

The Corporation of the City of Guelph

By-law Number (2026)-21203

**A By-Law of The Corporation of the City of Guelph to Amend
By-Law (2024)-20866, Respecting Development Charges**

Whereas the City of Guelph enacted By-law (2024)-20866 pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass By-laws for the imposition of Development Charges against land;

And Whereas the Act authorizes Council to amend a Development Charges By-law to address administrative matters in accordance with section 19 of the Act;

And Whereas the Province has enacted legislative amendments to the Act through Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*, which introduced changes related to the timing and administration of Development Charge payments;

And Whereas Council has before it a report entitled “City of Guelph Development Charges Update Report,” prepared by Watson & Associates Economists Ltd., dated January 30, 2026, which outlines proposed administrative amendments to the City’s Development Charges By-law;

And Whereas the Council of the Corporation of the City of Guelph has given notice of and held a public meeting on the 4th day of March, 2026 in accordance with the Act and the regulations thereto;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF
GUELPH HEREBY ENACTS AS FOLLOWS:**

1. By-law (2024)–20866 is hereby amended as follows:
 - (a) The following definitions for Development and Redevelopment within Section 1 of the Development Charges By-law are hereby deleted and replaced with the following:
 - (i) “Development” means the construction, erection, or placing of one (1) or more Buildings on land or the making of an addition or alteration to a Building that has the effect of increasing the size or usability thereof or any Development requiring any of the actions described in subsection 3.4.1 (a), and includes Redevelopment;

- (ii) “Non-profit Housing Development” means Development of a Building intended for use as residential premises by a not-for-profit corporation or cooperative which is defined as exempt non-profit housing Development under the Act;
 - (iii) “Redevelopment” means the construction, erection or placing of one or more Buildings on land where all or part of a Building has previously been demolished on such land, or changing the use of a Building from a Residential Use to a Non-Residential Use or from a Non-Residential Use to a Residential Use, or changing a Building from one form of Residential Use to another form of Residential Use or from one form of Non-Residential Use to another form of Non-Residential Use and including any Development or Redevelopment requiring any of the actions described in subsection 3.4.1 (a) of this By-law;
 - (iv) “Rowhouse” or “Row Dwelling” means a Dwelling Unit within a Building containing three or more attached Dwelling Units in a single row, each of which Dwelling Unit has an independent entrance from the outside and is vertically separated from any abutting Dwelling Unit.
- (b) Subsection 3.1 (b) is hereby amended to replace the cross-reference to section 3.4.1 with the cross-reference to section 3.4.1(a).
- (c) Subsection 3.4.2 (b) is hereby deleted and replaced with the following:
- (i) A second residential Dwelling Unit in an existing detached house, Semi-detached Unit or Rowhouse on a parcel of land on which Residential Use, other than an Ancillary Residential Use, is permitted, if all Buildings Ancillary to the existing detached house, Semi-detached house or Rowhouse cumulatively contain no more than one Dwelling Unit;
 - (ii) A third residential Dwelling Unit in an existing detached house, Semi-detached house or Rowhouse on a parcel of land on which Residential Use, other than an Ancillary Residential Use, is permitted, if no Building Ancillary to the existing detached

house, Semi-detached house or Rowhouse contains any residential Dwelling Units;

- (iii) One Residential Unit in a Building Ancillary to an existing detached house, Semi-detached House or Rowhouse on a parcel of urban residential land, if the existing detached house, Semi-detached house or Rowhouse contains no more than two residential Dwelling Units and no other Building ancillary to the existing detached house, Semi-detached house or Rowhouse contains any residential Dwelling Units;
- (d) Subsection 3.4.2 (e) is hereby amended to replace the cross-reference to section 3.4.1(c) with the cross-reference to section 3.4.1(d).
- (e) Subsection 3.5.1 is hereby amended by adding the following exemption:
 - (j) Non-profit Housing Residential Development.
- (f) Subsection 3.6 is hereby amended to replace the word “calculated” with the word “determined”.
- (g) Subsection 3.8 is hereby deleted and replaced with the following:

Despite any other provisions of this By-law, where a Building existing on land within 48 months prior to the date that a Development Charge becomes payable for a Redevelopment on the same land is deemed to be demolished or converted from one principal use to another principal use on the same land, the Development Charges otherwise payable with respect to such Redevelopment shall be reduced by the following amounts:

 - (a) in the case of a Residential Use Building or in the case of Residential Uses in a mixed-use Building, an amount calculated by multiplying the applicable Development Charge under subsection 3.6 by the number, according to type, of Dwelling Units that is deemed to be demolished or converted to another principal use; and
 - (b) in the case of a Non-Residential Use Building or in the case of the Non-Residential Uses in a mixed-use Building, an amount calculated by multiplying the applicable Development Charge

under subsection 3.7 by the Gross Floor Area that is deemed to be demolished or converted to another principal use.

(h) Subsection 3.9 (b) is hereby deleted and replaced with the following:

(b) the date the demolition permit was issued.

(i) Subsection 3.12 is hereby deleted and replaced with the following:

Development Charges imposed under this By-law shall be determined, payable, and collected in accordance with the Act and the regulations made thereunder.

Unless otherwise permitted under the Act, Development Charges shall be collected at the time of issuance of a building permit.

Where the Act permits Development Charges to be paid at a time other than building permit issuance, including through instalment payments or occupancy-based payment timing, such payments shall be made in accordance with the applicable provisions of the Act. Where interest is permitted under the Act, it shall be applied in accordance with applicable regulations and in accordance with the City's Council-approved Development Charges Interest Policy, as may be revised from time to time.

(j) Subsection 3.13 is hereby deleted and replaced with the following:

Where permitted under the Act, Development Charges may be paid in instalments and, where applicable, may be payable based on occupancy.

The timing, number, and amount of instalment payments, the circumstances under which occupancy-based payments apply, and the timing and application of interest on amounts paid other than at building permit issuance, shall be determined in accordance with the Act and the regulations made thereunder, as well as in the City's Council-approved Development Charges Interest Policy, as may be revised from time to time.

Where permitted under the Act, the City may require the owner to provide security for the payment of future Development Charges, in a

form, amount, and on terms satisfactory to the City, to secure amounts payable in instalments or based on occupancy.

For greater certainty, nothing in this By-law limits the application of instalment payment or occupancy-based payment provisions established under the Act.

The City may, at any time and from time to time following application for a building permit until Development Charges are paid in full, require a binding confirmation and indemnity from the owner confirming that all of the Dwelling Units in the Rental Housing Development are intended to be used, are being used and/or continue to be intended to be used as rented residential premises.

- (k) Subsection 3.14 is hereby deleted and replaced with the following:

The applicable Development Charge rates shall be determined in accordance with the rate freeze provisions of the Act and the regulations made thereunder.

Where Development is subject to a rate freeze pursuant to the Act, the Development Charge rates applicable to such Development shall be the rates prescribed by the Act as applicable pursuant to any operative transition provisions in the Act and/or regulations.

No provision of this By-law shall be interpreted so as to conflict with or limit the application of the rate freeze provisions established under the Act. Further administrative clarity may be provided through the City's Council-approved Development Charges Interest policy, as may be revised from time to time.

- (l) Subsection 3.15 is hereby deleted and replaced with the following:

Despite subsections 3.12 through 3.14, Council may enter into agreements under section 27 of the Act, providing for all or any part of a Development Charge to be paid before or after it would otherwise be payable under this By-law.

Any such agreement shall be entered into, administered, and enforced in accordance with the Act and the regulations made thereunder.

- (m) Subsection 3.16 is hereby amended by replacing all references to the word “calculated” with the word “determined”.
 - (n) Subsection 7.2 is hereby amended by replacing the word “calculated” with the word “determined”.
2. This By-law shall come into force on the day it is enacted.
 3. Except as amended by this By-law, all provisions of By-law (2024)-20866, as amended, are and shall remain in full force and effect.

Cam Guthrie – Mayor

Dylan McMahon – General Manager/City Clerk