

Item:



## Finance, Administration and Audit Committee Report

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**DATE:** Wednesday, June 06, 2018

**WARD(S):** ALL

**TITLE: DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT**

**FROM:**

Laura Mirabella, Chief Financial Officer and City Treasurer

**ACTION:** FOR INFORMATION

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### **Purpose**

To obtain Council approval to index the City of Vaughan Development Charges pursuant to the semi-annual adjustment provision in the respective City of Vaughan Development Charge By-laws upon receipt of the Statistics Canada Quarterly, Construction Price Statistics scheduled to be published in late May.

### **Report Highlights**

- The Development Charges By-laws provides for indexing of development charges semi-annually on January 1<sup>st</sup> and July 1<sup>st</sup>
- This report seeks Council approval to index the rates on July 1<sup>st</sup>, 2018 in accordance with most recent change in the Statistics Canada Quarterly, Construction Price Statistics

## **Recommendations**

1. That the recommendation for the semi-annual adjustment to the City Wide Development Charge and Special Service Area Development Charge by-laws be brought forward via a communication to the Finance, Administration and Audit Committee on June 6, 2018, upon receipt of the Statistics Canada Quarterly, Construction Price Statistics.

## **Background**

The Development Charges Act authorizes municipalities to pass By-laws for the recovery of growth related capital costs incurred to provide services to all new development and re-development. A clause in each of the City of Vaughan's Development Charge By-laws states the development charges may be adjusted semi-annually without amendments to the by-laws, as of the 1<sup>st</sup> day of January and the 1<sup>st</sup> day of July in each year in accordance with the most recent change in the Statistics Canada Quarterly, Construction Price Statistics (catalogue No. 62-007 Table 327-0043).

The Statistics Canada Quarterly, Construction Prices Statistics is scheduled to be published in late May. A communication will be brought forward to the Finance, Administration and Audit Committee of June 6, 2018 that will provide the recommended semi-annual adjustment.

## **Previous Reports/Authority**

[January 1<sup>st</sup>, 2018 Semi-annual Development Charges Rate Adjustment](#)

## **Analysis and Options**

In order to reflect economic conditions and based on a review of the Statistics Quarterly Construction Price Statistics (catalogue No. 62-007 Table 327-0043), the City-Wide Development Charges and Special Service Area Development Charge Rates should be adjusted to reflect the six (6) month increase in the Statistics Quarterly Construction Price Statistics Index (catalogue No. 62-007 Table 327-0043) for the period October 1, 2017 to March 31, 2018.

## **Financial Impact**

The financial impact is not known at this time, however will be provided via a communication to the Finance, Administration and Audit Committee on June 6, 2018, upon receipt of the Statistics Canada Quarterly, Construction Prices Statistics scheduled to be published in late May.

## **Broader Regional Impacts/Considerations**

Not applicable.

## **Conclusion**

Staff recommends that report for the semi-annual adjustment to the City Wide Development Charge and Special Service Area Development Charge by-laws be brought forward via a communication to the Finance, Administration and Audit Committee on June 6, 2018. The City Wide Development Charges and the Special Service Area Development Charges may be indexed without amending the by-laws.

**For more information**, please contact: Rita Selvaggi, Interim Director, Financial Planning and Development Finance

## **Attachments**

N/A

## **Prepared by**

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