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Communication

Council – April 28, 2026

CW(1) – Report No. 17 Item No. 9

DATE: April 22, 2026

TO: Mayor and Members of Council

FROM: Vince Musacchio, Deputy City Manager, Planning and Infrastructure Development

Michael Coroneos, Deputy City Manager of Corporate Services, City Treasurer & CFO

RE: COMMUNICATION – Council, April 28, 2026

Item #9, Report #17

EXPLORING DEVELOPMENT FEES REDUCTION AND DEFERRALS

Purpose

To provide additional clarity on the Item #9 from Report #17, Exploring Development Fees Reduction and Deferrals tabled at the Committee of the Whole meeting on March 31, 2026.

Background

During the Committee of the Whole (1) Meeting on March 4, 2026, a Member's Resolution was brought forward by Deputy Mayor Linda Jackson directing staff as follows:

That staff bring a report back to the March 31, 2026 Committee of the Whole (1) outlining options for Council implementation and financial implications on the following matters:

- i. Exploring development application related fee reduction/deferral options (with the exception of building permit fees) to encourage construction of residential dwelling units that include but are not limited to:
 - a. reduction in all development related fees associated with purpose built non-luxury market rental buildings, along with a payment deferral for a specific time period; fees to be determined based on date of application;
 - b. reduction in all development application related fees for residential developments for a specific time period;
- ii. Implementation of temporary Community Benefits Charge freeze

Analysis

In response to the Member's Resolution introduced at the March 4, 2026 Committee of the Whole (1) meeting, staff undertook an analysis of multiple development fee reduction and deferral scenarios, including varying fee reduction levels, development types, timeframes, and associated financial impacts to the City.

Through this evaluation, staff assessed operational, staffing, and fiscal implications to ensure service delivery and cost recovery objectives could continue to be met. Based on this analysis, staff determined that a 25% reduction in engineering and planning fees for all residential development applications could be accommodated within existing budgetary and resourcing constraints, while still advancing Council's objective of encouraging residential construction activity.

In addition, staff identified that a 100% reduction in engineering and planning fees for purpose-built, non-luxury market rental developments would provide a targeted incentive aligned with housing supply priorities.

Accordingly, while broader or deeper fee reductions were not recommended at this time, staff expressed confidence in and support the implementation of the following time-limited, fiscally prudent approach:

- A 25% reduction in engineering and planning fees for all residential development applications
- A 100% reduction in engineering and planning fees for purpose-built, non-luxury market rental applications
- Eligible for applications submitted between April 28, 2026 and May 31, 2027.

For more information, contact Margaret Josipovic, Executive Director, Planning, Growth Management and Housing Delivery, ext. 7675.

Respectfully submitted by



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