

Committee of the Whole (2) Report

DATE: Tuesday, April 14, 2026

WARD(S): ALL

TITLE: 2026 DEVELOPMENT CHARGES BACKGROUND STUDY (CITY-WIDE AND AREA SPECIFIC) PUBLIC STATUTORY MEETING

FROM:

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

Vince Musacchio, Deputy City Manager, Planning and Infrastructure Development

ACTION: FOR INFORMATION

Purpose

This report is to present the Draft 2026 City-wide and Area Specific Development Charges Background Study and By-Laws and to seek feedback from Council, the general public, and the development industry and to provide an update on the status of the Community Benefits Charge Strategy Review.

Report Highlights

- The Draft Development Charges Background Study and CBC Strategy Review Memorandum were released publicly on March 10, 2026
- This public statutory meeting is being held in accordance with the *Development Charges Act, 1997*
- Consultation with the development industry is ongoing
- Some minor changes have been made to the DC Background Study resulting in a slightly lower rate than what was presented to Committee of the Whole (2) on March 10, 2026

Recommendations

1. That the following report and presentation be received;
2. That the input from the public at the Statutory Public Meeting be received; and

3. That a report be brought to the May 12, 2026 Committee of the Whole (2) meeting summarizing and addressing, as necessary, the deputations received at the April 14, 2026 public statutory meeting and to recommend the approval of the 2026 Development Charges Background Study (City-Wide and Area Specific) and By-Laws and the CBC Strategy Review.

Background

The Development Charges Background Study and By-law Update were initiated in late-2024.

The *Development Charges Act*, as amended, provides Ontario municipalities with the authority to recover for growth related capital costs. Typically, this includes infrastructure such as watermains, sewers, roads, recreation centres, parks, libraries and emergency services. This is a vital financial tool for many municipalities to help fund their capital plans related to growth.

The City of Vaughan's current Development Charge By-law 109-2022 went into effect on June 1, 2023 and expires on June 1, 2028. Although By-law 109-2022 will not expire until 2028, the Development Charge Background Study and By-law update began in mid-2024 under the direction of the Mayor and Members of Council to allow for adjustments to be made in alignment with new legislation and affordability considerations. The preliminary rates were publicly released along with the Draft Development Charges Background Study on March 10, 2026 and the associated draft By-laws were posted to the City of Vaughan development charges webpage on March 31, 2026.

The time between the release of the draft study, by-laws and rates, and the statutory public meeting planned for April 14, 2026 will allow Council, the general public, and the development industry an opportunity to further review and meet to discuss the technical data. The Draft Development Charges Background Study, Area Specific Development Charges, CBC Review memorandum and associated by-laws have been made available on the City of Vaughan website.

Staff have convened technical meetings with the development industry to discuss the development charges updates and the community benefits charge review.

A total of seven (7) meetings have taken place with the development industry thus far:

1. Kick-Off Meeting #1 – Sept. 3, 2025
2. Technical Meeting #2 – Oct. 27, 2025
3. Technical Meeting #3 – Nov. 20, 2025

4. Technical Meeting #4 – Dec. 17, 2025
5. Technical Meeting #5 – Jan. 14, 2026
6. Technical Meeting #6 – Feb. 17, 2026
7. Technical Meeting #7 – March 27, 2026

The sessions included members of the Building Industry and Land Development Association (BILD). In between these sessions several correspondences, including the exchange of detailed supporting background information, took place to discuss the technical aspects of the analysis and draft calculations. It is anticipated that ongoing correspondence, meetings and collaboration will continue until the finalization of the new by-laws in the coming month.

Previous Reports/Authority

[March 10, 2026 – 2026 Development Charges, Area Specific Development Charges and Community Benefits Charge By-law Updates](#)

Analysis and Options

Hemson Consulting Ltd. was retained to prepare the updated Development Charges Background Study (City-wide and Area Specific Development Charges) and Community Benefits Charge Strategy and have been working closely with staff and the development industry to produce the technical foundations for the studies.

The Development Charges Background Study (City-Wide and Area Specific Development Charges) and Community Benefits Charge Strategy Review have been undertaken in accordance with the *Development Charges Act* and the *Planning Act* and their associated regulations. The Development Charges Background Study (City-wide and Area Specific Development Charges) and Community Benefits Charge Strategy Review contain both the capital programs and the service level analysis for all development charges, area specific development charges and community benefits eligible services, and provide all the growth-related assumptions that help formulate the rate calculations. The rates calculated are draft in nature and are subject to adjustment based on changes to any data within the draft study before the enactment of the final by-law(s).

Since the public release of the Development Charges Background Study, several correspondences have been received which have resulted in some changes to the City-Wide Development Charges Study inputs and associated rates.

Within the General Services capital plans minor revisions have been made after further review and discussion with the development industry. Two development related studies have been removed from Appendix B, Table B-1 including Item 1.5.6 “City-Wide

Development Charges Background Study' and Item 1.5.7 "Black Creek Financial Strategy" as these studies were already being included in the cost for Item 1.5.1 to 1.5.5 and 1.5.9 to 1.5.11 "Growth Related Financial Analysis and Long-Range Financial Planning"

Within the Land Acquisitions (10-year planning horizon) the land costs associated with the Kleinburg Community Centre have been removed because of the recent Province of Ontario announcement of the transfer of nine acres of provincial surplus lands to the City of Vaughan, valued at approximately \$24M for a nominal fee to help facilitate the future Kleinburg-Nashville Community Centre.

Several adjustments have also been made within the Engineering program based on feedback and discussions with the development industry. Below is a list of adjustments that were made at a high level:

New Project Inclusions:

- Block 64S – Major Collector Road Oversizing
- Traffic Signalization at Hilda Avenue and Pinewood Drive
- Watermain Project – Watermains and booster station - NE Vaughan
- Block 27 – Street 5 Kirby to Teston – Widening costs, major collector
- Watermain projects – moved fully from the contingency list to the Engineering program

Projects Removed:

- Thomas Cook Avenue – Critical Link – removed from Engineering program as it is anticipated to be delivered through development
- Creditstone Road Environmental Assessment – Peelar Road to Rutherford Road - removed from Engineering studies as it is already fully funded through an approved capital project
- Vellore Woods Boulevard/Creditview Extension Environmental Assessment – removed from Engineering studies as it is already fully funded through an approved capital project

Projects Moved from Engineering Program to the Contingency List:

- All Yonge Steeles streetscape projects – moved to contingency list
- Hydro burial – Yonge Steeles – moved to contingency list

Other Adjustments:

- Various adjustments to the committed projects based on most recent information

The above changes have resulted in a slight reduction to the development charge rates which are outlined below:

Unit Type	Rates on March 10, 2026	Current Rates
Singles & Semis	\$ 64,166	\$ 64,068
Townhouses & Multiples	\$ 56,363	\$ 56,277
Large Apartment (≥ 700 sq.ft.)	\$ 45,089	\$ 45,022
Small Apartment (< 700 sq.ft.)	\$ 32,949	\$ 32,900
Non-Residential (\$/M ²)	\$ 151.26	\$ 156.78

No adjustments are recommended to the Area Specific Development Charges and Community Benefits Charge review that were made public on March 10, 2026 based on feedback received to date

Accompanying the City-Wide Development Charges Background Study are four (4) existing area specific development charges that have been updated and eleven (11) new area specific development charges that are being proposed. The remaining twelve (12) existing and fifteen (15) proposed area specific development charges will be brought forward for consideration in the first quarter of 2027. The Edgeley Pond and Park and Black Creek Channel Works financial strategy is included in this second phase of work, but as the by-law is set to expire at the end of 2026, staff intend to bring forward a recommendation to extend the by-law to allow for a fulsome review and consultation of the strategy through 2027.

The Community Benefits Charge Review Memorandum accompanied the public release of the City-Wide Development Charges Background Study and is available on the City of Vaughan Website. The memorandum recommends maintaining the existing by-law at four percent of land value which is the maximum allowable charge. As it is evident within the review that the capital needs cannot be fully funded by potential community benefits charge revenues, staff will be recommending that the community benefits charge continue to be calculated on a four percent of land value basis to ensure the City recovers the maximum allowable funding to offset against the growth-related costs.

Financial Impact

All funding for the 2026 Development Charges Background Study Update and Community Benefits Charge Strategy Updates have been approved within the Financial Planning and Development Finance capital budget (project BU-2554-20).

The outcome of these projects will impact the entire corporation as the 2026 city-wide development charges, area specific development charges and community benefits charges collections will be used in future fiscal planning and decision making.

Operational Impact

The administration of the collection of development charges and the implementation of the associated by-laws and provincial legislation will be primarily undertaken by the Development Finance department. No additional operational impacts have been identified as a result of this report.

Broader Regional Impacts/Considerations

Regional Council is also in the process of updating their Development Charge By-law and intend to seek Regional Council approval of their by-law in the second quarter of 2026. City staff have provided feedback through the course of their Study development. In addition to these meetings, City staff has engaged with Regional staff during the City-Wide Development Charges By-law update to ensure coordination and cohesiveness between the approach of the Region and the City. Only local municipalities can enact a Community Benefits Charge by-law.

Conclusion

The overall objective of the city-wide development charges study, area specific development charges studies and the community benefits charge strategy update is to achieve the fullest cost recovery allowable under legislation. Completion of the 2026 city-wide development charges background study, area specific development charges studies, and community benefits charges strategy and related by-laws and policies is a vital step towards ensuring long term financial sustainability for the City of Vaughan by ensuring that growth-related revenue collections are in line with anticipated growth pressures to be experienced by the City.

For more information, please contact: Brianne Clace, Program Manager, Financial Sustainability at ext. 8284 or Nelson Pereira, Manager of Development Finance at ext. 8393

Attachments

N/A

Prepared by

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