



FREQUENTLY ASKED QUESTIONS ABOUT TOWN DEVELOPMENT CHARGES

Updated October 1, 2025

The information contained herein is intended as a guide only. Applicants should review the approved by-law(s) and consult with Town of Milton Development Finance staff to determine the development charges (DCs) that may apply to specific development proposal(s).

Do farms pay DCs?

Farms do not pay DCs provided they meet the Town's definition of agricultural development; meaning farms which are a bona fide farming operation. Farms would be required to pay development charges for any new retail and/or commercial component of the farming operation in excess of the one-time exemption of up to 50 sq. m (538.2 sq. ft.) and for any residential component of the development. Cannabis production facilities are excluded from agricultural development. Should your farm operation not meet the Town's definition of agricultural development, it may be eligible for the Town Development Charges Rebate program. Further information is available on the Town of Milton [website](#).

Are all church buildings exempt from DCs?

Only the portion of lands or buildings used for a place of worship or for the purposes of a cemetery or burial ground that are exempt from taxation under the Assessment Act are exempt from DCs. Other uses such as gift shops and meeting rooms, which are often rented out, are required to pay development charges.

Are DCs applicable for temporary venues or seasonal structures?

Temporary venues and seasonal structures are exempt from DCs provided they are erected and removed within the timeframes set out within the Town's current in-force Development Charge By-law(s).

What rate would a mobile home pay?

A mobile home would pay the same rate as a single or semi-detached dwelling if it is the only dwelling on a property, otherwise the apartment rate would be applicable.

What rate would a retirement home or lodge pay?

A retirement home or lodge, as defined in the By-law, would pay the Special Care/Special Need Dwelling rate for each Special Care/Special Need unit within the building.

What rate would a condominium pay?

The ownership of a building does not determine the rate of DCs applicable. The rate is dependent upon the type of unit(s) being built as defined within the Town's current in-force Development Charge By-law(s).

Do private schools pay DCs?

Yes, private schools pay DCs at the applicable Non-Residential rate.



What rate would hotels, motels or bed and breakfast facilities pay?

Hotels, motels, bed & breakfast facilities, rooming and boarding houses would pay the Non-Residential Retail DC rate and are not considered a type of dwelling unit.

Are there any exemptions for industrial expansions?

Yes, the Town provides an industrial expansion exemption up to a maximum of 50 percent of the total floor area of an existing industrial building prior to any expansions, as defined in Ontario Regulation 82/98, as amended, and in accordance with our current in-force Development Charge By-law(s), provided that there are direct means of ingress or egress from the existing industrial building and both areas will be used for or in connection with an industrial purpose.

How will Town DCs be calculated?

In accordance with Section 26.2 of the Development Charges Act, 1997 (DCA), provided the prescribed amount of time per Section 26.2(5) of the DCA has not elapsed, development charges for the Town of Milton and Region of Halton, if applicable, will be calculated and interest will be charged in accordance with the DCA commencing on the site plan or zoning by-law amendment planning application date until the date the charge is payable, provided, in accordance with Section 26.2(5.2) of the DCA, the total amount of charges does not exceed current DC rates.

In all other cases, Town DCs will be calculated using the rates in effect at the time the DC is payable (ie. at site plan or residential subdivision agreement execution, where applicable, or at the time of building permit issuance).

When will my DCs be due?

DCs are to be paid prior to the issuance of the first building permit for a development except the following:

- All residential site plan or subdivision agreements (excluding an apartment dwelling being developed at a minimum density of 100 units per net hectare) where the Services Related to a Highway and Stormwater Services DCs are payable at the time the agreement is executed.
- For rental housing or institutional development where DCs will be payable in 6 installments, commencing at the earlier of an Occupancy Permit granted under the Building Code Act or actual occupancy.

Can Non-Residential DCs be deferred?

The Town and Region of Halton may allow DCs to be deferred, however the School Boards do not. The Town considers any Non-Residential Non-Retail deferral request in accordance with sections 4.1.2 and 4.1.3 of the [Town's Financial Policy No 117](#). If approval is granted, the Deferral Agreement must be executed prior to the issuance of the building permit. Non-Residential Retail DCs and Residential DCs will not be deferred by the Town of Milton.



Are DCs applicable on the replacement of a building that has been demolished or destroyed by fire?

When a property is redeveloped following the demolition of a building, or where a building has been destroyed by fire, a credit will remain on the lands for a period of five years from the date of issuance of the demolition permit for the Town, Region and School Board portions of the charge. The credit is based on the number and type of residential unit(s) demolished and/or the total floor area (TFA) for the Town and Region or the gross floor area (GFA) for the School Boards and type of non-residential uses(s) that have been demolished/removed from the property. To be eligible for the demolition credit, the applicant must obtain a demolition permit from the Town of Milton and have the demolition confirmed by a Building Inspector. The School Boards do not provide credit for demolitions that involve the replacement of a residential development with non-residential development or vice versa.

Are DCs applicable if I am only changing the use of an existing building?

If the use of an existing building is changed from one principal use to another principal use, DCs are applicable. The DC calculation will reflect a conversion credit for the existing use which will reduce the charge payable for the new use. Examples of change of use that may occur include, but are not limited to, residential to non-residential; non-residential to residential and within the non-residential class, the change of use can be from non-retail to retail and vice versa. Please contact the Development Administrator directly with specific questions.

For non-residential use buildings located within the Central Business District (CBD) of the Town's in-force Official Plan, where a change of use or interior alteration occurs facilitating a change from a non-retail use to a retail use, the Town's top up DCs will not be applied. If the change of use or interior alteration results in additional area being added/created, the retail rate will be applied to the additional area in accordance with current DC By-laws and legislation.

Are DCs applicable if I want to add another dwelling unit?

Current legislation allows up to three residential units on an urban residential lot. This includes the main house and two additional dwelling/residential units (ADUs/ARUs). In Milton, zoning rules allow up to three ADUs/ARUs, meaning there can be a total of four residential units on one urban residential lot with a detached, semi-detached, semi-link, or townhouse property.

One additional unit is permitted within any other existing residential dwelling (except rental housing units) provided that the unit is not larger than the smallest existing unit. Existing rental housing buildings are permitted the greater of one or 1% of the existing units within the building.

The School Boards will charge Education Development Charges (EDCs) on ADUs/ARUs in accordance with their legislation and By-law(s).

For more information on ADUs/ARUs, refer to the Town of Milton [website](#).

Are DCs ever refunded?

Refunds will only be processed in accordance with the Town's current in-force Development Charge By-law(s) or other Development Charge legislation.



Are there any incentives for Rental and Affordable Housing Developments?

Yes, the Development Charges Act (DCA) provides exemptions and reductions for Rental and Affordable Housing developments. For more information, please refer to sections 4.1.5 and 4.1.6 of the [Town's Financial Policy No. 117](#).

Additionally, Town Council approved the Financial Incentive for Rental and Affordable Housing Rebate program to provide a refund of building permit fees on qualifying developments (up to a maximum of \$2,500/unit) effective from January 1, 2024, to March 31, 2026. For more information on the Rental and Affordable Housing Rebate program, refer to the Town of Milton [website](#).