



2026 TOWNSHIP DEVELOPMENT CHARGES

HIGHLIGHTS & FAQ

OVERVIEW

- Development charges are fees on new developments that fund growth-related costs for the Township which are governed by the [Development Charges Act, 1997](#).
- Please refer to [By-law 2024-055](#) for the rules associated with the calculation of each type of development.
- All development charges will be calculated on the date a fully completed building permit application under the [Building Code Act, S.O. 1992, c.23](#), is received by the Township (see Calculation of Charge).
- Interested parties should review the approved by-law and consult with staff of Township Staff to determine applicable charges that may apply to specific development proposals.
- No building permit shall be issued for any building or structure in which any applicable development charge due remains unpaid.

RESIDENTIAL DEVELOPMENT CHARGES BY UNIT TYPE

Single Family / Semi's	\$18,367.00
Rows and Other Multiples	\$12,554.00
Apartments (2+ Bedrooms)	\$10,178.00
Apartments and Hunt Camps (Bachelor or 1 Bedroom)	\$6,785.00
Non-Residential (Per Square Foot of Building Space)	\$5.00

2026 RATES

This document highlights key information from [Development Charges By-law 2024-055](#). It is intended for general guidance only.

RENTAL HOUSING DEVELOPMENTS

Development charges payable for Rental Housing Developments, where four or more Dwelling Units are intended to be used as rented residential premises, shall be reduced based on the number of bedrooms in each Dwelling Unit as follows:

- 3 or more bedrooms - 25% reduction;
- 2 bedrooms - 20% reduction; and
- All other quantities of bedrooms - 15% reduction.

CALCULATION OF CHARGE

The development charge payable is the charge that would be determined under the by-law on:

- the day of application for site plan control; or, if not applicable;
- the day of application for rezoning; or, if both not applicable;
- the day the building permit is issued.

PAYMENT OF CHARGE

The development charge payable is due on:

Non-residential (excluding Institutional)	Issuance of building permit
Non-rental Residential	At or prior to occupancy
Rental Housing Developments	Six installments starting at occupancy
Institutional	Six installments starting at occupancy

Owners must notify the municipality within five business days of first occupation if no occupancy permit has been issued. Failure to do so triggers immediate payment, including any accrued interest. Unpaid charges or instalments can be added to the property tax roll.

INDEXING OF DEVELOPMENT CHARGES

The development charges shall be adjusted annually on January 1st of each year, commencing on January 1, 2025, without amendment to the by-law, in accordance with the regulations.

The Development Charges By-law applies to all lands in the Township of Muskoka Lakes whether or not the land or use thereof is exempt from taxation under the [Assessment Act, R.S.O. 1990 c.A.31](#).

Please Note: The District of Muskoka applies additional development charges for roads, wastewater, water and septage. Review the [District Development Charges](#).

EXEMPTIONS

The following types of development are exempt from payment of development charges:

- A Board of Education;
- The Township or any local board or commission thereof;
- The District Municipality of Muskoka or any local board thereof;
- Building reconstructed within 3 years of destruction or demolition;
- Intensification of an existing rental building;
- Intensification of new or existing residential units;
- Affordable housing with a 25-year term as defined by subsection 4.1 (1) of the Act;
- Attainable housing as defined by subsection 4.1 (1) of the Act; and
- Non-profit housing as defined by subsection 4.2 (1) of the Act;
- Long-term care home
- Industrial expansion less than 50% of existing building floor area

FREQUENTLY ASKED QUESTIONS

Why does the Township collect development charges?

New development increases the need for municipal services and facilities. Development charges ensure that growth pays for growth, so existing taxpayers aren't solely responsible for the costs of expanding infrastructure.

How are development charges calculated?

The applicable development charge is based on the rate in effect on the earliest of:

- The date of application for site plan control, or
- The date of application for rezoning, or
- The date the building permit is issued.

This ensures the charge is fair and predictable for applicants.

When do I pay development charges?

Development charges for non-residential developments (excluding institutional) must be paid in full when a complete building permit application is submitted to the Township under the Building Code Act. Permits will not be issued until any applicable charges are paid.

Development charges for non-rental residential developments are due at or prior to occupancy. An occupancy permit or notification of occupancy by owners within 5 days is required.

Development charges for rental housing developments and institutional developments are due in six installments starting at the date of occupancy.

Do these charges apply to every property?

Yes. Unless a specific exemption applies (see EXEMPTIONS section), development charges apply to all lands within the Township of Muskoka Lakes, whether or not they are exempt from property taxation.

Does the District Municipality of Muskoka also charge development fees?

Yes. In addition to Township charges, the District Municipality of Muskoka levies its own development charges under [District By-law 2024-34](#). These fees support District-level services and infrastructure such as major roads, water and wastewater services, and transit. Both sets of charges may apply to the same development project.

Some key points about District charges:

- They vary depending on type of housing (single detached, multi-unit, apartments, etc.) and whether the development is urban (serviced) or rural (unserviced).
- District charges are collected at the time of building permit issuance through the Township, but they are separate and distinct from Township charges.
- In certain cases, like an addition to an industrial building of less than 50% of the existing floor area, District charges may not apply.

For specific District rates and exemptions, see the [District's Development Charges webpage](#) or contact:

The District Municipality of Muskoka
DevelopmentCharges@muskoka.on.ca
705-645-2100

CONTACT & SUPPORT

Building Department, Township of Muskoka Lakes
bldg@muskokalakes.ca
705-365-3156
www.muskokalakes.ca

IMPORTANT NOTICE

The above information provides an overview of charges and policies contained in [By-law 2024-055](#). In the event of any discrepancy between this document and the Development Charges By-law, the By-law shall prevail.

All legislative amendments to the *Development Charges Act, 1997* in effect as of the date of passage are reflected in the current by-law. Property owners, developers, and interested parties are encouraged to review the approved by-law and consult with Township staff to confirm charges applicable to specific development proposals.

As required by the *Development Charges Act, 1997*, the Treasurer must prepare an annual financial statement reporting on the status and transactions relating to the development charge funds for the previous year. This statement is presented to Council for their review and may be reviewed by the public in the Clerk's Department during regular business hours.

This document highlights key information from [Development Charges By-law 2024-055](#). It is intended for general guidance only.