



## MUNICIPALITY OF THAMES CENTRE

**REPORT NO.** F-009-24

**TO:** Mayor and Members of Council  
**FROM:** Director of Financial Services/Treasurer  
**MEETING DATE:** September 23, 2024  
**SUBJECT:** **Elimination of Mandatory Phase-In for Development Charges**

### RECOMMENDATION:

**THAT** Report No. F-009-24 **BE RECEIVED** for information;

**AND THAT** Council **APPROVE** the elimination of the phase-in period for development charge rates and implement the full 100% rate effective November 1, 2024, in accordance with *Bill 185*, which received royal assent on June 26, 2024;

**AND THAT** staff **BE AUTHORIZED** to implement this resolution.

### PURPOSE:

The purpose of this report is for Council to consider removing the phase-in of development charge rates, as allowed by recent legislative changes, thereby enabling the Municipality to charge the full rate effective November 1, 2024.

### BACKGROUND:

Thames Centre's existing DC By-Law 17-2022 was passed on March 7, 2022, and is subject to the mandatory phase-in period as per *Bill 23, More Homes Built Faster Act, 2022*. This means that currently only 90% of the charges are eligible for collection and 100% of the charges are eligible for collection as of March 7, 2026.

Further to Council report PDS-022-24, *Bill 185, Cutting Red Tape to Build More Homes Act, 2024*, received royal assent on June 26, 2024.

### COMMENTS:

The mandatory phase-in of DC rates over five years for DC by-laws passed on or after January 1, 2022, introduced under *Bill 23*, has been repealed under *Bill 185*. For municipalities that passed DC by-laws on or after November 28, 2022, that incorporated

the phase-in of DC rates, they are permitted to amend their DC by-laws through a time-limited streamlined process, with no requirements to redo the background study.

In February 2023, Council received the mandatory phase-in of DC rates as part of PDS-007- 23 "Overview of *Bill 23 - More Homes Built Faster Act, 2022.*" Thames Centre can remove the phase-in requirement within six months after *Bill 185* received royal assent (i.e. by December 6, 2024).

Upon Council approval, staff will update all relevant documentation and notify developers and stakeholders of the upcoming change to the full rate. Thames Centre's website and communication channels will be updated to reflect the new rates and provide detailed information on the changes resulting from *Bill 185*.

### FINANCIAL IMPLICATIONS:

The amendments introduced through *Bill 185* will reduce the financial impact associated with *Bill 23* and ensure Thames Centre recovers more growth-related costs through development.

Charging the full 100% rate as of November 1, 2024, will enhance Thames Centre's financial capacity to fund critical infrastructure projects and services that support growth and development. This change will ensure that Thames Centre has the necessary resources to maintain and improve community infrastructure effectively.

### STRATEGIC PLAN LINK

**Pillar:** *Sustainability*

**Goal:** *Ensure that the Municipality maintains fiscal prudence, along with affordable and sustainable taxation levels*

### CONSULTATION:

Watson & Associates Economists Ltd.  
A. Storrey, Interim Director of Planning and Development Services  
J. Nethercott, Director of Legislative Services/Clerk

### REFERENCES:

By-Law 17-2022: Establish Development Charges

PDS-022-24: "Proposed *Bill 185 ("Cut Red Tape To Build More Homes Act")* And Draft 2024 Provincial Planning Statement"

Prepared by: E. Schinbein, Director of Financial Services/Treasurer

Reviewed by: D. Barrick, Chief Administrative Officer