% exempt for adaptive reuse within the existing building envelope, excluding sections that are not covered by the Heritage designation
- Downtown Hamilton CIPA exemption (map on page 7) – 40% exemption of DCs otherwise payable for all developments within the boundaries of the Downtown Hamilton CIPA and below maximum height other than Class A office development (cannot be combined/stacked with other DC exemptions)
- Public Art – a dollar for dollar exemption on any remaining DCs payable equal to any amount of contribution by the payer of the DCs to the Downtown Public Art Reserve in an amount not to exceed 10% of the DCs otherwise payable on the height that is within the height restrictions

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

Please go to <http://map.hamilton.ca/> and select Downtown, BIAs & CIPAs to confirm CIPA and BIA boundaries.

Exemptions (Education DCs: Public & Catholic)**Residential:**

- Intensification – Enlargement of an existing dwelling unit; creation of 1 or 2 units to a single detached dwelling, or 1 unit to any other residential building exempted from DCs (subject to gfa restrictions & one-time use)
- Long-term care home, as defined in the *Long-Term Care Homes Act, 2007*
- Retirement home, as defined in the *Retirement Homes Act, 2010*
- Hospice or other facility that provides palliative care services

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 – Enlargement of up to 50% of existing gfa exempted
- Metrolinx, or a predecessor or successor corporation identified under the *Metrolinx Act, 2006, C. 16*, excluding retail use development
- Private school
- Child care centre, as defined in the *Child Care and Early Years Act, 2014*
- Memorial home, clubhouse or athletic grounds owned by the Royal Canadian Legion
- Lands that are owned by and are used for the purposes of, and where the owner is, a college of applied arts and technology established under the *Ontario Colleges of Applied Arts and Technology Act, 2002, S.O. 2002 c.8* Schedule F or a predecessor statute and the *Ministry of Colleges and Universities Act*, or a predecessor statute
- Lands that are owned by and are used for the purpose of, and where the owner is, a publicly-funded university that receives regular and ongoing operating funds from the Government of Ontario for the purposes of post-secondary education, established under the *Ministry of Colleges and Universities Act*, or a predecessor statute
- The owner is an Indigenous Institute prescribed for the purposes of Section 6 of the *Indigenous Institutes Act, 2017*
- Lands that are owned by and are used for the purpose of a community college

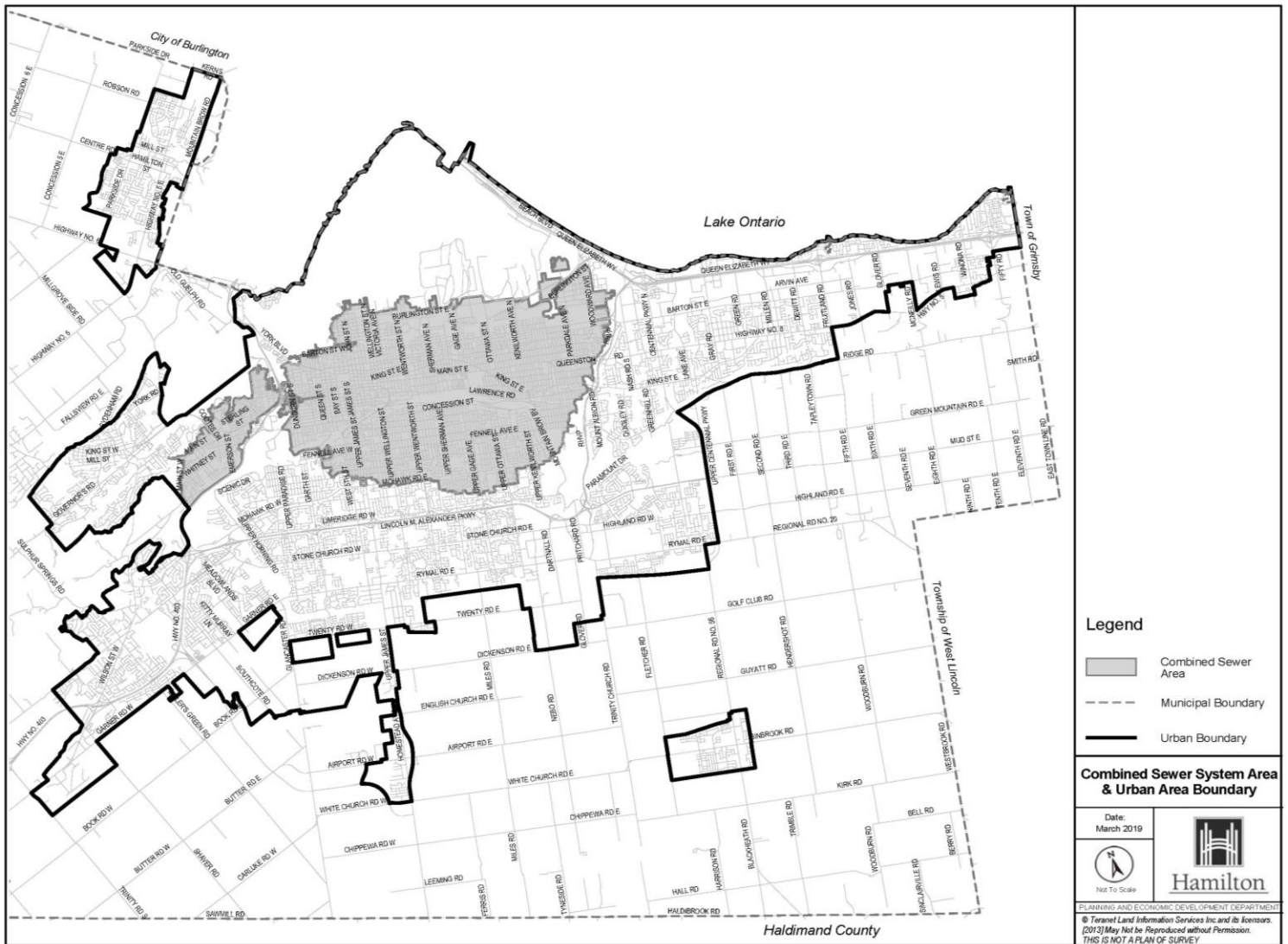
Complaints Procedure:

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:

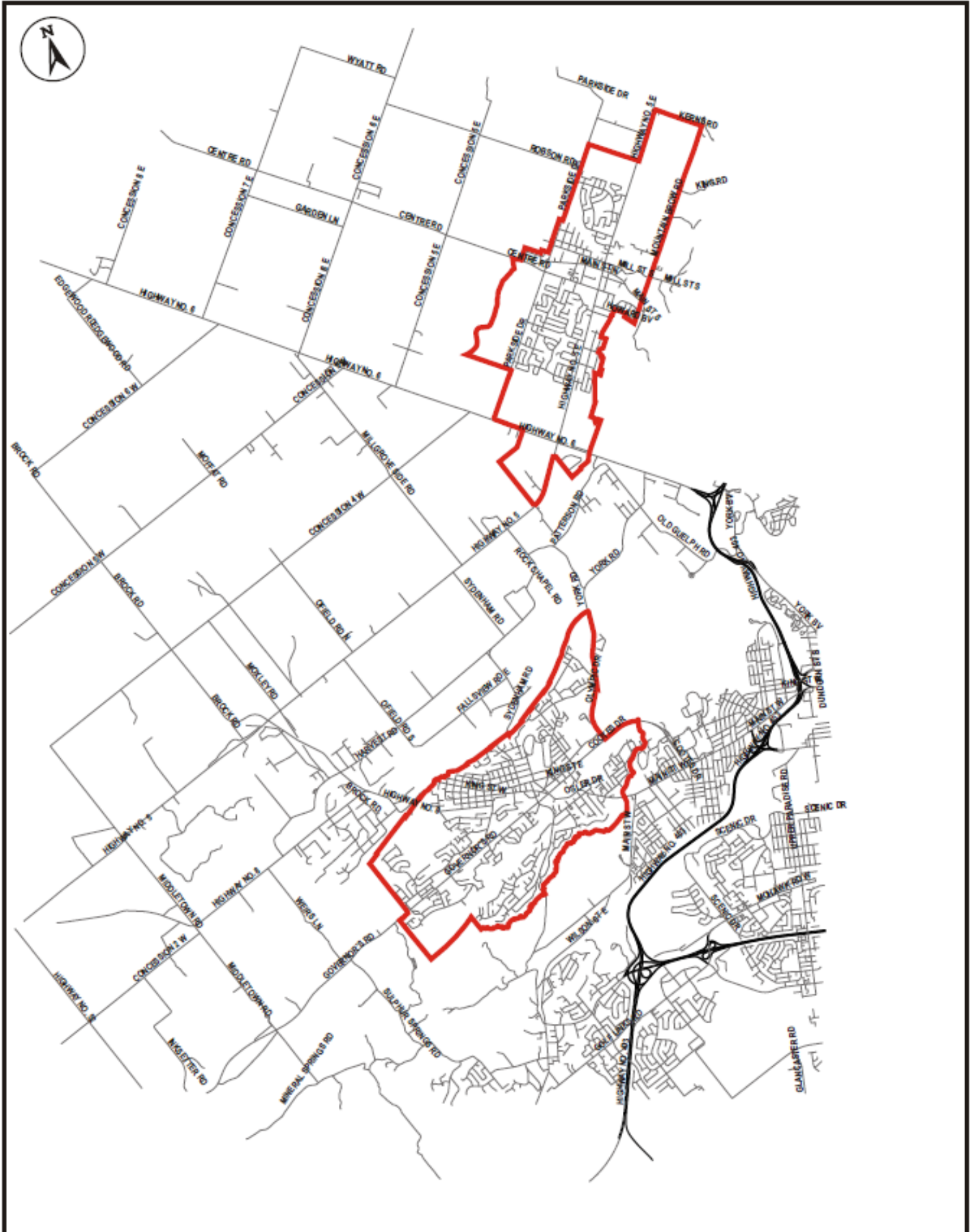
1. the amount of the DC was incorrectly determined;
2. whether a credit is available to be used against the DC, or the amount of the credit or the service with respect to which the credit was given, was incorrectly determined; or
3. there was an error in the application of the DC By-law(s).

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 Sewer System Area & Urban Area Boundary Map

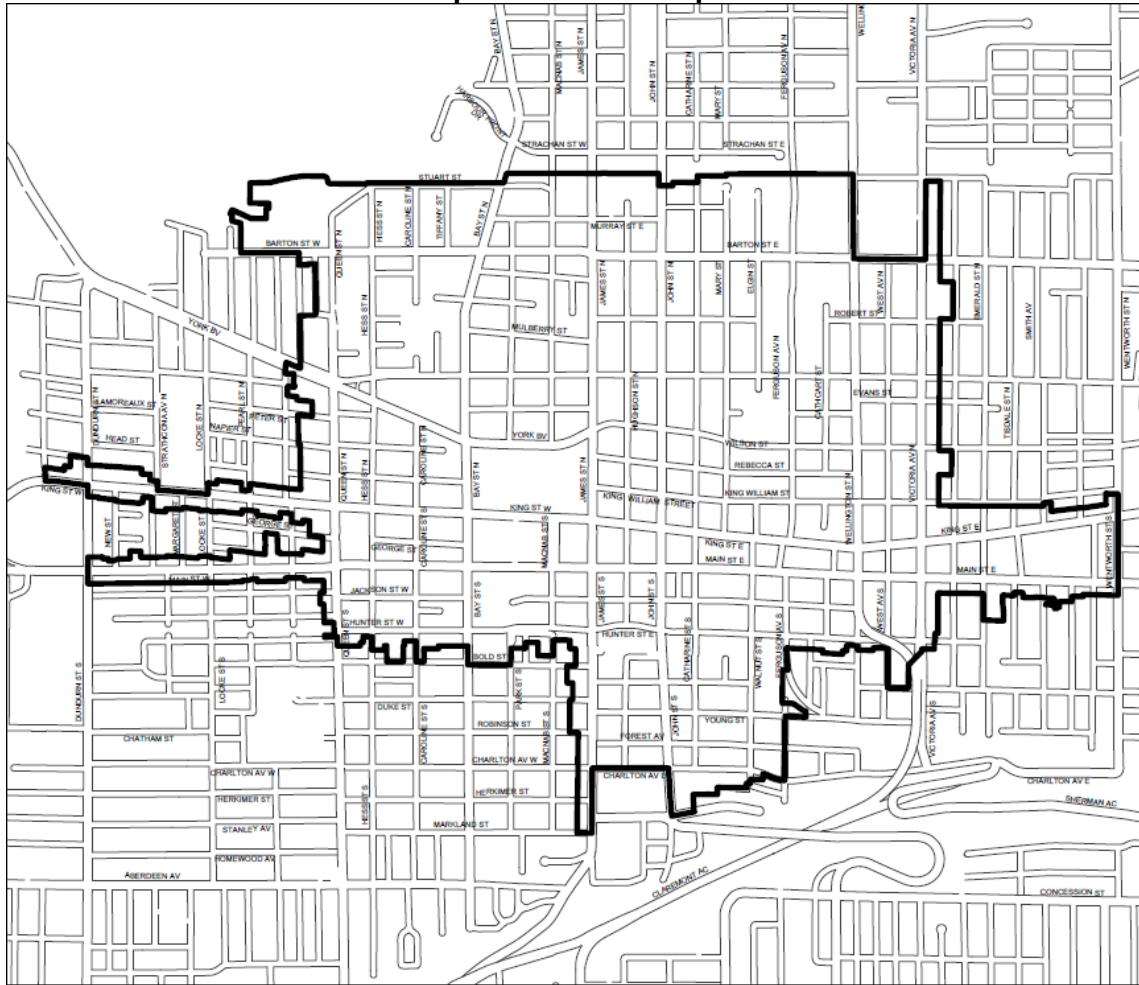


Waterdown/Dundas Special Area Charge Map



To request enlarged version of maps, please email DCRequest@hamilton.ca.

Downtown Hamilton CIPA Exemption Borders Map & Downtown Hamilton CIPA Exemption Height Map



Please go to <http://map.hamilton.ca/> and select Downtown, BIAs & CIPAs to confirm boundaries.