RECOMMENDATION TO COMMITTEE OF THE WHOLE:

1. THAT the Development Charge/Impost Fee Background Study prepared by C.N. Watson and Associates Ltd. dated May 31, 2004 (as amended on August 12, 2004) be received and approved;

2. THAT council approve the capital projects as set out in Chapter 5 (for development charges) and Chapter 7 (for impost fees) of the Development Charge/Impost Fee Background Study dated May 31, 2004 (as amended), subject to annual review during the capital budget process;

3. THAT council express its intention that development related post planning period (post 2013 for 10 year services and post 2026 for build-out services) capacity of the works identified in the Development Charge/Impost Fee Background Study be paid for by future development charges or other similar charges;

4. THAT council confirm that no further notice or public meeting is required pursuant to Section 12 of the Development Charges Act, 1997;
5. THAT council enact a by-law to establish new development charges for city wide services in the City of Kingston, and a by-law to establish new impost fees for water and wastewater services in the City of Kingston, and that these by-laws be given first and second reading.

6. That Development Charges be exempt for industrial construction and that Impost Fees be phased in for industrial construction as follows:
   a. 0% September 29, 2004
   b. 50% September 1, 2005
   c. 100% September 1, 2006

   and that the costs related to this exemption and phase-in be financed through a tax incremental financing program.

7. That the Development Charges be exempt for commercial office construction and that Impost Fees be phased in for commercial office construction as follows:
   a. at 0% September 29, 2004
   b. 50% September 1, 2005
   c. 100% September 1, 2006

   and that, the costs related to this exemption and phase-in be financed through a tax incremental financing program.

8. That Development Charges and Impost Fees be exempt for Brownfield’s Redevelopment related construction and that this exemption be financed through a tax incremental financing program.
ORIGIN/PURPOSE:
The Development Charges Act requires a municipality to undertake a review of development charge (DC) rates and establish a new DC by-law every 5 years. The current development charges (DC) by-law (99-328) will expire on September 28, 2004. The new by-laws will have an effective date of September 29, 2004.

In July 2003 (Report No. 03-149), council authorized staff to proceed with the required review and engage the firm of CN Watson and Associates Ltd. to lead the project. For the purposes of reviewing costs and associated charges for development related water and sanitary sewer works, a concurrent review was initiated for the city’s Impost Fee by-law. The study is now complete. This report brings forward the amendments to the May 31, 2004 draft background study report (the Report) and the necessary by-laws to council for approval. The initial report was prepared May 31, 2004 and amended on August 12, 2004. A consolidated version of the final report will be prepared by CN Watson and Associates Ltd. subsequent to the final approval of the enacting by-laws. This final document will be distributed to council once completed.

OPTIONS/DISCUSSION:
As council is aware, a Steering Committee (the Committee) made up of representatives from City Council, the development community [Kingston Homebuilders Association (KHBA) and the Kingston Construction Association (KCA)] and city staff was established to undertake the required review. The Committee has met on a regular basis since October 2003 and has been instrumental in assisting CN Watson and Associates Ltd. throughout the project.

The data and results of the Urban Growth Strategy and the Transportation Master Plan, which were approved by council on July 13, 2004, provide the foundation for the review and establishment of DC rates and Impost Fees.

As stated earlier, the Report was initially provided by CN Watson and Associates on May 31, 2004 in draft. Public consultation continued until June 30. The Committee continued to work on areas of consideration, including roads, water and sanitary sewer, to ensure appropriate amounts were included in the final calculations. A significant level of effort was required to determine the appropriate infrastructure timing, associated costs and apportionments. Adjustments are presented in the amendment document distributed with this report dated August 12, 2004.

The Report provides detailed information. The proposed combined rates for development charges and impost fees for both residential and non-residential construction are considered fair and reasonable and are comparable to other municipalities responsible for similar services. Included in the amendment document is a comparison chart for reference purposes. Kingston’s rates as proposed enables the city to remain competitive in the development market.
The table below, prepared by CN Watson and Associates Ltd., summarizes the results of the study, including volume of construction (by type), forecast revenue collections, DC rates, Impost Fees and estimated costs of exemptions.

<table>
<thead>
<tr>
<th>#Units/# s.f. GFA</th>
<th>Residential (SPE)</th>
<th>Industrial</th>
<th>Commercial</th>
<th>Institutional</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td># of units</td>
<td>s.f.</td>
<td>s.f.</td>
<td>s.f.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 year – Uniform</td>
<td>6,985</td>
<td>1,823,400</td>
<td>1,435,600</td>
<td>1,637,200</td>
<td>4,896,200</td>
</tr>
<tr>
<td>Buildout – Roads</td>
<td>18,344</td>
<td>4,737,600</td>
<td>3,853,600</td>
<td>4,332,400</td>
<td>12,923,600</td>
</tr>
<tr>
<td>10 Year – Urban Area</td>
<td>6,837</td>
<td>1,776,926</td>
<td>1,249,517</td>
<td>1,624,948</td>
<td>4,651,390</td>
</tr>
<tr>
<td>Buildout – Urban Area</td>
<td>18,084</td>
<td>4,690,224</td>
<td>3,298,120</td>
<td>4,289,076</td>
<td>12,277,420</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forecast Revenue Collections</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Year – Uniform</td>
<td>19.2</td>
<td>1.3</td>
<td>1.0</td>
<td>1.1</td>
<td>3.4</td>
</tr>
<tr>
<td>Buildout – Roads</td>
<td>52.2</td>
<td>13.7</td>
<td>11.2</td>
<td>12.6</td>
<td>37.5</td>
</tr>
<tr>
<td>10 Year – Urban Area</td>
<td>6.2</td>
<td>0.4</td>
<td>0.3</td>
<td>0.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Buildout – Urban Area</td>
<td>43.1</td>
<td>18.7</td>
<td>13.2</td>
<td>17.1</td>
<td>4.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>120.6</td>
<td>34.2</td>
<td>25.6</td>
<td>31.2</td>
<td>91.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proposed Rates</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DC Rates</td>
<td>$5,608</td>
</tr>
<tr>
<td>Impost Fees – Urban Area</td>
<td>$3,285</td>
</tr>
</tbody>
</table>

| TOTAL | $8,893 | $7.84 | $7.84 | $7.84 |

<table>
<thead>
<tr>
<th>Estimated Cost of Exemptions</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
<th>M$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Exemptions (DC Only):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75% of institutional DC value will not be collected</td>
<td>10.3</td>
<td>10.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5% of industrial DC value will not be collected (50% expansion exemption)</td>
<td>0.8</td>
<td>0.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>11.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Policy Exemptions Recommended:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Remaining 95% of industrial DC value</td>
<td>14.3</td>
</tr>
<tr>
<td>10% of commercial DC value (commercial office)</td>
<td>1.2</td>
</tr>
<tr>
<td>Brownfield's Redevelopment Estimate – DC</td>
<td>0.3</td>
</tr>
<tr>
<td>Brownfield's Redevelopment Estimate – Impost</td>
<td>0.2</td>
</tr>
</tbody>
</table>

| TOTAL | 0.5 |

<table>
<thead>
<tr>
<th>Policy Exemptions Not Recommended:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>100% of industrial impost value</td>
<td>19.1</td>
</tr>
<tr>
<td>10% of commercial impost value (commercial office)</td>
<td>1.3</td>
</tr>
</tbody>
</table>

| TOTAL | 20.5 |

**Assumptions:**
1. Statutory industrial expansion represents 5% of industrial GFA – applicable to DCs only.
2. 75% of institutional development will not be collected (municipal, school board and Crown properties are exempted) – applicable to DCs only
3. Brownfield's Redevelopment estimate is based on 40 gross acres; 25% residential development (59 single family equivalent units). 100,814 s.f. of commercial and 105,181 s.f. of institutional
The following commentary is provided to describe certain policy considerations proposed in the recommendations of this report and in the draft by-laws.

Exemptions and Phase-ins

A. INDUSTRIAL AND COMMERCIAL OFFICE

As part of the implementation of the new charges, consideration has been made to ensure that the strategies for economic development continue to be promoted. KEDCO has also been consulted. This report recommends that industrial construction and commercial office construction be exempt from DC charges and that Impost Fees, while not exempted, be phased-in over a 2 year period with 50% ($2.12 per ft$^2$)(indexed) effective September 1, 2005 and the full rate ($4.24 per ft$^2$)(indexed) effective September 1, 2006. In addition, Brownfield’s Redevelopment related construction will be fully exempt for both DC and Impost Fees.

Since exemptions can not, under legislation, be reallocated to other types of development, it is necessary for the city to pay over exempted amounts to the respective DC or Impost Fee reserve funds. Based on estimates provided by CN Watson and Associates Ltd., the cost of exemptions described in the previous paragraph amounts to approximately $17.0M over the build out period of approximately 22 years. Staff recommends that a finance policy be established to fund this amount through a tax incremental financing approach, wherein the value of the exemption or phase-in would be paid from the new assessment growth related taxation. While this approach provides for a delay in bringing new assessment related taxation to the general operating budget, it negates the requirement to introduce an overall equivalent tax rate increase and generally the amount can be recovered in the first 2 years from the new assessment.

Full exemption of impost fees was contemplated for industrial and commercial office; however, not recommended. It is felt that as impost fees are intended to cover the costs associated with demand and usage, the fees should apply in the longer term. In addition, the cost of this potential exemption, estimated at $20.5M for the build-out period would create significant financial pressure for the municipal taxpayer. Even with the tax incremental financing approach it would result in a significant delay in bringing new assessment to the operating budget.

B. MUNICIPAL FACILITIES

Under the DC Act, construction of municipal facilities is exempt, however, the value of the exemption forms part of the calculation for DC purposes. Unless the fund is compensated a shortfall in financing will occur and will need to be made up by taxpayers. To avoid this deficiency, staff recommends that a finance policy be established to provide that the cost of this exemption (DC and Impost) be added to the capital cost of a municipal facility and funded appropriately as part of the overall project budget.

C. INSTITUTIONS

Certain institutional construction is also exempted under DC legislation. Due to the nature of the related assessment, often there is no opportunity to take a tax incremental approach to financing this shortfall. As a result this funding will be required from other municipal sources. The Finance Division is reviewing various alternatives for funding shortfalls from this type of
construction and expects to bring forward a policy for council’s consideration as part of the 2005 budget strategies. Impost Fees are not subject to this exemption and will apply under the authority of the new Municipal Act and as part of the by-law presented with this report.

D. OTHER

Concern has been expressed regarding the increase in the non-residential rate, moving from a combined (DC and Impost Fee) $2.50 per ft² to $7.84 per ft². This difference is explained in that the previous rates were set without the benefit of the depth of the growth related forecasts, now included as part of the Urban Growth Strategy, and as such the rate was considerably lower by comparison with other municipalities.

Total estimated infrastructure requirements attributable to growth over the build-out period for all services including roads, water and sanitary sewers is estimated in excess of $360M. Of this amount DC and Impost Fees are expected to finance approximately $210M, leaving the balance ($150M) to be funded by a combination of utility rates and taxation, along with minor amounts for other funding sources. This amount on average is $6.8M per year ($3.5M water and sewer; $3.3M municipal) not including associated financing costs, if applicable.

The estimated costs of financing the exemptions and phase-in recommended at this time amounts to $25.0M to $30.0M over the build-out period, requiring an estimated average annual contribution from taxation of up to $1.35M. Staff is recommending financing the majority of these exemptions through a tax incremental financing approach. This will delay new growth related taxation revenue from current budgets and cause pressure in offsetting costs to service new areas. However, this is regarded as a more suitable approach than seeking a general tax increase, particularly as we strive to meet tax and rate targets established by council. Additional exemptions or discounted rates for other classes of property would increase the compensating requirement from taxation, placing more pressure on tax rates.

Further consideration has been given to introducing flexibility for the promotion of specific types of development within Community Improvement Program (CIP) areas. Brownfield’s Redevelopment is an example and in this by-law is provided with an exemption. As planning policies are introduced to address other specific types of development, particularly in the downtown core, additional exemption requirements may be cited. The flexibility is provided in the proposed by-laws to enable this to occur.

Potential reallocation of existing reserves

As part of the review of roads projects, we have determined that the Transportation Master Plan (TMP) concludes that north south lanes are to be constructed in the Centennial Drive area, and thus Bayridge Drive widening to 4 lanes (Bath to Taylor Kidd) is no longer required. At amalgamation, funds were provided from the distributed balances of the former County of Frontenac to the new City of Kingston. These funds have been held in reserve awaiting approval of the project. As a result the Committee recommends that these funds be reallocated to assist with the funding of north south arterial connectors in the area known as the former Township of Kingston. Accordingly staff will bring this matter forward for council’s consideration as part of the 2005 capital budget.
Conclusion

It is the view of the Committee that the establishment of a joint committee, involving industry and municipal representatives, to complete the review of DC and Impost Fees has been most productive. The background study supporting the by-laws forms a sound basis for proceeding with growth related capital works. Attached to this report as Appendix “A” and “B” are letters from the KHBA and KCA providing support and comments.

EXISTING POLICY/BY-LAW:

Development Charges By-law 99-328
Impost Fee By-laws 2001-111 and 2001-112

LINK TO STRATEGIC PLAN:

Fiscal Health and Economic Prosperity strategies

FINANCIAL CONSIDERATIONS:

The costs associated with growth related capital expenditures have been considered for the 10 year period DC related services other than roads. Roads growth related expenditures have been considered for the build-out period identified in the Urban Growth Strategy to 2026. Water and sanitary sewer growth related costs are projected over the same build-out period. DC and Impost Fee amounts are critical to the financial strategies of the city, and are included as part of the funding sources in current and multi-year budgets.

The municipal share of associated costs has been estimated using a fair and consistent approach and is considered in arriving at the DC and Impost Fee rate calculations. Once council approves the new by-laws, the long range financial plans of the municipality will be updated. Building permit activity will be regularly monitored to ensure that capital expenditure programs proceed as funds are collected. The Finance and the Building and Licensing Divisions will review occupancy codes for various types of property assessment and permit activity to provide greater consistency between building permit uses and assessment for taxation purposes.

CONTACTS:

Gerard Hunt          Manager of Finance           546-4291  2205
Jim Miller           Manager of Technical Services, Utilities Kingston 546-1181  2475
Denis Leger          Commissioner, Corporate Services 546-4291  1328
Bert Meunier         Chief Administrative Officer 546-4291  1245
Tony Fleming         Senior Legal Counsel        546-4291  1293
DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Executive Management Team
DC/Impost Fee Steering Committee Members and support staff:
  George Beavis, City Councilor, Lakeside District
  Kevin George, City Councilor, Loyalist-Cataraqui District
  Neal Ritchie, GKHBA
  Barry Smith, GKHBA
  Murray Josselyn, GKHBA
  Peter Walker, KCA
  Doug Haight, KCA
  Jim Miller, Manager, Utilities Technical Services
  Mark Fluhrer, Manager, Policy & Support Services, Community Services
  Cherie Mills, Supervisor, Land-Use Policy, Planning Division
  Speros Kanellos, Manager, Engineering Services
  Gerard Hunt, Manager of Finance
  Derek Hart, Capital Budget Analyst
  Shawna Guernsey, Financial Analyst – Projects
  Robert Baird, Senior Road Designer
  Shirley Bailey, Senior Policy Planner

NOTICE PROVISIONS:

The city is in compliance with the Development Charges Act and the Municipal Act.

APPENDICES:

Appendix “A” - KHBA motion of support and comments
Appendix “B” - KCA letter of support and comments
Development Charge/Impost Fee Background Study – Draft May 31, 2004 – distributed separately
Amendment to: Development Charge/Impost Fee Background Study – August 12, 2004 – distributed separately

Denis Leger
Commissioner of Corporate Services

Bert Meunier
Chief Administrative Officer
Appendix A

**Motion**

**Motion # 2004-**

**Moved By** Murray Josselyn

**Seconded By** Barry Smith

**Notice of Motion:**

Whereas the City of Kingston has worked closely with the Kingston Homebuilders’ Association to implement a new Development Charges Bylaw, to the extent that the KHBA sat on the steering committee for the Development Charges Background Study,

and whereas the background study is generally a fair and equitable calculation of the actual costs required to fund new municipal infrastructure for new development,

and whereas the KHBA recognize the obligation of new development to fund the services that are required for new development, notwithstanding the need to develop industrial growth and the resultant jobs that are created in our community, therefore the GKHBA resolve as follows.

1. The KHBA supports the background study prepared by the City of Kingston in support of the Development Charges Bylaw, and will not as an association appeal the bylaw to the OMB.

2. The KHBA will support the City of Kingston should the background study be challenged by another party.

3. The KHBA supports the proposal for a full exemption of Development Charges for Industrial development.

4. It is understood that the KHBA has the following concerns that we continue to request that the City of Kingston resolve before the implementation of the next Development Charges Bylaw, as follows.

   a. As clearly indicated by the consultant for the City, the Impost Bylaw is an unnecessary tool that is not used by any other municipality in the province of Ontario, and that the Development Charges Act is a more suitable tool for collection of fees for sewer and water services. The KHBA still recommend that sewer and water costs be incorporated into the Development Charges Bylaw for a more transparent and simplified tool.

   b. The roads component of the Development Charge continues to be the largest portion of the cost, and a number of roads were used to calculate the charge that are required regardless of growth. The KHBA requests that a detailed update of the Transportation Master Plan be carried out before the next DC Bylaw, and that the underlying assumptions related to growth and demand for roads be reassessed.

**President**

Date August 12th, 2004

575 Counter Street, Kingston, Ontario, K7M 3L5
TELEPHONE (613) 384-3884 · FAX (613) 377-6885
website: www.gkhba.on.ca · email: gkhba@gkhba.on.ca
August 11, 2004

Mayor Rosen and City Council  
City of Kingston  
216 Ontario Street  
Kingston, ON K7L 2Z3

Re: Development Charges and Impost Fees

Dear Mayor Rosen and Council:

KCA views the process to determine development charges and impost fees as having two steps:

1.) determine the cost of the infrastructure required to provide for growth, and then

2.) determine which categories of growth fund the needed infrastructure through development charges and impost fees, and which categories of growth fund the needed infrastructure through tax incremental financing.

The Kingston Construction Association wishes to express its support for the consultative process used by the City of Kingston to accomplish “Step 1” of the above. We compliment council in going far beyond legislative requirements in this regard.

KCA believes that the Local Service Guidelines developed as part of the Development Charges and Impost Fee Background Study are fair and bring increased clarity to the development process. The infrastructure growth costs, as identified in the Amended Background Study presented to council, are a reasonable estimate of the costs using the background study methodology in common usage since the implementation of the Development Charges Act of 1997.

“Step 2” of the above process – the determination of which categories of growth fund needed infrastructure through tax incremental financing rather than through development charges and impost fees, is an issue that we wish council to consider carefully.

It is our opinion, based on extensive research of economic literature, that given:

a.) the high “tax ratio” applied to industrial assessment;
b.) the resulting “excess revenue” from industrial assessment that yields lower residential property taxes;

c.) the proven “cost sensitivity” of industrial intra-regional locational decisions;

d.) the non-existent (or, in a few cases, very minimal) development charges and impost fees levied by all other municipalities within the Cobourg to Cornwall corridor.

then any alternative other than a full exemption for both Development Charges and Impost Fees for industrial construction will result in increased residential property taxes. We urge city council to use tax incremental financing to fund infrastructure for industrial growth.

Should city council decide to significantly increase commercial development charges and impost fees, we ask that the increases be phased in. Any sharp increase risks “stalling” new commercial growth until demand can catch up to the increased costs. The permanently lost property tax revenue due to this stalled growth may be greater than the development charges and impost fees contemplated. Furthermore, any policy decision that accentuates the traditional “boom and bust” construction economy affects employment stability. KCA represents 330 firms in the local construction industry – firms that provide employment to 6,000 local residents.

Sincerely,

Scott Van Camp,
President, Kingston Construction Association
APPENDIX C

DRAFT PROPOSED CITY OF KINGSTON DEVELOPMENT CHARGE BY-LAW (2004)
D A F T
THE CITY OF KINGSTON

BY-LAW NUMBER 2004--

A by-law to establish development charges for the City of Kingston

WHEREAS subsection 2(1) of the Development Charges Act, 1997 c. 27 (hereinafter called “the Act”) provides that the council of a municipality may pass By-laws for the imposition of development charges against land for increased capital costs required because of the need for services arising from development in the area to which the by-law applies;

AND WHEREAS the Council of The Corporation of the City of Kingston (“City of Kingston”) has given Notice in accordance with Section 12 of the Act of its intention to pass a by-law under Section 2 of the said Act;

AND WHEREAS the Council of the City of Kingston has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge by-law at a public meeting held on June 15, 2004;

AND WHEREAS the Council of the City of Kingston had before it a report entitled Development Charge/Impost Fee Background Study dated May 31, 2004 prepared by C.N. Watson and Associates Ltd., as amended by a report dated August 12, 2004, wherein it is indicated that the development of any land within the City of Kingston will increase the need for services as defined herein;

AND WHEREAS the Council of the City of Kingston has determined that the development or redevelopment of land, buildings or structures for residential and non-residential uses will require the provision, enlargement or expansion of the services referenced in Schedule “A” and Council has resolved to meet the increased need for services;

AND WHEREAS the Council of the City of Kingston on August 17, 2004 adopted the applicable Development Charge/Impost Fee Background Study, dated May 31, 2004, as amended by a report dated August 12, 2004, in which certain recommendations were made relating to the establishment of a development charge policy for the City of Kingston pursuant to the Act;
AND WHEREAS the Council of the City of Kingston on August 17, 2004 determined that no additional public meeting was required.

NOW THEREFORE THE COUNCIL OF THE CITY OF KINGSTON ENACTS AS FOLLOWS:

DEFINITIONS

1. In this by-law,

   (1) "Act" means the Development Charges Act, S.O. 1997, c. 27;

   (2) "Administration Service" means all studies carried out by the municipality related to eligible services for which a development charge by-law may be imposed under the Act.

   (3) "Apartment dwelling" means any dwelling unit within a building containing more than four dwelling units where the units are connected by an interior corridor;

   (4) "Bedroom" means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen;

   (5) "Board of Education" means a board defined in s.s. 1(1) of the Education Act;

   (6) "Building Code Act" means the Building Code Act, R.S.O. 1990, c.B.-13, as amended;

   (7) "Capital cost" means costs incurred or proposed to be incurred by the municipality, or a local board thereof, directly or by others on behalf of, and as authorized by, the municipality or local board,

          (a) to acquire land or an interest in land, including a leasehold interest;

          (b) to improve land;
(c) to acquire, lease, construct or improve buildings and structures;

(d) to acquire, lease, construct or improve facilities including,

(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 library board as defined in the Public Libraries Act, R.S.O. 1990, c.P.-44; and

(e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d);

(f) to complete the development charge background study under Section 10 of the Act;

(g) interest on money borrowed to pay for costs in (a) to (d);

required for provision of services designated in this by-law within or outside the municipality;

(8) "Commercial" means any non-residential development not defined under "institutional" or "industrial", and excludes commercial office uses;

(9) "Commercial Office Use" means lands, buildings or structures used or designated for use for a practice of a profession, the carrying on of a business, occupation or conduct of a non-profit organization including government;

(10) "Council" means the Council of The Corporation of the City of Kingston;

(11) "Development" means any activity or proposed activity in respect of land that requires one or more of the actions referred to in section 2 of this by-law and
includes the redevelopment of land or the redevelopment, expansion, extension or alteration of a use, building or structure;

(12) “Development charge” means a charge imposed pursuant to this By-law;

(13) “Dwelling unit” means a room or suite of rooms used, or designed or intended for use by, one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons;

(14) “Farm building” means that part of a bona fide farm operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;

(15) “Grade” means the average level of finished ground adjoining a building or structure at all exterior walls;

(16) “Gross floor area” means the total floor area measured between the outside of exterior walls, or between the outside of exterior walls and the centre line of party walls dividing the building from another building, or between the centre lines of party walls, of all floors above Grade;

(17) “Industrial use” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

(18) “Institutional” means lands, buildings or structures used or designed or intended for use by an organized body, society, health care organization or religious group and shall include, without limiting the generality of the foregoing, places of worship, senior’s residences and special care facilities;

(19) “Local board” means a public utility commission, public library board, local board of health, or any other board, commission, committee or body or local authority
established or exercising any power or authority under any general or special act with respect to any of the affairs or purposes of the municipality or any part or parts thereof;

(20) “Local services” means those services or facilities which are under the jurisdiction of the municipality and are related to a plan of subdivision or within the area to which the plan relates, required as a condition of approval under s.51 of the Planning Act, or as a condition of approval under s.53 of the Planning Act;

(21) “Multiple dwelling” means all dwellings other than single detached dwellings, semi-detached dwellings, and apartment dwellings;

(22) “Municipality” means The Corporation of the City of Kingston;

(23) “Non-residential uses” means a building or structure used for other than a residential use;

(24) “Owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

(25) “Planning Act” means the Planning Act, R.S.O. 1990, c.P.-13, as amended;

(26) “Regulation” means any regulation made pursuant to the Act;

(27) “Residential uses” means lands, buildings or structures or portions thereof used, or designed or intended for use as a home or residence of one or more individuals, and shall include a single detached dwelling, a semi-detached dwelling, a multiple dwelling, an apartment dwelling, and the residential portion of a mixed-use building or structure;

(28) “Row dwelling” means a building divided into three or more dwelling units, each of which has a separate entrance and access to grade;
(29) "Semi-detached dwelling" means a building divided vertically into two dwelling units each of which has a separate entrance and access to grade;

(30) "Services" means services set out in Schedule “A” to this By-law;

(31) "Single detached dwelling" means a completely detached building containing only one dwelling unit.

CALCULATION OF DEVELOPMENT CHARGES

2. (1) Every Owner of land in the Municipality shall pay to the Municipality a development charge as calculated in this by-law whenever the Owner's lands are developed and the development requires an approval described in (2) below.

(2) Subject to subsection (3), development charges shall be calculated and collected in accordance with the provisions of this by-law and be imposed on land where the development requires:

(a) the passing of a zoning by-law or 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 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 50 of the Condominium Act, R.S.O. 1990, c.C.-26; or
(g) the issuing of a permit under the *Building Code Act*, in relation to a building or structure.

(3) Subsection (1) shall not apply in respect to:

(a) local services installed or paid for by the owner within a plan of subdivision or within the area to which the plan relates, as a condition of approval under Section 51 of the *Planning Act*;

(b) local services installed or paid for by the owner as a condition of approval under Section 53 of the *Planning Act*.

3. (1) Development charges against land shall be imposed, calculated and collected in accordance with the base rates set out in Schedule “B”, which relate to the services set out in Schedule “A”.

(2) The development charge applicable to land shall be calculated as follows:

(a) in the case of residential development or redevelopment, or the 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 development charge for such dwelling unit type, as set out in Schedule “B”;

(b) in the case of non-residential development or redevelopment, or the non-residential portion of a mixed-use development or redevelopment, the product of the gross floor area of such development multiplied by the corresponding total development charge for such gross floor area, as set out in Schedule “B”.

4. The development charges imposed pursuant to this by-law are payable in full, subject to the exemptions herein, from the effective date of this by-law.
APPLICABLE LANDS

5. (1) Subject to subsection (2), charges payable under this by-law apply to all lands in the municipality, whether or not the land or use is exempt from taxation under Section 3 of the Assessment Act, R.S.O. 1990, c.A.-31.

(2) This by-law shall not apply to land that is owned by and used for the purposes of:

(a) a board as defined in the Education Act;

(b) any municipality or local board thereof;

(c) a place of worship classified as exempt from taxation under Section 3 of the Assessment Act;

(d) industrial uses;

(e) commercial office uses;

(f) a non-residential farm building.

(3) The Municipality may exempt lands from this by-law where the lands are designated in the City of Kingston Official Plan as part of the Community Improvement Area and the Municipality implements a Community Improvement Plan by by-law which includes the said lands.

RULES WITH RESPECT TO EXEMPTIONS FOR INTENSIFICATION OF EXISTING HOUSING

6. (1) Notwithstanding Section 2 above, no development charge shall be imposed with respect to developments or portions of developments that result in:

(a) an interior alteration to an existing building or structure which does not change or intensify the use of land;
(b) the enlargement of an existing residential dwelling unit;

(c) the creation of one or two additional residential dwelling units in an existing single detached dwelling where the total gross floor area of the additional unit(s) does not exceed the gross floor area of the existing dwelling unit;

(d) the creation of one additional dwelling unit in a semi-detached dwelling or row dwelling where the total gross floor area of the additional unit does not exceed the gross floor area of the existing dwelling unit; or

(e) the creation of one additional dwelling unit in any other existing residential building provided the gross floor area of the additional unit does not exceed the smallest existing dwelling unit already in the building.

RULES WITH RESPECT TO AN "INDUSTRIAL" EXPANSION EXEMPTION

7. (1) Notwithstanding Section 2, if a development includes the enlargement of the gross floor area of an existing industrial building, the development charge that is payable shall be:

(a) if the existing gross floor area is enlarged by 50 percent or less, the amount of the development charge in respect of the enlargement is zero; or

(b) if the existing gross floor area is enlarged by more than 50 percent, the development charge is payable on the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement.

(2) For the purpose of this section, the terms "gross floor area" and "existing industrial building" shall have the same meaning as those terms have in O.Reg. 82/98 made under the Act.
LOCAL SERVICE INSTALLATION

8. Nothing in this by-law prevents Council from requiring, as a condition of an agreement under Section 51 or 53 of the Planning Act, that the owner, at his or her own expense, shall install or pay for such local services, within the Plan of Subdivision or within the area to which the plan relates, as Council may require.

MULTIPLE CHARGES

9. (1) Where two or more of the actions described in subsection 2(2) are required before land to which a development charge applies can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this by-law.

(2) Notwithstanding subsection (1), if two or more of the actions described in subsection 2(2) occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as set out in Schedule "A", an additional development charge on the additional residential units and non-residential gross floor area shall be calculated and collected in accordance with the provisions of this by-law.

SERVICES IN LIEU

10. (1) The Municipality may enter an agreement with an Owner under Section 38 of the Act, to give the Owner a credit towards the development charge applicable to the owner's development where the agreement requires the owner to perform work that relates to a service to which this by-law relates. The agreement shall provide that the credit will be equal to the reasonable cost to the owner of providing the services to which this by-law relates. In no case shall the agreement provide for a credit that exceeds the total development charge payable by an owner to the municipality in respect of the development to which the agreement relates.
(2) In any agreement under subsection (1), Council may also give a further credit to the owner equal to the reasonable cost of providing services in addition to, or of a greater size or capacity, than would be required under this by-law.

(3) The credit provided for in subsection (2) shall not be charged to any development charge reserve fund.

RULES WITH RESPECT TO RE-DEVELOPMENT

11. Where all or part of a residential, non-residential or mixed-use building or structure is demolished or redeveloped, otherwise applicable development charges shall be reduced as calculated in section 12 below, provided that:

(1) the residential, non-residential or mixed-use building or structure was occupied within five years prior to the issuance of a building permit for redevelopment of the lands; and

(2) in the case where the residential, non-residential or mixed-use building or structure is demolished, a demolition permit has been issued within five years prior to the issuance of a building permit for redevelopment of the lands.

12. Where a residential, non-residential or mixed-use building or structure qualifies for a reduction in otherwise applicable development charges pursuant to section 11 above, the amount of reduction shall be equivalent to:

(1) the number of residential dwelling units demolished or redeveloped multiplied by the applicable residential development charge under this by-law, and

(2) the gross floor area of the non-residential building or portion thereof demolished or redeveloped multiplied by the applicable non-residential development charge under this by-law.

13. A reduction shall not exceed the amount of the development charge that would otherwise be payable, and no reduction is available if the existing land use is exempt under this by-law.
TIMING OF CALCULATION AND PAYMENT

14. (1) Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.

(2) Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full.

RESERVE FUNDS

15. (1) Monies received for the payment of development charges shall be used only in accordance with the provisions of Section 35 of the Act.

(2) Monies received from payment of development charges under this by-law shall be maintained in two separate reserve funds as follows: roads and related and protection; and transit, parks and recreation, libraries, social housing and administration.

(3) The reserve funds created by operation of this by-law shall be maintained in separate sub accounts in accordance with the service sub-categories set out in Schedule “A”. The development charge payments shall be credited to each sub account in accordance with the amounts shown in Schedule “B”, plus interest earned thereon.

(4) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected in the same manner as municipal taxes.

(5) Where any unpaid development charges are collected as municipal taxes under subsection (4), the monies so collected shall be credited to the development charge reserve funds referred to in subsection (2).
(6) The Treasurer of the Municipality shall, in each year commencing in 2005 for the 2004 year, furnish to Council a statement in respect of the reserve funds established hereunder for the prior year, containing the information set out in Section 12 of O.Reg. 82/98.

BY-LAW AMENDMENT OR APPEAL

16. (1) Where this by-law or any development charge prescribed thereunder is amended or repealed either by order of the Ontario Municipal Board or by resolution of the Municipal Council, the Municipal Treasurer shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.

(2) Refunds that are required to be paid under subsection (1) shall be paid with interest to be calculated as follows:

(a) Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;

(b) The Bank of Canada interest rate in effect on the date of enactment of this by-law shall be used.

(3) Refunds that are required to be paid under subsection (1) shall include the interest owed under this section.

BY-LAW INDEXING

17. The development charges set out in Schedule “B” to this by-law shall be adjusted annually as of the date the by-law comes into force, without amendment to this by-law, in accordance with the most recent twelve month change in the Statistics Canada Quarterly, “Construction Price Statistics”.

C.N. Watson and Associates Ltd.
SEVERABILITY

18. In the event any provision, or part thereof, of this by-law is found by a court of competent jurisdiction to be ultra vires, such provision, or part thereof, shall be deemed to be severed, and the remaining portion of such provision and all other provisions of this by-law shall remain in full force and effect.

HEADINGS FOR REFERENCE ONLY

19. The headings inserted in this by-law are for convenience of reference only and shall not affect the construction of interpretation of this by-law.

BY-LAW REGISTRATION

20. A certified copy of this by-law may be registered on title to any land to which this by-law applies.

BY-LAW ADMINISTRATION

21. This by-law shall be administered by the Municipal Treasurer.

SCHEDULES TO THE BY-LAW

22. The following Schedules to this by-law form an integral part of this by-law:

   Schedule “A” - Designated Municipal Services
   Schedule “B” - Schedule of City-Wide Development Charges

REPEAL OF BY-LAW

23. By-law 99-328 of the City of Kingston is hereby repealed as of the date this by-law comes into full force and effect.
DATE BY-LAW EFFECTIVE

24. This By-law shall come into force and effect on September 29, 2004.

SHORT TITLE

25. This by-law may be cited as the “City of Kingston Development Charge By-law, 2004.”

Passed by the Council this ______ day of September, 2004.

________________________ _______________________
MAYOR CLERK
SCHEDULE "A"
TO BY-LAW NO. 2004-_____

DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW

1. Protection Service
2. Roads and Related Service
3. Transit
4. Parks and Recreation Service (but not including acquisition of lands for parks)
5. Library Service
6. Social Housing
7. Administration Service
## SCHEDULE OF CITY-WIDE DEVELOPMENT CHARGES

<table>
<thead>
<tr>
<th>SERVICE</th>
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<th>NON-RESIDENTIAL (per s.f. of Gross Floor Area)</th>
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<td>Single-Detached Dwelling &amp; Semi-Detached Dwelling</td>
<td>Apartments 2 Bedrooms +</td>
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<td><strong>TOTAL DEVELOPMENT CHARGE</strong></td>
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<td><strong>$3,512</strong></td>
</tr>
</tbody>
</table>
APPENDIX D

DRAFT PROPOSED CITY OF KINGSTON IMPOST FEE BY-LAW (2004)
A by-law to impose water rates and sewer rates to recover the capital cost of installing water and sanitary sewer services necessary to benefit users of the system.

WHEREAS the City of Kingston (the "Municipality") has determined to construct certain water and sewage works to service and benefit users of the systems;

AND WHEREAS the Council is authorized by section 391 of the Municipal Act, R.S.O. 2001, C. 25, as amended (the "Municipal Act") to impose a water works and sewer rate upon owners or occupants of land who derive or will derive a benefit from the construction of water and sewer works sufficient to pay all or such portion of the capital costs of the works as Council deems appropriate;

AND WHEREAS the lands to be benefited and charged with the water works and sewer rates are all lands in the Municipality connecting to the system or systems as applicable;

AND WHEREAS the Municipality has determined that the capital costs of such water works and sewage works shall be rated against the lands in the Municipality and shall be borne by users of the systems;

NOW THEREFORE, the Council of the City of Kingston enacts as follows:

1. In this By-law:

   a) “Apartment dwelling” means any dwelling unit within a building containing four or more dwelling units where the residential units are connected by an interior corridor;

   b) “Capital cost” means the cost of constructing sewage works or water works, inclusive of all items of cost usually and properly chargeable to capital account, and where applicable, the interest amounts payable on the debentures to be issued for the works;
c) "Commercial" means any non-residential development not defined under "institutional" or "industrial";

d) "Commercial Office Use" means lands, buildings or structures used or designated for use for a practice of a profession, the carrying on of a business, occupation or conduct of a non-profit organization including government;

e) "Development" means any activity or proposed activity in respect of land that requires one or more of the actions referred to in section 2 of this by-law and includes the redevelopment of land or the redevelopment, expansion, extension or alteration of a use, building or structure;

f) "Dwelling unit" means a room or suite of rooms used, or designed or intended for use by, one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons;

g) "Grade" means the average level of finished ground adjoining a building or structure at all exterior walls;

h) "Gross floor area" means the total floor area measured between the outside of exterior walls, or between the outside of exterior walls and the centre line of party walls dividing the building from another building, or between the centre lines of party walls, of all floors above Grade;

i) "Industrial" means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

j) "Institutional" means lands, buildings or structures used or designed or intended for use by an organized body, society, university, college, health care organization or religious group and shall include, without limiting the generality of the foregoing, places of worship, special care facilities, senior's residences and student residences;
k) "Local services" means those services or facilities which are under the jurisdiction of
the municipality and are related to a plan of subdivision or within the area to which
the plan relates, required as a condition of approval under s.51 of the Planning Act,
or as a condition of approval under s.53 of the Planning Act;

l) "Multiple dwelling" means all dwellings other than single-detached, semi-detached
and apartment dwellings;

m) "Municipality" means The Corporation of the City of Kingston;

n) "Non-residential use" means a building or structure of any kind whatsoever used,
designed or intended to be used for other than a residential use and includes all
commercial, industrial and institutional uses;

o) "Owner" means the owner of land or a person who has made application for an
approval for the development of land upon which a water works rate or sewer works
rate is imposed;

p) "Residential uses" means lands, buildings or structures or portions thereof used, or
designed or intended for use as a home or residence of one or more individuals, and
shall include a single detached dwelling, a semi-detached dwelling, a multiple
dwelling, an apartment dwelling, and the residential portion of a mixed-use building
or structure;

q) "Semi-detached dwelling" means a building divided vertically into two dwelling units,
each of which has a separate entrance and access to grade;

r) "Sewage works" means any public works for the collection, transmission, treatment
or disposal of sewage, or any part of any such works;

s) "Sewer rate" means a charge for the capital cost of sewage works;

t) "Single-detached dwelling unit" means a residential building consisting of one
dwelling unit and not attached to another structure and includes mobile homes;
u) “Water works” means any works for the collection, production, treatment, storage, supply or distribution of water, or any part of any such works;

v) “Water works rate” means a charge for the capital cost of water works.

2. Every Owner of land in the Municipality shall pay to the Municipality a water works rate and a sewer rate, as applicable and as calculated in this by-law, whenever the Owner’s lands are developed and the development requires an approval described in (1) below and the Owners land is connected to the water works or sewage works systems.

1) Subject to subsection (2), water works rates and sewer rates shall be calculated and collected in accordance with the provisions of this by-law and be imposed on land where the development requires:

a) the passing of a zoning by-law or 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 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 50 of the Condominium Act, R.S.O. 1990, c.C.-26; or

g) the issuing of a permit under the Building Code Act, in relation to a building or structure.
2) Where no approval described in (1) above is required, the Owner shall pay a water works rate and a sewer rate as calculated in this by-law when the Owner first connects to the water works or sewage works systems, as applicable.

3. Water works rates and sewer rates against land shall be imposed, calculated and collected in accordance with the base rates set out in Schedule “A”.

1) The water works rates and sewer rates applicable to land shall be calculated as follows:

   a) in the case of residential development or redevelopment, or the 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 water works rate and sewer rate for such dwelling unit type, as set out in Schedule “A”;

   b) in the case of non-residential development or redevelopment, or the non-residential portion of a mixed-use development or redevelopment, the product of the gross floor area of such development multiplied by the corresponding total water works rate and sewer rate for such gross floor area, as set out in Schedule “A”.

4. The Owner of land for which a water works rate or sewer rate is payable shall pay the applicable rate on the date of issuance of a building permit for the development of the land, or where no building permit is required, on the date of the connection to the system or systems as applicable, whichever shall first occur.

5. The water works rate and sewer rate shall be phased in for industrial and commercial office uses in accordance with the rates and effective dates set out in Schedule “A”.

6. The capital water works and sewage works for which water works rates and sewer rates shall be charged under this by-law shall be as described in Chapter 7 of the “City of Kingston DC/ Impost Background Study”, dated May 31, 2004, as amended by a report dated August 12, 2004, which is hereby incorporated by reference as part of this by-law. The capital cost estimates and expenditures from the impost reserve fund shall be subject to annual budget review by the City of Kingston.
7. The rates imposed by this by-law shall be separate from and in addition to any other rates that the Municipality may be authorized by law to impose with respect to the cost of construction of water works or sewage works, the cost of connecting the land to the systems, the operation, maintenance, and repair of the water works or sewage works, or the supply of the water.

8. No property is exempt from a water works rate or sewer rate imposed under this by-law by reason only that it is exempt from taxation under the Assessment Act.

9. Where all or part of a residential, non-residential or mixed-use building or structure is demolished or redeveloped, otherwise applicable water works rates and sewer rates shall be reduced as follows:

1) where a water works rate or sewer rate has been imposed on the lands under a previous by-law, the reduction shall be equal to the previously imposed water works rate and sewer rate;

2) where no water works rate or sewer rate has been imposed on the lands under a previous by-law, the reduction shall be calculated as in section 10 below, provided that:

   a) the residential, non-residential or mixed use building or structure was occupied within five years prior to the issuance of a building permit for redevelopment of the lands; and

   b) in the case where the residential, non-residential or mixed-use building or structure is demolished, a demolition permit has been issued within five years prior to the issuance of a building permit for redevelopment of the lands.

10. Where a residential, non-residential or mixed-use building or structure qualifies for a reduction in otherwise applicable water works rates or sewer rates pursuant to section 9 above, the amount of reduction shall be equivalent to:

   a) the number of residential dwelling units demolished or redeveloped multiplied by the applicable residential water works rate and sewer rate in Schedule “A”, and
b) the gross floor area of the non-residential building or portion thereof demolished or redeveloped multiplied by the applicable non-residential water works rate and sewer rate in Schedule "A".

11. A reduction shall not exceed the amount of the water works rate or sewer rate that would otherwise be payable, and no reduction is available if the existing land use is exempt under this by-law.

12. The Municipality may exempt lands from this by-law where the lands are designated in the City of Kingston Official Plan as part of the Community Improvement Area and the Municipality implements a Community Improvement Plan by by-law which includes the said lands.

13. Notwithstanding Section 2 above, no sewer rate or water works rate shall be imposed with respect to developments or portions of developments that result in:

   a) an interior alteration to an existing building or structure which does not change or intensify the use of land;

   b) the enlargement of an existing residential dwelling unit;

   c) the creation of one or two additional residential dwelling units in an existing single detached dwelling where the total gross floor area of the additional unit(s) does not exceed the gross floor area of the existing dwelling unit;

   d) the creation of one additional dwelling unit in a semi-detached dwelling or row dwelling where the total gross floor area of the additional unit does not exceed the gross floor area of the existing dwelling unit; or

   e) the creation of one additional dwelling unit in any other existing residential building provided the gross floor area of the additional unit does not exceed the smallest existing dwelling unit already in the building.
14. Water works rates and sewer rates imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, commencing on the first anniversary date of this by-law and each anniversary date thereafter, in accordance with the Statistics Canada Quarterly Construction Price Statistics, non-residential construction.

15. Monies received from payment of water works rates or sewer rates under this by-law shall be maintained in one reserve fund, and separate sub accounts shall be maintained for water works and sewage works.

16. Where any water works rate or sewer rate, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected in the same manner as municipal taxes.

17. Where any unpaid water works rate or sewer rate, or part thereof, are collected as municipal taxes under section 19, the monies so collected shall be credited to the reserve funds referred to in section 18.

18. The Treasurer shall prepare an annual report to Council including, without limitation, the cost of the water works and sewage works projects to which contributions from the reserve funds have been made, the amount of such contributions to each project, and the receipt and disbursement of funds, and the balances in the reserve funds.

19. The following schedule to this by-law forms an integral part thereof:

   Schedule "A" - Water Works and Sewer Rates

20. In the event any provision, or part thereof, of this by-law is found by a court of competent jurisdiction to be ultra vires, such provision, or part thereof, shall be deemed to be severed, and the remaining portion of such provision and all other provisions of this by-law shall remain in full force and effect.

21. This by-law shall come into force on the 29th day of September, 2004.
22. By-laws 2001-111 and 2001-112 of the City of Kingston are hereby repealed as of the date this by-law comes into full force and effect.

ENACTED AND PASSED this _____ day of September, 2004.

___________________________  ____________________________
MAYOR                        CITY CLERK
## Schedule of Water Works and Sewer Rates

Rates in Effect from September 29, 2004 to August 31, 2005

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>RESIDENTIAL</th>
<th>NON-RESIDENTIAL</th>
<th>NON-RESIDENTIAL</th>
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<tbody>
<tr>
<td></td>
<td>Single-Detached Dwelling &amp; Semi-Detached Dwelling</td>
<td>Apartments 2 Bedrooms +</td>
<td>Apartments Bachelor &amp; 1 Bedroom</td>
</tr>
<tr>
<td>Water Works</td>
<td>$ 1,279</td>
<td>$ 794</td>
<td>$ 618</td>
</tr>
<tr>
<td>Sewer</td>
<td>$ 2,006</td>
<td>$ 1,245</td>
<td>$ 968</td>
</tr>
<tr>
<td></td>
<td>$ -</td>
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<tr>
<td>TOTAL IMPOST FEE</td>
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<td>$ 2,039</td>
<td>$ 1,586</td>
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Rates in Effect from September 1, 2005 to August 31, 2006

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<td>Single-Detached Dwelling &amp; Semi-Detached Dwelling</td>
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<tr>
<td>TOTAL IMPOST FEE</td>
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Rates in Effect from September 1, 2006

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<td>Single-Detached Dwelling &amp; Semi-Detached Dwelling</td>
<td>Apartments 2 Bedrooms +</td>
<td>Apartments Bachelor &amp; 1 Bedroom</td>
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<td>$ 2,006</td>
<td>$ 1,245</td>
<td>$ 968</td>
</tr>
<tr>
<td></td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>TOTAL IMPOST FEE</td>
<td>$ 3,285</td>
<td>$ 2,039</td>
<td>$ 1,586</td>
</tr>
</tbody>
</table>

**Note:** All rates in Schedule “A” are subject to annual indexing in accordance with Section 14 of the by-law.