

The Corporation of the City of Pembroke

By-law Number 2026-XX

Being a By-law to establish Development Charges for the Corporation of the City of Pembroke

Whereas subsection 2(1) of the *Development Charges Act*, 1997, S.O. 1997, c. 27 as amended (hereinafter called the “Act”) provides that the council of a municipality may pass a by-law to 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;

And Whereas a Development Charges Background Study for the Corporation of the City of Pembroke (the “City”) was prepared by Hemson Consulting Ltd. and dated [March 20, 2026] (the “Study”) as required by section 10 of the Act, and was presented to Council along with a draft of this by-law as then proposed on [XX] and was completed within a one-year period prior to the enactment of this by-law;

And Whereas notice of a public meeting was given pursuant to subsection 12(1) of the Act and in accordance with the Act, on or before [April 1, 2026].

And Whereas copies of the Study and this proposed by-law were made available to the public in accordance with subsections 10(4) and 12(1) of the Act;

And Whereas a public meeting was held on [April 21, 2026] in accordance with the Act to hear comments and representations from all person who applied to be heard (the “Public Meeting”);

And Whereas at the Public Meeting, the Council of the city had before it the Study, wherein it is indicated that the development of any land within the City of Pembroke will increase the need for services as defined herein;

And Whereas the Council of the City has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposal at the Public Meeting, and the public was generally afforded the opportunity to make written submissions relating to this proposed by-law and the Study;

And Whereas Council approved the Study and determined that no further public meetings were required under subsection 12(3) of the Act;

And Whereas Council determined that the increase in the need for services attributable to the anticipated development as contemplated in the Study, as modified, including any capital costs, will be met by updating the capital budget and forecast for the City and provided that sufficient development charge revenues are generated, where appropriate,

And Whereas Council determined that the future excess capacity identified in the Study, as modified, shall be paid for by the development charges contemplated in the Study, or other similar charges;

And Whereas the Council of the City has given consideration of the use of more than one development charge by-law to reflect different needs for services in different areas, also known as area rating or area specific development charges, and has determined that for the services and associated infrastructure proposed to be funded by development charges under this by-law, that it is fair and reasonable that the charges be calculated on a city-wide uniform basis;

And Whereas the Study includes a Cost of Growth Analysis that deals with all assets whose capital costs are intended to be funded under this by-law, and that such assets are considered to be financially sustainable over their full life-cycle;

And Whereas the Council of the City approved the asset management plan outlined in the Study and gave consideration to incorporate the asset management plan identified

in the Study within the City's ongoing practices and corporate asset management strategy;

Now Therefore the Municipal Council of the Corporation of the City of Pembroke enacts as follows:

1. Definitions

For the purpose of this By-law, the following definitions shall apply:

- 1.1 **Accessory** means when used to describe a use, building or structure not exceeding ten (10) square meters (107.6 square feet) of non-residential gross floor area that the use, building or structure is naturally or normally incidental, subordinate and exclusively devoted to a main use, building or structure located on the same lot therewith.
- 1.2 **Act** means the *Development Charges Act*, S.O. 1997, c. 27
- 1.3 **Building** means a structure having a roof supported by columns or walls or directly on the foundation and used for the shelter and accommodation of persons, animals or goods and without limiting foregoing, includes buildings as defined in the *Building Code Act*.
- 1.4 **Capital Cost** means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or under an agreement:
 - a. costs to acquire land or an interest in land, including a leasehold interest;
 - b. costs to improve land;
 - c. costs to acquire, lease, construct or improve buildings and structures;
 - d. costs to acquire, lease, construct or improve facilities including
 - i. rolling stock with an estimated life of seven years or more,
 - ii. furniture and equipment other than compute equipment, and
 - iii. materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*.
 - e. costs to undertake studies in connections with any of the matters in clauses (a) to (d)
 - f. costs to prepare a development charge background study, and
 - g. for interest on money borrowed to pay for costs described in clauses (a) to (d) above
- 1.5 **City** means the City of Pembroke
- 1.6 **Commercial Use** means any use permitted in a commercial zone other than a residential use as described by the zoning by-law of the municipality and any amendments thereto.
- 1.7 **Council** means the Municipal Council of the Corporation of the City of Pembroke
- 1.8 **Designated Area** means an area defined by a map, by text, plan, or legal description in a front-ending agreement as an area that will receive a benefit from the construction or purchase of a service or services.
- 1.9 **Development** means the construction erection or placing of one or more buildings or structures on land or the making of additional or alteration of a building or structure that has the effect of increasing the size or change of use thereof and includes redevelopment.
- 1.10 **Development Charge** means a charge imposed against the 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.
- 1.11 **Dwelling Unit** shall mean one room or a group of rooms in a building used or designated and intended to be used as a single, independent, and separate house-keeping establishment in which food preparation and sanitary facilities are provided and which has a private entrance from outside the building or from a

common hallway or stairway inside the building, but does not mean or include a tent, cabin, trailer, mobile home, seasonal residence or a room or suite of rooms in a boarding house, hotel, motel, motor hotel, or tourist home;

- 1.12 **Front-ending Agreement** means an agreement made under section 44 of the *Development Charges Act, 1997*.
- 1.13 **Grade** means the average level of proposed or finished ground adjoining a building at all exterior walls.
- 1.14 **Gross Floor Area** means the total floor area of all floors above the grade measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the building.
- 1.15 **HST** means the Federal Government's Goods and Services Tax
- 1.16 **Industrial Building, Existing** means a building used for or in connection with:
- a. manufacturing, producing, processing, storing or distributing something;
 - b. research or development in connection with manufacturing, producing or processing something;
 - c. retail sales by manufacturer, producer or processor of something they manufactured, produced or processed if the retail sales are at the site where the manufacturing, production or processing takes place;
 - d. office or administrative purposes, if they are:
 - i. carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
 - ii. in or attached to the building or structure used for that manufacturing, producing, processing, storage, or distribution.
- 1.17 **Industrial Use** means the use of land, building, or structures for the purpose of manufacturing, assembling, making, preparing, inspecting, ornamenting, finishing, treating, altering, repairing, warehousing, or storage or adapting for sale of any goods, substances, article or thing, or any part thereof and the storage of building and construction equipment and materials as distinguished from the buying and selling of commodities and the supplying of personal services or as otherwise defined in the zoning by-law.
- 1.18 **Local Board** means a local board as defined in the *Municipal Affairs Act*, other than a board defined in subsection 1(1) of the *Education Act*.
- 1.19 **Local Services** means those 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 or 53 of the *Planning Act*.
- 1.20 **Mobile Home** means any dwelling that is designated to be made mobile and constructed or manufactured to provide a permanent residence for one or more persons but does not include a travel trailer or tent trailer otherwise designed.
- 1.21 **Multiple Dwelling** shall mean all dwellings other than single-detached dwellings, semi-detached dwellings and apartment house dwellings.
- 1.22 **Net Capital Cost** means the capital cost less capital grants, subsidies and other contributions made to the municipality or that the Council of the municipality anticipates will be made, including conveyances or payments under Section 51 and 53 of the *Planning Act* in respect of the capital cost.
- 1.23 **Non-Residential Uses** means uses of land, buildings, or structures for purposes other than a dwelling unit and shall include commercial, institutional, industrial and other such uses.
- 1.24 **Owner** means the owner of land or a person who has made application for approval for the development of land upon which a development charge is imposed.

- 1.25 **Place of Worship** means a building or structure that is used primarily for worship,
- 1.26 **Rental housing development** means development of a building or structure with four or more Dwelling Units all of which are intended for use as rented residential premises;
- 1.27 **Residential Uses** means use of land, buildings or structures designed or intended to be used as living accommodations for one or more individuals
- 1.28 **Row Dwelling** means a residential building that is divided vertically into three (3) or more dwelling units.
- 1.29 **Semi-Detached Dwelling** means residential building that is divided vertically into two-dwelling units, each of which has an independent entrance.
- 1.30 **Services** means municipal services designated in this By-law or in an agreement made under Section 27 the Act, as applicable.
- 1.31 **Single Detached Dwelling** means a residential building consisting of one (1) dwelling unit.
- 1.32 **Square Metre or Square Foot** means that portion of a building or structure (expressed in metres or feet or any fraction thereof) actually depicted described or utilizes for any uses as illustrated in a site plan under the *Planning Act* or the *Building Code Act*.
- 1.33 **Standard of Services** means those standards which govern the quantity, quality or form, method, delivery, operation or manner in which services are constructed or installed and which have been duly approved by Council and which comply with Section 5 (1) (4) of the Act.
- 1.34 **Structure** means anything constructed or erected, either permanent or temporary, the use of which require location on the ground or the attachment to something having location on the ground.

2. Designated Areas

- 2.1 For the purpose of this By-law, the following designated area established:
- a. All lands, buildings and structures within the corporate limits of City of Pembroke except as otherwise exempted in this by-law.

3. Designated Services

- 3.1 The municipal services for which development charges shall be imposed are as follows, and as set out in Schedule "A" attached to and forming part of this By-law:
- a. Library Services
 - b. Parks & Recreation
 - c. Fire Protection Services
 - d. Police Services
 - e. By-law Services
 - f. Development-Related Studies
 - g. Transit Services
 - h. Services Related to a Highway
 - i. Public Works
 - ii. Roads and Related
 - i. Wastewater Services

4. Designated Uses of Land, Buildings or Structures

- 4.1 Subject to the provisions of this by-law, development charges against land in the City shall be imposed, calculated and collected in accordance with the base rates

set out in Schedules “B” and “C” which relate to the services set out in Schedule “A” to this by-law.

- 4.2 The development charge with respect to the use of any land or building shall be calculated as follows:
- a. in the case of residential development or redevelopment, or a residential portion of a mixed-use development or redevelopment, the sum of the product of the number of dwelling units of each type multiplied by the corresponding total dollar amount for such dwelling unit type, as set out in Schedule “B.”
 - b. in the case of non-residential development or redevelopment, or a non-residential portion of a mixed-use development or redevelopment, the development charge shall be the gross floor area of the type of non-residential use multiplied by the corresponding total dollar amount per square metre of gross floor area for the type of non-residential use, as set out in Schedule “C.”
 - c. where a non-residential development has both commercial and other non-residential uses, development charges will be imposed against the commercial portion and the other non-residential portion gross floor areas of the building as though the uses were separate.

5. Development Charges

- 5.1 Development charges shall apply to and shall be calculated and collected in accordance with the provisions of this By-law on land if the development of the land would increase the need for services and the development requires,
- a. the passing of a zoning by-law or of an amendment thereto 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 section 50 of the *Planning Act*,
 - 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 50 of the *Condominium Act*,
 - g. the issuing of a permit under the *Building Code Act*, in relation to a building or structure.
- 5.2 An Action mentioned in clauses 5.1 (a) to (g) does not satisfy the requirements of subsection 5.1 if the only effect of the action is to permit the enlargement of an existing dwelling unit or permit the creation of up to two additional dwelling units or permit the creation of up to two additional dwelling units as prescribed, subject to the prescribed restrictions, in prescribed classes of existing residential buildings.
- 5.3 Notwithstanding subsection 5.1, if two or more of the actions described in clauses 5.1 (a) to (g) occur at different times, and if the subsequent actions has the effect of increasing the need for all or some of the services in Schedule “A”, an additional development charge shall be calculated in accordance with provisions of this By-law.

6. Phase-in of Development Charges

- 6.1 The development charges imposed under this by-law are not being phased-in

7. When Charge is Due

- 7.1 The said development charges are due and payable in full to the Corporation of the City of Pembroke in accordance with Sections 26.1 and 26.2 of the Act.
- 7.2 Despite Section 6.1, where, in the opinion of the Chief Building Official, a complete application for a building permit has been filed prior to the effective date of this By-law, and the building permit is issued after the effective date of this By-law, the applicable charge under any Development Charges By-law in effect under the Act, shall apply.

- 7.3 If a development consists of one building that requires more than one building permit, the development charge for the development is payable upon the first building permit being issued.
- 7.4 If a development consists of two or more phases that will not be constructed concurrently and are anticipated to be completed in different years, each phase of the development is deemed to be a separate development for the purposes of this section of the by-law.
- a. This shall not be deemed to limit the authority of the Council to enter into an agreement for payment of development charges before or after the date of the issuing of the building permit subject to Section 27 of the *Development Charges Act, 1997*. Furthermore, a building permit with respect to a building or structure shall be withheld where the applicable development charge has not been paid pursuant to Section 28 of the *Development Charges Act 1997*.
 - b. HST shall not be collected as a surcharge to the payment of a development charge.
- 7.5 Collection of Unpaid Charges: If the development charge or any part thereof imposed by the municipality remains unpaid after the due date, the amount unpaid shall be added to the tax roll as taxes as prescribed by Section 32 of the *Development Charges Act, 1997*.
- 7.6 Complaints: An owner may complain in writing to the Council of the municipality in respect of the development charge imposed by the municipality on the owner's development subject to the provisions of Section 20 of the *Development Charges Act, 1997*.

8. Exceptions and Exemptions

- 8.1 The entire City is hereby designated for the purposes of the *Development Charges Act* with the following exceptions and exemptions:
- a. Municipalities and schools: Land owned by and used for the purposes of the municipality or a school as defined in the *Education Act*, public utility commission, transportation commission, public library board, local board of health, board of commissioners of police, any similar public board commission or committee shall be 100% exempt from development charges as set out in this By-law;
 - b. Hospitals: Land owned by and used for the purposes of a hospital under the *Public Hospitals Act*, shall be 100% exempt from development charges as set out in this By-law;
 - c. Colleges or universities: Land owned by and used for the purposes of a college or university shall be 100% exempt from development charges as set out in this By-law;
 - d. Places of Worship and Cemeteries: Land owned by and used for the purposes of a place of worship or cemetery exempt from taxation under the *Assessment Act* shall be 100% exempt from development charges as set out in this By-law;
 - e. Long-term care home development as defined in subsection 2 (1) of the *Fixing Long-Term Care Home Act, 2021*
 - f. Accessory uses: Accessory uses to residential uses including a garage, storage building, garden shed, swimming pool or other similar accessory uses, buildings or structures and to an accessory use shall be 100% exempt from development charges as set out in this By-law;
 - g. Enlargement and Additional Dwelling Units: exemptions shall apply as set out in Sections 2(3.1) 2(3.2) and 2(3.3) of the Act;

- h. Existing Industrial Use: exemptions shall apply as set out in Section 4 of the Act.
- i. Affordable housing as defined by subsection 4.1 (1) of the Act;
- j. Attainable housing as defined by subsection 4.1 (1) of the Act;
- k. Non-profit housing as defined by subsection 4.2 (1) of the Act.
- l. Development charges payable for Rental Housing Developments, where all the Dwelling Units are intended to be used as rented residential premises, shall be reduced based on the number of bedrooms in each Dwelling Unit as follows:
 - i. 3 or more bedrooms – 25% reduction;
 - ii. 2 bedrooms – 20% reduction; and
 - iii. all other quantities of bedrooms – 15% reduction

9. Indexing

- 9.1 Council may adjust development charges in this by-law one or two times annually in accordance with the “*Construction Price Statistics*” index as published by Statistics Canada quarterly (catalogue number 62-007). Such adjustment to a development charge shall not require an amendment to this By-Law. (Section 5 (1) (10) of the *Development Charges Act, 1997* and Section 7 of *Ontario Regulation 82/98*).

10. Redevelopment

- 10.1 In the case of the demolition of all or part of a residential or non-residential building or structure a credit shall be allowed, provided that the land was improved by occupied structures (or structures capable of occupancy) within the five years prior to the issuance of the building permit, and the building permit has been issued for the development or redevelopment within five years from the date the demolition permit has been issued.
- a. If a development or redevelopment involves the demolition of and replacement of a residential structure, a credit shall be allowed equivalent to the number of dwelling units demolished multiplied by the applicable residential development charge in place at the time the development charge is payable.
 - b. If a development or redevelopment involves the demolition of and replacement of a non-residential structure, a credit shall be allowed equivalent to the gross floor area demolished multiplied by the applicable non-residential development charge in place at the time the development charge is payable, and when redevelopment occurs.
 - c. A credit can, in no case, exceed the amount of the Development Charge that would otherwise be payable, and no credit is available if the existing land use is exempt under this By-law.
- 10.2 Conversions or a Change of Use
- a. Changing all or part of a residential building to a non-residential use will reduce development charges otherwise payable by an amount that is equal to the applicable residential development charge in place at the time the development charge is payable, multiplied by the number of residential units being converted,
 - b. Any conversion or change of use of an existing building or part thereof from a residential use to a non-residential use or from a non-residential use to a residential use, shall be subject to a development charge as follows:

- i. in the conversion or change of use from a non-residential use to a residential use, the first two (2) dwelling units created shall be exempt from a development charge;
- ii. in the conversion or change of use from a residential use to non-residential use, the first 50% of the gross floor area shall be exempt from a development charge;
- iii. the gross floor area use in the calculation of the development charge will be determined from a site plan or building plans submitted as a requirement under any of the applicable clauses of Section 5.1 of this By-law.

11. Other By-laws and Regulations

- 11.1 Nothing in this By-law shall exempt any person from complying with the requirements of any other By-law, agreement or legislation in force.
- 11.2 If an owner or former owner has, before the coming into force of this development charges by-law, paid all or any portion of a charge related to development pursuant to an agreement under Section 51 or 53 of the *Planning Act* or a predecessor thereof with respect to land within the area to which the by-law applies, the municipality shall give a credit for the amount of the charge paid.
- 11.3 If an owner or former owner has, before the coming into force of this development charges by-law, provided services in lieu of the payment of all or any portion of a charge related to development pursuant to an agreement under Section 51 or 53 of the *Planning Act* or a predecessor thereof with respect to land within the area to which the by-law applies, the municipality shall give a credit for an amount equal to the reasonable cost to the owner or to the former owner of providing the services.
- 11.4 Under this By-law, the municipality may give a credit for work done against all or a portion of one or more services for which a development charge may be imposed and may allow the credit to be applied to a different service either at the time of entering into an agreement or afterwards, provided that the municipality has first agreed to allow a person to perform such work. However, no credit shall be given for any work that relates to an increase in the level of service that exceeds the ten (10) year average level of service as adopted by the municipality.
- 11.5 Any credit may only be used by the holder of the credit or the holder's agent and may not be transferred unless the holder and person to whom it is to be transferred have agreed in writing, and the municipality also agrees to the transfer and undertake to transfer the paid credit or credits.
- 11.6 If a conflict exists between the provisions of this development charge by-law and an agreement referred to in subsection (10.2) or (10.3); the provisions of the agreement prevail to the extent of the conflict.
- 11.7 If a conflict exists between the provisions of this development charges by-law and any other agreement between the municipality and an owner or former owner with respect to land within the area to which the by-law applies, the provisions of the agreement prevail to the extent that there is a conflict.

12. Standard of Services

- 12.1 The standards for services within the Corporation of the City of Pembroke shall be those as set out from time-to-time by Council and shall be the fifteen (15) year average level of service for any eligible service under the *Development Charges Act*, 1997.

13. By-law Registration

- 13.1 A certified copy of this By-law may be registered on title to any land to which this by-law applies and may be done at the sole discretion of the municipality.

14. Reserve Fund

- 14.1 A reserve fund for revenues received from development charges is hereby continued and shall be called the development charges reserve fund.

- 14.2 The development charges reserve fund shall be used to meet the net capital costs for which the development charge was levied under the By-law.
- 14.3 The Treasurer of the municipality is hereby directed to maintain separate accounts under the development charges reserve fund including interest earned thereof for each municipal service category set out in Section 3.1 of this By-law.
- 14.4 Income received from investments of the development charge reserve fund shall be credited to the development charges reserve fund account for the designated municipal service category (per Section 3.1 of this By-law) in relation to which the investment income applies.
- 14.5 The Treasurer is hereby directed to prepare an annual financial statement for the development charges fund as prescribed under Section 12 of *Ontario Regulation 82/98* and to submit the statement for Council's consideration and within 60 days thereafter, to submit such statement to the Minister of Municipal Affairs and Housing.

15. Refunds

- 15.1 The municipality shall pay interest on a refund under Section 5 (3), (5) or 8(14) of the *Development Charges Act*, at a rate not less than the Bank of Canada rate in effect on the date of this Development Charges By-law comes into force.

16. Short Title

- 16.1 That this By-law shall be known as the "Development Charges By-law"

17. Schedules to the By-law

- 17.1 The following schedules to this By-law form an integral part of this By-law:
- Schedule "A" – Schedule of Designated Municipal Services
 - Schedule "B" – Schedule of Residential Development Charges – Effective XX, 2026 to expiry
 - Schedule "C" – Schedule of Non-Residential Development Charges – Effective XX, 2026 to expiry

18. Effective Date and Term

- 18.1 The By-law shall take effect on **May 19, 2026** subject to the provisions of the *Development Charges Act* and shall be for a term of 10 years.

Passed and Enacted this 19th Day of May 2026

Ron Gervais
Mayor

David Unrau
Chief Administrative Officer

Schedule “A” to By-law 2026-XX

Designated Services Under this By-law

1. Library Services
2. Parks & Recreation
3. Fire Protection Services
4. Police Services
5. By-law Services
6. Development Related Studies
7. Transit Services
8. Services Related to a Highway
 - a. Public Works
 - b. Roads and Related
9. Wastewater Services

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Schedule “B” to By-law 2026-XX

Residential Development Charges Effective [XX, 2026] – Expiry

Service	Charge By Unit Type		
	Single & Semi-Detached	Rows & Other Multiples	Apartments
Library Services	\$1,684	\$1,347	\$1,010
Parks & Recreation	\$11,220	\$8,976	\$6,732
Fire Protection Services	\$1,922	\$1,538	\$1,153
Police Services	\$1,279	\$1,024	\$768
By-Law Services	\$17	\$14	\$10
Transit	\$435	\$348	\$261
Development Related Studies	\$280	\$224	\$168
Services Related To A Highway: Public Works	\$1,540	\$1,232	\$924
Services Related To A Highway: Roads And Related	\$5,729	\$4,583	\$3,438
Wastewater Services	\$4,776	\$3,821	\$2,865
TOTAL CITY-WIDE SERVICES	\$28,882	\$23,107	\$17,329

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Schedule "C" to By-law 2026-XX

Non-Residential Development Charges Effective [XX, 2026] – Expiry

Service	Non-Residential Charge (\$/sq.m)
Library Services	\$0.00
Parks & Recreation	\$0.00
Fire Protection Services	\$11.33
Police Services	\$7.54
By-Law Services	\$0.10
Transit	\$2.56
Development Related Studies	\$1.65
Services Related To A Highway: Public Works	\$9.07
Services Related To A Highway: Roads And Related	\$33.76
Wastewater Services	\$28.14
TOTAL CITY-WIDE SERVICES	\$94.15

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