

# **Building Bulletin**

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## **Bill 185 and Development Charge Updates**

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#### **Dear Valued Customers**,

Bill 185 – "An Act to amend various Acts" received Royal Assent on June 6, 2024, the implementation of this Bill has triggered several changes to the Development Charges Act, 1997. This Building Bulletin is to share information related to the changes, and how this will affect our customers.

#### **Development Charge Rate Change (City)**

Bill 23 (Nov. 2022) introduced the mandatory phase-in of development charge rates over five years for Development Charge by-laws passed on or after January 1, 2022. Development charges were discounted by 20% in Year 1, 15% in Year 2, 10% in Year 3, and 5% in Year 4, with the full development charge rate applying in Year 5.

On June 6, 2024, the day that Bill 185 received Royal Assent this section of the Development Charges Act has been repealed. This change results in a City development charge rate increase of 15% effective immediately. For additional City DC information, including the current DC rates check City of Kitchener Development Charges Webpage.

### **Changes to DC Freeze**

Bill 108 (June 2019) introduced the development charge freeze for projects where an application was made for site plan approval under section 41 of the Planning Act or an application for an amendment to a zoning by-law under section 34 of the Planning Act. A prescribed time period of 2 years was set as the limit between the approval of the planning application and the date of the first permit issuance.

Effective June 6, 2024, the day that Bill 185 received Royal Assent this prescribed time period has been reduced to 18 months.

#### **Exemption for Affordable and Attainable Residential Units**

On June 1, 2024, the day named by proclamation of the Lieutenant Governor, the Development Charges Act was amended and added Section 4.1 for the exemption of affordable and attainable residential units.

We are working diligently to finalize our internal processes and procedures regarding these new exemptions, and we will share information through a subsequent Building Bulletin ASAP. Please stay tuned.

As always, thank you for your understanding. If there are any questions or comments, please contact myself or Camelia Cimpan directly.

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