

March 31, 2026

Office of the City Clerk
City of Vaughan
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1

Dear City Clerk & Members of Council:

Re: Item 7 Addendum Time Limited Exemption of City Development Charges for ALL Residential Developments Staff Response to Mayoral Directive of 1-2026 Report of Michael Marchetti and Michael Coroneos

We are development managers for various landholders in the City and are writing in the interest of our current projects and future Customers and Taxpayers of Vaughan who cannot speak here today.

We appreciate that Council through the Mayor continues to make efforts to reduce DCs and government charges. As you know Vaughan has been, but is no longer, at the top of the list as the highest DC's in the GTA. It should be noted that in 2003 DC's and government charges were \$0.08 for every selling dollar of new home development, and in 2025 this figure had ballooned to \$0.35 for every new home selling dollar. This exponential increase in Government Charges, at all levels (federal, provincial, regional and local) has caused the cost of new home ownership to taxpayers to be overwhelming and unsustainable.

As you know, property taxes are levied on DCs and government charges, and then taxpaying residents pay 'tax on tax' and carry payments of mortgage, principal and interest on such government charges (See Altus reports re microfinancing of public infrastructure through government charges 2009 report).

As the canary cannot longer fly out to give the warning, it is positive that there are active discussions, and actions for changes to remove these overbearing costs on taxpayers.

However, this report is helpful but not equitable to all product types, see scenarios below:

- a. DC Category – Single taxpayer buys a home on April 1, 2026; manufacturer can be eligible to get a permit in 12 months and home can be delivered in 2027 (home takes 10 months to deliver);



b. DC Category – Apartment taxpayer buys a home April 1, 2026; manufacturer cannot be eligible to get a permit in the 12 month period and home cannot be delivered in 2027 (apartment takes 48 months to deliver).

Both buyers are ‘taxpayers’; one buys a ‘house’ one buys an ‘apartment’.

However, the City cannot treat ‘both’ taxpayers differently under any civil, local, provincial, federal law of equality.

The PPS requires all planning decisions of a City to ensure the ‘Prosperity of All Ontarians’.

The program is required to be ‘cognizant’ of section 42 products and the report from Mr. Coroneous, with whom we’ve spoken with several times, should include the following amendment that can be done by Council on motion:

Be it resolved that the above noted report be amended such that the effective date of the program is modified as follows:

1. for any section 51 Planning Act product the program is 12 months in effect;

2. for any section 42 Planning Act product, including any products in Region ROPA 43, MTSA, Centres and Corridors, the program effective duration is 48 months.

This was identified in another manufacturer letter today and was echoed on calls with staff last week.

All taxpayers of Vaughan do not have ‘product labels’; everyone gets a ‘tax bill from City of Vaughan’, regardless of product type. All products need to be taxed equitable and this program is great but has to recognize and implement the time extension to permit the apartment product taxpayer customer to be able to benefit equitably as other ground products. An apartment buyer in the above scenarios cannot be prejudiced because they can only afford an apartment and not a larger more expensive home. How is it that the Honda Civic gets the Escalade Tax and the Escalade gets the Honda Civic tax?

The Council for all taxpayers watching and listening has to be fair to all products and ensure all residential products can have the opportunity to participate in this program by extending the time eligibility to 48 months for section 42 product today.

Sincerely,

M. Filice, SVP
Liberty Development Corp.

for and on behalf of various land project owners in Vaughan
and future customers of new homes