

Development Charges Act, 1997

PART II DEVELOPMENT CHARGES

DEVELOPMENT CHARGES

Development charges

2 (1) The council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies. 1997, c. 27, s. 2 (1).

What development can be charged for

- (2) A development charge may be imposed only for development that requires,
- (a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
 - (b) the approval of a minor variance under section 45 of the *Planning Act*;
 - (c) a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;
 - (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (e) a consent under section 53 of the *Planning Act*;
 - (f) the approval of a description under section 9 of the *Condominium Act, 1998*; or
 - (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure. 1997, c. 27, s. 2 (2); 2015, c. 26, s. 2 (1); 2015, c. 28, Sched. 1, s. 148.

Same

(3) An action mentioned in clauses (2) (a) to (g) does not satisfy the requirements of subsection (2) if the only effect of the action is to permit the enlargement of an existing residential unit. 2022, c. 21, Sched. 3, s. 2 (1).

Exemption for residential units in existing rental residential buildings

(3.1) The creation of the greater of the following in an existing rental residential building, which contains four or more residential units, is exempt from development charges:

1. One residential unit.
2. 1 per cent of the existing residential units. 2022, c. 21, Sched. 3, s. 2 (1).

Exemption for residential units in existing houses

(3.2) The creation of any of the following is exempt from development charges:

1. A second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit.
2. A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.
3. One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units. 2022, c. 21, Sched. 3, s. 2 (1); 2023, c. 10, Sched. 3, s. 1 (1).

Exemption for additional residential units in new residential buildings

(3.3) The creation of any of the following is exempt from development charges:

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1. A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house, semi-detached house or rowhouse cumulatively will contain no more than one residential unit.
2. A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units.
3. One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units. 2022, c. 21, Sched. 3, s. 2 (1); 2023, c. 10, Sched. 3, s. 1 (2).

What services can be charged for

(4) A development charge by-law may impose development charges to pay for increased capital costs required because of increased needs for the following services only:

1. Water supply services, including distribution and treatment services.
2. Waste water services, including sewers and treatment services.
3. Storm water drainage and control services.
4. Services related to a highway as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be.
5. Electrical power services.
6. Toronto-York subway extension, as defined in subsection 5.1 (1).
- 6.1 Yonge North subway extension, as defined in subsection 5.1.1 (1).
7. Transit services other than the Toronto-York subway extension and the Yonge North subway extension.
8. Waste diversion services.
9. Policing services.
10. Fire protection services.
11. Ambulance services.
12. Services provided by a board within the meaning of the *Public Libraries Act*.
13. Services related to long-term care.
14. Parks and recreation services, but not the acquisition of land for parks.
15. Services related to public health.
16. Child care and early years programs and services within the meaning of Part VI of the *Child Care and Early Years Act, 2014* and any related services.
17. REPEALED: 2022, c. 21, Sched. 3, s. 2 (2).
18. Services related to proceedings under the *Provincial Offences Act*, including by-law enforcement services and municipally administered court services.
19. Services related to emergency preparedness.
20. Services related to airports, but only in the Regional Municipality of Waterloo.
21. Additional services as prescribed. 2020, c. 18, Sched. 3, s. 1 (2); 2021, c. 34, Sched. 7, s. 1; 2022, c. 21, Sched. 3, s. 2 (2).

Deemed amendment of by-law

(4.0.1) If a by-law under this section imposes development charges to pay for increased capital costs required because of increased needs for housing services, the by-law is deemed to be amended to be consistent with subsection (4) as it reads on the day subsection 2 (2) of Schedule 3 to the *More Homes Built Faster Act, 2022* comes into force. 2022, c. 21, Sched. 3, s. 2 (3).

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Development charge — relationship to community benefits charge

(4.1) For greater certainty, nothing in this Act prevents a community benefits charge under section 37 of the *Planning Act* from being imposed with respect to the services listed in subsection (4), provided that the capital costs that are intended to be funded by the community benefits charge are not capital costs that are intended to be funded under a development charge by-law. 2020, c. 18, Sched. 3, s. 1 (2).

Local services

(5) A development charge by-law may not impose development charges with respect to local services described in clauses 59 (2) (a) and (b). 1997, c. 27, s. 2 (5).

Services can be outside the municipality

(6) A development charge by-law may impose development charges with respect to services that are provided outside the municipality. 1997, c. 27, s. 2 (6).

Application of by-law

(7) A development charge by-law may apply to the entire municipality or only part of it. 1997, c. 27, s. 2 (7).

Multiple by-laws allowed

(8) More than one development charge by-law may apply to the same area. 1997, c. 27, s. 2 (8).

Area rating, prescribed areas and services

(9) Despite subsection (7), a development charge by-law dealing with an area that is prescribed for the purposes of this subsection and with a service that is prescribed with respect to the prescribed area for the purposes of this subsection shall apply only to the prescribed area and not to any other part of the municipality. 2015, c. 26, s. 2 (3).

Transition

(10) Subsection (9) does not apply to a development charge by-law that was passed before the relevant area and the relevant service were prescribed for the purposes of that subsection. 2015, c. 26, s. 2 (3).

Area rating, prescribed municipalities, services and criteria

(11) The following rules apply to a municipality that is prescribed for the purposes of this subsection:

1. With respect to a service that is prescribed for the purposes of this subsection, the council shall pass different development charge by-laws for different parts of the municipality.
2. The parts of the municipality to which different development charge by-laws are to apply shall be identified in accordance with the prescribed criteria. 2015, c. 26, s. 2 (3).

Transition

(12) Subsection (11) does not apply to a development charge by-law that was passed before the municipality and the relevant service were prescribed for the purposes of that subsection. 2015, c. 26, s. 2 (3).

Section Amendments with date in force (d/m/y)

2015, c. 26, s. 2 (1-3) - 01/01/2016; 2015, c. 28, Sched. 1, s. 148 - 03/12/2015

2016, c. 25, Sched. 1, s. 1 - no effect - see 2019, c. 9, Sched. 3, s. 15 (1) - 06/06/2019

2019, c. 9, Sched. 3, s. 2 - no effect - see 2020, c. 18, Sched. 3, s. 12 - 21/07/2020

2020, c. 18, Sched. 3, s. 1 (1, 2) - 18/09/2020

2021, c. 34, Sched. 7, s. 1 (1, 2) - 01/01/2022

2022, c. 21, Sched. 3, s. 2 (1-3) - 28/11/2022

2023, c. 10, Sched. 3, s. 1 (1, 2) - 08/06/2023

Same

(3) For greater certainty, subsection (1) applies to future instalments that would have been payable in accordance with section 26.1 after the day section 1 of Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* comes into force. 2025, c. 9, Sched. 4, s. 1.

Section Amendments with date in force (d/m/y)

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2025, c. 9, Sched. 4, s. 1 - 05/06/2025

Determination of development charges

5 (1) The following is the method that must be used, in developing a development charge by-law, to determine the development charges that may be imposed:

1. The anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.
2. The increase in the need for service attributable to the anticipated development must be estimated for each service to which the development charge by-law would relate.
3. The estimate under paragraph 2 may include an increase in need only if the council of the municipality has indicated that it intends to ensure that such an increase in need will be met. The determination as to whether a council has indicated such an intention may be governed by the regulations.
4. The estimate under paragraph 2 must not include an increase that would result in the level of service exceeding the average level of that service provided in the municipality over the 15-year period immediately preceding the preparation of the background study required under section 10. How the level of service and average level of service is determined may be governed by the regulations.
5. The increase in the need for service attributable to the anticipated development must be reduced by the part of that increase that can be met using the municipality's excess capacity, other than excess capacity that the council of the municipality has indicated an intention would be paid for by new development. How excess capacity is determined and how to determine whether a council has indicated an intention that excess capacity would be paid for by new development may be governed by the regulations.
6. The increase in the need for service must be reduced by the extent to which an increase in service to meet the increased need would benefit existing development. The extent to which an increase in service would benefit existing development may be governed by the regulations.
7. The capital costs necessary to provide the increased services must be estimated. The capital costs must be reduced by the reductions set out in subsection (2). What is included as a capital cost is set out in subsection (3). How the capital costs are estimated may be governed by the regulations.
8. REPEALED: 2019, c. 9, Sched. 3, s. 3 (2).
9. Rules must be developed to determine if a development charge is payable in any particular case and to determine the amount of the charge, subject to the limitations set out in subsection (6).
10. The rules may provide for full or partial exemptions for types of development and for the phasing in of development charges. The rules may also provide for the indexing of development charges based on the prescribed index. 1997, c. 27, s. 5 (1); 2019, c. 9, Sched. 3, s. 3 (1, 2); 2022, c. 21, Sched. 3, s. 5 (1).

Transition, par. 4 of subs. (1)

(1.1) For greater certainty, paragraph 4 of subsection (1), as it read immediately before the day subsection 5 (1) of Schedule 3 to the *More Homes Built Faster Act, 2022* came into force, continues to apply in respect of a development charge by-law in force on that day. 2022, c. 21, Sched. 3, s. 5 (2).

Capital costs, deductions

(2) The capital costs, determined under paragraph 7 of subsection (1), must be reduced, in accordance with the regulations, to adjust for capital grants, subsidies and other contributions made to a municipality or that the council of the municipality anticipates will be made in respect of the capital costs. 1997, c. 27, s. 5 (2).

Capital costs, inclusions

(3) Subject to the regulations, the following are capital costs for the purposes of paragraph 7 of subsection (1) if they are incurred or proposed to be incurred by a municipality or a local board directly or by others on behalf of, and as authorized by, a municipality or local board:

1. Costs to acquire land or an interest in land, including a leasehold interest.
2. Costs to improve land.
3. Costs to acquire, lease, construct or improve buildings and structures.
4. Costs to acquire, lease, construct or improve facilities including,

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- i. rolling stock with an estimated useful life of seven years or more,
- ii. furniture and equipment, other than computer equipment, and
- iii. materials acquired for circulation, reference or information purposes by a board within the meaning of the *Public Libraries Act*.

5. Costs to undertake studies in connection with any of the matters referred to in paragraphs 1 to 4.

6. Costs of the development charge background study required under section 10.

7. Interest on money borrowed to pay for costs described in paragraphs 1 to 4. 1997, c. 27, s. 5 (3); 2020, c. 18, Sched. 3, s. 2; 2022, c. 21, Sched. 3, s. 5 (3, 4); 2024, c. 16, Sched. 6, s. 1 (1); 2025, c. 9, Sched. 4, s. 2.

(3.1) REPEALED: 2024, c. 16, Sched. 6, s. 1 (2).

Capital costs, leases, etc.

(4) Only the capital component of costs to lease anything or to acquire a leasehold interest is included as a capital cost under subsection (3). 1997, c. 27, s. 5 (4).

(5) REPEALED: 2019, c. 9, Sched. 3, s. 3 (5).

Restriction on rules

(6) The rules developed under paragraph 9 of subsection (1) to determine if a development charge is payable in any particular case and to determine the amount of the charge are subject to the following restrictions:

1. The rules must be such that the total of the development charges that would be imposed upon the anticipated development is less than or equal to the capital costs determined under paragraphs 2 to 8 of subsection (1) for all the services to which the development charge by-law relates.
2. If the rules expressly identify a type of development they must not provide for the type of development to pay development charges that exceed the capital costs, determined under paragraphs 2 to 8 of subsection (1), that arise from the increase in the need for services attributable to the type of development. However, it is not necessary that the amount of the development charge for a particular development be limited to the increase in capital costs, if any, that are attributable to that particular development.
3. If the development charge by-law will exempt a type of development, phase in a development charge, or otherwise provide for a type of development to have a lower development charge than is allowed, the rules for determining development charges may not provide for any resulting shortfall to be made up through higher development charges for other development.
4. REPEALED: 2024, c. 16, Sched. 6, s. 1 (3).

1997, c. 27, s. 5 (6); 2022, c. 21, Sched. 3, s. 5 (6); 2024, c. 16, Sched. 6, s. 1 (3).

Transition, repeal of subss. (7) and (8)

(7) Subsections (7) and (8) as they read immediately before the day subsection 1 (4) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force continue to apply to a development charge imposed on or after November 28, 2022 and before the day subsection 1 (4) of Schedule 6 to the *Cutting Red Tape to Build More Homes Act, 2024* came into force. 2024, c. 16, Sched. 6, s. 1 (4).

Same

(8) For the purposes of subsection (7), a development charge is deemed to be imposed on the day referred to in subsection 26.2 (1) that applies to the development charge. 2024, c. 16, Sched. 6, s. 1 (4).

(9) REPEALED: 2024, c. 16, Sched. 6, s. 1 (4).

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Land acquisition class

Definition

5.3 (1) In this section,

“land acquisition class” means the class required by subsection 7 (3.1).

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Provision does not apply

[\(2\) Paragraph 4 of subsection 5 \(1\) does not apply in determining the estimate for the increase in the need for the land acquisition class.](#)

Applicable restriction

[\(3\) For the purposes of section 5, the estimate for the increase in the need for the land acquisition class shall not include an increase in the need for service that relates to a time after the 10-year period immediately following the preparation of the background study unless the estimate is in relation to a service set out in paragraph 1, 2, 3, 4, 5, 7, 9 or 10 of subsection 2 \(4\).](#)

Contents of by-law

6 A development charge by-law must set out the following:

1. The rules developed under paragraph 9 of subsection 5 (1) for determining if a development charge is payable in any particular case and for determining the amount of the charge.
2. An express statement indicating how, if at all, the rules provide for exemptions, for the phasing in of development charges and for the indexing of development charges.
3. How the rules referred to in paragraph 1 apply to the redevelopment of land.
4. The area of the municipality to which the by-law applies. 1997, c. 27, s. 6.

Class of services

7 (1) ~~A development charge~~ [Subject to subsection \(3.1\), a development charge](#) by-law may provide for any service listed in subsection 2 (4) or the capital costs listed in subsection 5 (3) in respect of those services to be included in a class set out in the by-law. 2020, c. 18, Sched. 3, s. 3.

Composition of class

(2) A class may be composed of any number or combination of services and may include parts or portions of the services listed in subsection 2 (4) or parts or portions of the capital costs listed in subsection 5 (3) in respect of those services. 2020, c. 18, Sched. 3, s. 3.

Studies

(3) For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3). 2020, c. 18, Sched. 3, s. 3.

Land acquisition

[\(3.1\) A development charge by-law that imposes development charges in respect of capital costs described in paragraph 1 of subsection 5 \(3\) shall provide for a class consisting only of those capital costs, but that class is not required to include capital costs in respect of services described in paragraphs 6 and 6.1 of subsection 2 \(4\).](#)

Effect of class

(4) A class of service set out in a development charge by-law is deemed to be a single service for the purposes of this Act in relation to reserve funds, the use of money from reserve funds and credits. 2020, c. 18, Sched. 3, s. 3.

Section Amendments with date in force (d/m/y)

2019, c. 9, Sched. 3, s. 4 - no effect - see 2020, c. 18, Sched. 3, s. 12 - 21/07/2020

2020, c. 18, Sched. 3, s. 3 - 18/09/2020

PROCESS BEFORE PASSING BY-LAW

Background study

10 (1) Before passing a development charge by-law, the council shall complete a development charge background study. 1997, c. 27, s. 10 (1).

Same

(2) The development charge background study shall include,

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- (a) the estimates under paragraph 1 of subsection 5 (1) of the anticipated amount, type and location of development;
- (b) the calculations under paragraphs 2 to 7 of subsection 5 (1) for each service to which the development charge by-law would relate;
- (c) an examination, for each service to which the development charge by-law would relate, of the long term capital and operating costs for capital infrastructure required for the service;
- (c.1) unless subsection 2 (9) or (11) applies, consideration of the use of more than one development charge by-law to reflect different needs for services in different areas;
- (c.2) an asset management plan prepared in accordance with subsection (3); and
- (d) such other information as may be prescribed. 1997, c. 27, s. 10 (2); 2015, c. 26, s. 5 (1); 2019, c. 9, Sched. 3, s. 6.

Asset management plan

- (3) The asset management plan shall,
 - (a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;
 - (b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;
 - (c) contain any other information that is prescribed; and
 - (d) be prepared in the prescribed manner. 2015, c. 26, s. 5 (2).

Background study to be made available

- (4) The council shall ensure that a development charge background study is made available to the public at least 60 days prior to the passing of the development charge by-law and until the by-law expires or is repealed by posting the study on the website of the municipality or, if there is no such website, in the municipal office. 2015, c. 26, s. 5 (3).

Copy to Minister

- (5) The council shall give a copy of the background study to the Minister of Municipal Affairs and Housing on request, by the deadline specified in the request.

Section Amendments with date in force (d/m/y)

2015, c. 26, s. 5 (1-3) - 01/01/2016

2019, c. 9, Sched. 3, s. 6 - 18/09/2020

By-law within one year after study

11 A development charge by-law may only be passed within the one-year period following the completion of the development charge background study. 1997, c. 27, s. 11.

Public meeting before by-law passed

- 12** (1) Before passing a development charge by-law, the council shall,
 - (a) hold at least one public meeting;
 - (b) give at least 20-days notice of the meeting or meetings in accordance with the regulations; and
 - (c) ensure that the proposed by-law and the background study are made available to the public at least two weeks prior to the meeting or, if there is more than one meeting, prior to the first meeting. 1997, c. 27, s. 12 (1).

Making representations

(2) Any person who attends a meeting under this section may make representations relating to the proposed by-law. 1997, c. 27, s. 12 (2).

Council determination is final

(3) If a proposed by-law is changed following a meeting under this section, the council shall determine whether a further meeting under this section is necessary and such a determination is final and not subject to review by a court or the Ontario Land Tribunal. 1997, c. 27, s. 12 (3); 2021, c. 4, Sched. 6, s. 41 (1).

Section Amendments with date in force (d/m/y)

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2021, c. 4, Sched. 6, s. 41 (1) - 01/06/2021

APPEAL OF BY-LAW

Notice of by-law and time for appeal

13 (1) The clerk of a municipality that has passed a development charge by-law shall give written notice of the passing of the by-law, and of the last day for appealing the by-law, which shall be the day that is 40 days after the day the by-law is passed. 1997, c. 27, s. 13 (1).

Requirements of notice

(2) Notices required under this section must meet the requirements prescribed in the regulations and shall be given in accordance with the regulations. 1997, c. 27, s. 13 (2).

Same

(3) Every notice required under this section must be given not later than 20 days after the day the by-law is passed. 1997, c. 27, s. 13 (3).

When notice given

- (4) A notice required under this section shall be deemed to have been given,
- (a) if the notice is by publication in a newspaper, on the day that the publication occurs;
 - (b) if the notice is given by mail, on the day that the notice is mailed. 1997, c. 27, s. 13 (4).

Copy to Minister

(5) The council shall give a copy of the by-law to the Minister of Municipal Affairs and Housing on request, by the deadline specified in the request.

RESERVE FUNDS AND THE USE OF DEVELOPMENT CHARGES

Reserve funds

33 A municipality that has passed a development charge by-law shall establish a separate reserve fund for each service to which the development charge relates. 1997, c. 27, s. 33.

Reserve funds — transition, upper-tier municipalities

33.1 (1) This section applies with respect to a reserve fund established by an upper-tier municipality in accordance with section 33 before the day subsection 1 (2) of Schedule 3 to the COVID-19 Economic Recovery Act, 2020 comes into force for any services other than those described in paragraphs 1 to 20 of subsection 2 (4). 2020, c. 18, Sched. 3, s. 9.

Non-application, reserve fund re services prescribed under para. 21 of subs. 2 (4)

(2) Despite subsection (1), this section does not apply with respect to a reserve fund established for a service that is prescribed for the purposes of paragraph 21 of subsection 2 (4) if the service is prescribed before the specified date for the purposes of section 9.1. 2020, c. 18, Sched. 3, s. 9.

Deemed general capital reserve

- (3) The following rules apply with respect to a reserve fund to which this section applies:
- 1. On the specified date for the purposes of section 9.1, the reserve fund is deemed to be a general capital reserve fund for the same purposes for which the money in the reserve fund was collected.
 - 2. Despite paragraph 1, subsection 417 (4) of the *Municipal Act, 2001* and any equivalent provision of, or made under, the *City of Toronto Act, 2006* do not apply with respect to the general capital reserve fund referred to in paragraph 1. 2020, c. 18, Sched. 3, s. 9.

Section Amendments with date in force (d/m/y)

2020, c. 18, Sched. 3, s. 9 - 18/09/2020

Development charges paid into reserve funds

34 The municipality shall pay each development charge it collects into the reserve fund or funds to which the charge relates. 1997, c. 27, s. 34.

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Use of reserve funds

35 (1) The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 7 of subsection 5 (1). 1997, c. 27, s. 35; 2019, c. 9, Sched. 3, s. 10.

Exception

(1.1) In addition to the uses permitted by subsection (1), the money in a reserve fund established for a service may be spent on the capital costs of that service described in paragraph 1 of subsection 5 (3) provided the costs are ones determined under paragraphs 2 to 7 of subsection 5 (1) that are not paid for with money in the reserve fund established for a class required by subsection 7 (3.1).

Requirement to spend or allocate monies in reserve fund

(2) Beginning in 2023 and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the following services at the beginning of the year:

1. Water supply services, including distribution and treatment services.
2. Waste water services, including sewers and treatment services.
3. Services related to a highway as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be. 2022, c. 21, Sched. 3, s. 10.

Same

(3) If a service is prescribed for the purposes of this subsection, beginning in the first calendar year that commences after the service is prescribed and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the prescribed service at the beginning of the year. 2022, c. 21, Sched. 3, s. 10.

Section Amendments with date in force (d/m/y)

2019, c. 9, Sched. 3, s. 10 - 18/09/2020

2022, c. 21, Sched. 3, s. 10 - 28/11/2022

Municipality may borrow from reserve fund

36 Despite section 35, a municipality may borrow money from a reserve fund but if it does so, the municipality shall repay the amount used plus interest at a rate not less than the prescribed minimum interest rate. 1997, c. 27, s. 36.

Exclusions

37 (1) Subsections 418 (3) and (4) and 418.1 (14) and (15) of the *Municipal Act, 2001* and any equivalent provisions of, or made under, the *City of Toronto Act, 2006* do not apply to development charges collected by a municipality. 2002, c. 17, Sched. F, Table; 2006, c. 32, Sched. C, s. 12 (2); 2017, c. 10, Sched. 4, s. 2.

Limitation

(2) Development charges may not be advanced by a municipality to its capital account as interim financing of capital undertakings of the municipality, except for those capital undertakings for which the development charges may be spent under this Act. 2002, c. 17, Sched. F, Table.

Section Amendments with date in force (d/m/y)

2002, c. 17, Sched. F, Table - 01/01/2003

2006, c. 32, Sched. C, s. 12 (2) - 01/01/2007

2017, c. 10, Sched. 4, s. 2 - 01/03/2018

MISCELLANEOUS

Registration of by-law

42 A municipality that has passed a development charge by-law may register the by-law or a certified copy of it against the land to which it applies. 1997, c. 27, s. 42.

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Statement of treasurer

43 (1) The treasurer of a municipality shall each year on or before ~~June 30 of the year such date as the council of the municipality may direct~~, give the council a financial statement relating to development charge by-laws and reserve funds established under section 33. 1997, c. 27, s. 43 (1).

Requirements

- (2) A statement must include, for the preceding year,
- (a) statements of the opening and closing balances of the reserve funds and of the transactions relating to the funds;
 - (b) statements identifying,
 - (i) all assets whose capital costs were funded under a development charge by-law during the year,
 - (ii) for each asset mentioned in subclause (i), the manner in which any capital cost not funded under the by-law was or will be funded;
 - (c) a statement as to compliance with subsection 59.1 (1); and
 - (d) any other information that is prescribed. 2015, c. 26, s. 7 (1).

Statement available to public

- (2.1) The council shall ensure that the statement is made available to the public,
- (a) by posting the statement on the website of the municipality or, if there is no such website, in the municipal office; and
 - (b) in such other manner and in accordance with such other requirements as may be prescribed. 2022, c. 12, Sched. 2, s. 1.

Copy to Minister

(3) The treasurer shall give a copy of a statement to the Minister of Municipal Affairs and Housing no later than July 15 of the year in which the statement was provided to the council~~on request~~. 1997, c. 27, s. 43 (3); 2015, c. 26, s. 7 (2).

Section Amendments with date in force (d/m/y)

2015, c. 26, s. 7 (1, 2) - 01/01/2016

2022, c. 12, Sched. 2, s. 1 - 14/04/2022

PART IV GENERAL

58 REPEALED: 2009, c. 33, Sched. 2, s. 24.

Section Amendments with date in force (d/m/y)

2009, c. 33, Sched. 2, s. 24 - 15/12/2009

Planning Act, ss. 51, 53

59 (1) A municipality shall not, by way of a condition or agreement under section 51 or 53 of the *Planning Act*, impose directly or indirectly a charge related to a development or a requirement to construct a work for the provision of a service related to development~~to construct a service related to development~~ except as allowed in subsection (2). 1997, c. 27, s. 59 (1).

Exception for local services

- (2) Subject to subsection (2.5), a condition~~A condition~~ or agreement referred to in subsection (1) may provide for,
- (a) works for the provision of local services~~local services~~, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owner as a condition of approval under section 51 of the *Planning Act*;
 - (b) works for the provision of local services~~local services~~ to be installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*. 1997, c. 27, s. 59 (2).

What constitutes a local service

(2.1) What constitutes a local service for the purposes of clauses (2) (a) and (b) may be determined by the regulations. 2025, c. 9, Sched. 4, s. 8.

Local service policy

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(2.2) A municipality shall establish a local service policy for each service referred to in subsection 2 (4) in respect of which a by-law imposes a development charge and in respect of which some part of the service will be provided as a local service in accordance with subsection (2).

Same, required content

(2.3) The local service policy shall identify works or classes of works related to development that are intended to be works for the provision of local services.

Same, optional content

(2.4) The local service policy may identify,

(a) works or classes of works related to development that are not intended to be works for the provision of local services; and

(b) works or classes of works related to development of which only one or more parts of the works are intended to be works for the provision of local services.

Same, application of subs. (2)

(2.5) Subject to subsection (2.8), subsection (2) applies in respect of a work for the provision of a local service only to the extent the work is identified as being intended to be a work for the provision of a local service in the local service policy of the applicable municipality.

Same, exception

(2.6) Subsection (2.5) does not apply in respect of a work for the provision of a local service if the service is one in respect of which no development charge by-law in force in the municipality imposes a development charge.

Same, application

(2.7) Subsection (2.5) applies in respect of a municipality on the earlier of,

(a) the day that is 18 months after the day subsection 7 (3) of Schedule 3 to the *Fighting Delays, Building Faster Act, 2025* comes into force; and

(b) the day the municipality establishes the local service policy required by subsection (2.2).

Copy to Minister

(2.8) The municipality shall give a copy of the local service policy to the Minister of Municipal Affairs and Housing on request, by the deadline specified in the request.

Regular review of policy

(2.9) If a local service policy has been established in a municipality, the municipality shall ensure that a review of the policy is undertaken to determine the need for a revision of the policy.

Resolution re need for revision

(2.10) After conducting a review under subsection (2.9), the council shall pass a resolution declaring whether a revision to the local service policy is needed.

Timing of review

(2.11) A resolution under subsection (2.10) shall be passed at the time any development charge by-law is passed after the municipality has established a local service policy required by subsection (2.2).

Limitation

(3) This section does not prevent a condition or agreement under section 51 or 53 of the *Planning Act* from requiring that services be in place before development begins. 1997, c. 27, s. 59 (3).

Notice of development charges at transfer

(4) In giving approval to a draft plan of subdivision under subsection 51 (31) of the *Planning Act*, the approval authority shall use its power to impose conditions under clause 51 (25) (d) of the *Planning Act* to ensure that the persons who first purchase the subdivided land after the final approval of the plan of subdivision are informed, at the time the land is transferred, of all the development charges related to the development. 1997, c. 27, s. 59 (4).

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Exception, old agreements

(5) This section does not affect a condition or agreement imposed or made under section 51 or 53 of the *Planning Act* that was in effect on November 23, 1991. 1997, c. 27, s. 59 (5).

Section Amendments with date in force (d/m/y)

2025, c. 9, Sched. 4, s. 8 - 05/06/2025