

# *THE CITY OF VAUGHAN*

# *BY-LAW*

## **BY-LAW NUMBER 161-2026**

**A By-law to impose Area Specific Development Charges – Rainbow Creek Sanitary Sub-trunk.**

**WHEREAS** subsection 2(1) of the *Development Charges Act, 1997*, S.O. 1997, c.27 (the “**Act**”), as amended, provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services arising from the development of the area to which the by-law applies;

**AND WHEREAS**, pursuant to section 10 of the Act and at the direction of Council of the Corporation of the City of Vaughan (the “**Council**”), Hemson Consulting Ltd. has prepared a Development Charge Background Study entitled “Rainbow Creek Sanitary Sub-trunk Background Study”, dated March 10, 2026 (the “**Background Study**”), which indicated that the development of any land within the City of Vaughan will increase the need for services as defined therein;

**AND WHEREAS** as of March 10, 2026, Council made the Background Study and draft version of this By-law available to the public in accordance with the Act;

**AND WHEREAS** on April 14, 2026, Council held a public meeting in accordance with the Act at which all persons in attendance were provided with an opportunity to make representations relating to the draft By-law in respect of the Rainbow Creek Sanitary Sub-trunk Background Study;

**AND WHEREAS** notice of the public meeting was given on March 25, 2026 in accordance with the Act and Ontario Regulation 82/98;

**AND WHEREAS** on June 16, 2026, Council by resolution adopted the Background Study and determined that it was not necessary to hold any further public meetings in respect of this By-law;

**AND WHEREAS** Council passed a By-law to impose and provide for payment of Area Specific Development Charges for the Rainbow Creek Sanitary Sub-trunk.

**NOW THEREFORE** the Council of the Corporation of the City of Vaughan enacts as follows:

**1. DEFINITIONS**

For the following words and phrases if used in this By-law:

- (1) **“accessory use”** means the use of any building or structure that is naturally and normally incidental to or subordinate in purpose or both, and exclusively devoted to the principal use, building or structure. Buildings or structures which are accessory uses shall not exceed 100 square metres of gross floor area.
- (2) **“Act”** means the *Development Charges Act, 1997*, S.O. 1997, c.27, as amended, or any successor thereto, and all regulations thereto, as amended.
- (3) **“agreement”** means a contract between the City and an owner and any amendments thereto.
- (4) **“agricultural use”** means lands, buildings, or structures, excluding any portion thereof used as a dwelling unit, used, designed, or intended for use for the purpose of a bona fide farming operation including, but not limited to, animal husbandry, dairying, livestock, fallow, field crops, removal of sod, forestry, fruit farming, horticulture, market gardening, pasturage, poultry keeping, equestrian facilities, and any other activities customarily carried on in the field of agriculture; but does not include a commercial use or a marijuana operation.
- (5) **“air supported structure”** means a structure consisting of a pliable membrane that achieves and maintains its shape and support by internal air pressure.
- (6) **“apartment building”** means a residential use building, or the residential use portion of a mixed-use building, other than a townhouse or stacked townhouse, containing four (4) or more dwelling units each of which shall have access to above grade common halls, stairs, elevators, and yards.
- (7) **“area specific development charge”** and **“special service area development charge”** mean a charge imposed with respect to growth-related net capital costs against a defined land area, or per unit therein, for specified services under the applicable By-law.
- (8) **“atrium”** means a large open space extending through several floors in a building that is open to the ceiling.

- (9) **“basement”** means a storey, the floor of which is at least 0.75 metres below finished grade, provided that not more than one half of its height from the floor of the underside of the floor joist is below the finished grade.
- (10) **“building or structure”** means a permanent enclosed structure occupying an area greater than 10 square metres, consisting of a wall, roof, and floor, or any of them, or a structural system serving the function thereof, which includes, but is not limited to, air-supported structures or industrial tents. A canopy, however, shall not be considered a building or structure for the purpose of this By-law and shall not attract development charges.
- (11) **“Building Code Act”** means the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended, or any successor thereto, and all regulations thereto, as amended.
- (12) **“building permit”** means a permit issued under the *Building Code Act*, which permits the construction of a building or structure, or which permits the construction of the foundation of a building or structure.
- (13) **“canopy”** means an overhanging, projection, or covering connected to a principal use on the lands, such as over a gas bar or outdoor storage.
- (14) **“capital cost”** means costs incurred or proposed to be incurred by the City or a local board directly or by others on behalf of, and as authorized by, the City or local board under an agreement, required for the provision of services designated in the By-law within or outside the City:
- (a) to acquire land or an interest in land, including a leasehold interest;
  - (b) to improve land;
  - (c) to acquire, lease, construct, or improve buildings and structures;
  - (d) to acquire, lease, construct, or improve facilities including:
    - (i) rolling stock with an estimated useful life of seven (7) years or more;
    - (ii) furniture and equipment, other than computer equipment; and
    - (iii) materials acquired for circulation, reference, or information purposes by a library board as defined in the *Public Libraries Act*, R.S.O. 1990, c. P.

- (e) to undertake studies in connection with any of the matters in clauses (a) to (d);
- (f) for the development charge background study required before enactment of this By-law; and
- (g) for interest on money borrowed to pay for costs described in any of the matters in clauses (a) to (d).
- (15) **“cellar”** means the portion of a building below the lowest storey which has more than one-half of its height from the floor to the underside of the floor joists below the finished grade.
- (16) **“City”** means the Corporation of the City of Vaughan.
- (17) **“college”** means a college of applied arts and technology established by regulation under the *Ontario Colleges of Applied Arts and Technology Act, 2002*, S.O. 2002, c. 8, Sched. F.
- (18) **“development”** means the construction, erection, or placing of one or more buildings or structures on land, or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof and includes redevelopment.
- (19) **“development charge”** means a charge imposed with respect to growth-related net capital costs against land under this By-law.
- (20) **“duplex”** means a building comprising, by horizontal division, two dwelling units, each of which has a separate entrance to grade.
- (21) **“dwelling unit”** means a room or suite of rooms used or designed or intended for use by one (1) person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons.
- (22) **“engineering services”** means services related to a highway, and may include water supply services, wastewater services, and storm water drainage and control services.
- (23) **“existing industrial building”** means an existing building or structure, prior to any additions, to be used, or designed or intended for:
- (a) manufacturing, producing, processing, storing, or distributing something;

- (b) research or development in connection with manufacturing, producing, or processing something;
  - (c) retail sales by a manufacturer, producer, or processor of something they manufactured, produced, or processed, if the retail sales are at the site where the manufacturing, production, or processing takes place; and
  - (d) office or administrative purposes, if they are:
    - (i) carried out with respect to manufacturing, producing, processing, storage, or distributing of something; and
    - (ii) in or attached to the building or structure used for that manufacturing, producing, processing, storage, or distribution.
- (24) **“existing institutional building”** means an existing building or structure, prior to any additions, to be used, or designed or intended for, any organization owned or operated for religious, educational, charitable, recreational, or governmental purposes, whether or not supported in whole or in part by public funds.
- (25) **“finished grade”** means the average elevation of the finished ground level at the wall(s).
- (26) **“funeral home”** means a building or structure with facilities for the preparation of dead persons for burial or cremation, for the viewing of the body and for funeral services.
- (27) **“future development”** means development which requires a subsequent planning approval, in addition to a building permit.
- (28) **“gross floor area”** means, in the case of a non-residential building or structure or the non-residential portion of a mixed-use building or structure, the aggregate of the areas of each floor, whether above or below grade, measured between the exterior faces of the exterior walls of the building or structure or from the centre line of a common wall separating a non-residential and a residential use, and
- (a) includes the floor area of a mezzanine and the space occupied by interior walls and partitions;

- (b) excludes, in the case of a building or structure containing an atrium, the sum of the areas of the atrium at the level of each floor surrounding the atrium above the floor level of the atrium;
  - (c) excludes the area of any self-contained structural shelf and rack storage facility approved by the Building Materials Evaluation Commission under the *Building Code Act*;
  - (d) excludes the sum of the areas of each floor used, or designed for use for the parking of motor vehicles unless the building or structure, or any part thereof, is a retail motor vehicle establishment or a standalone motor vehicle storage facility or a commercial public parking structure;
  - (e) exclude the surface area of swimming pools or the playing surfaces of indoor sports fields including, but not limited to, hockey arenas, and basketball courts; and
  - (f) for the purposes of this definition, notwithstanding any other section of this By-law, the non-residential portion of a mixed-use building is deemed to include one-half of any area common to the residential and non-residential portions of such mixed-use building or structure.
- (29) “**growth-related net capital cost**” means the portion of the net capital cost of services that is reasonably attributable to the need for such net capital costs that results or will result from development in all or a defined part of the City.
- (30) “**heritage structure**” means a structure or building on a property that is of cultural heritage value or interest as defined under the *Ontario Heritage Act*, R.S.O. 1990, c. O.18, as amended.
- (31) “**large apartment**” means a dwelling unit in an apartment building or plex or stacked townhouse that is 700 square feet or larger in size.
- (32) “**live-work unit**” means a unit intended for both residential and non-residential uses concurrently.
- (33) “**local board**” means a local board as defined in section 1 of the *Municipal Affairs Act*, R.S.O. 1990, c. M.46, other than a board as defined in subsection 1(1) of the *Education Act*, R.S.O. 1990, c. E.2.

- (34) “**lot**” means a parcel of land which can be conveyed as a separate parcel pursuant to the provisions of the *Planning Act*.
- (35) “**marijuana operation**” means the cultivation, growth, harvesting, processing, composting, destruction, packaging, storage and distribution of plants or parts of plants of the genus *Cannabis* (marijuana) with a license for sale as authorized under the *Cannabis Act*, S.C. 2018, c. 16.
- (36) “**mixed-use building**” means a building or structure containing, designed or intended for use as a residential and non-residential use.
- (37) “**mezzanine**” means a mezzanine as defined in the *Building Code Act*.
- (38) “**mobile home**” means a prefabricated housing unit built in a factory on a permanent chassis, designed to be transported to a site and used as a residence, often placed on a foundation but retaining its transportability.
- (39) “**multiple unit dwelling**” includes townhouses, mobile homes and all other residential uses that are not included in the definition of apartment building, single detached dwelling, or semi-detached dwelling.
- (40) “**net area**” means the gross area of land less the area of lands conveyed or to be conveyed into public ownership for the purpose of open space, parks, woodlots, storm water management facilities, buffers and road widenings along regional roads, and Ontario hydro utility corridors, and less the area of any wood lots in private ownership if zoned as such, but shall include the area of all road allowances dedicated to the City.
- (41) “**net capital cost**” means the capital cost less capital grants, subsidies, and other contributions made to the City, or that the Council of the City anticipates will be made, including conveyances or payments under sections 37, 42, 51, 51.1 and 53 of the *Planning Act* in respect of the capital cost.
- (42) “**owner**” means the owner of the land or a person who has made under lawful authority an application for an approval of the development of the land upon which a development charge or an area specific development charge is imposed.
- (43) “**place of worship**” means that part of a building used for the gathering of a religious or faith-based organization for spiritual purposes.

- (44) **“Planning Act”** means the *Planning Act*, R.S.O. 1990, c. P.13, as amended, or any successor thereto, and all regulations thereto, as amended.
- (45) **“plex”** means a duplex, a semi-detached duplex, a triplex, or a semi-detached triplex.
- (46) **“redevelopment”** means the construction, erection or placing of one or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land or changing the use from a residential to non-residential use or from a non-residential to residential use or from one residential use to another form of residential use.
- (47) **“secondary dwelling unit”** means an additional dwelling unit in a new or existing residential building (detached, semi-detached or multiple or townhouse) or in a building or structure ancillary thereto, that is additional to the main dwelling unit.
- (48) **“semi-detached duplex”** means one of a pair of attached duplexes, each duplex divided vertically from the other by a party wall.
- (49) **“semi-detached dwelling”** means a building divided vertically into two dwelling units.
- (50) **“semi-detached triplex”** means one of a pair of triplexes divided vertically one from the other by a party wall.
- (51) **“services”** means services designated in this By-law.
- (52) **“single detached dwelling”** means a residential building consisting of one dwelling unit that is not attached to another structure above grade. For the purpose of this definition, a single detached dwelling with secondary dwelling units, as defined in this By-law, is deemed to be a single detached dwelling. For greater certainty, a residential building consisting of one dwelling unit that is attached to another structure by footings only shall be considered a single-family dwelling for the purposes of this By-law.
- (53) **“small apartment”** means a dwelling unit in an apartment building, a plex or stacked townhouse that is less than 700 square feet in size.
- (54) **“stacked townhouse”** means a building, other than a townhouse or apartment building, containing at least three (3) dwelling units, each dwelling unit being

- separated from the other vertically and/or horizontally, and each dwelling unit having an entrance to grade shared with no more than three (3) other units.
- (55) “**storey**” means the portion of a building other than the cellar or unfinished attic which lies between the surface of the floor and the surface of the next floor above, and if there is no floor above it, then the surface next above it, provided its height is not less than 2.3 metres.
- (56) “**subdivision**” includes condominium.
- (57) “**temporary sales centre**” means a building or structure, including a trailer, that is designed or intended to be temporary, or intended to be removed from the land or demolished after use and which is used exclusively as an office or presentation centre, or both, for new building sales.
- (58) “**townhouse**” means a building, other than a plex, stacked townhouse or apartment building, containing at least three (3) dwelling units, each dwelling unit separated vertically from the other by a party wall and each dwelling unit having a separate entrance to grade.
- (59) “**triplex**” means a building comprising three (3) dwelling units, each of which has a separate entrance to grade.
- (60) “**university**” has the same meaning as defined in section 171.1 of the *Education Act*, R.S.O. 1990, c. E.2.
- (61) “**use, commercial**” means any land, building or structure used, designed or intended for use for the purpose of buying and selling commodities or supplying services as distinguished from such uses as manufacturing or assembly of goods, warehousing, and construction.
- (62) “**use, industrial**” means any land, building or structure used, designed or intended for use for construction, warehousing, manufacturing, processing, or assembly of materials to finished products or byproducts, including the storage of such materials and products.
- (63) “**use, institutional**” means the use of any land, building or structure by any organization owned or operated for religious, educational, charitable, recreational, or governmental purposes, whether or not supported in whole or in part by public funds.

- (64) **“use, non-residential”** means any land, building or structure, or any part thereof, used, designed or intended for use other than a residential use, and shall include commercial use, industrial use, and institutional use.
- (65) **“use, residential”** means any land, building or structure used, designed or intended to be used for a single detached dwelling, semi-detached dwelling, multiple unit dwelling, apartment building, or any other type of household or dwelling unit.

## 2. **RULES – APPLICATION, EXEMPTIONS AND EXCEPTIONS**

- (1) This By-law applies to all land and to all uses of any land, building or structure within the Service Area(s) as shown on Schedule “B” whether or not the land, building or structure, or use thereof, is exempt from taxation under section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31.
- (2) Despite subsection 2(1), this By-law does not apply to any land, building or structure within the Service Area(s) as shown on Schedule “B” owned by and used for the purposes of:
- (a) a local board;
  - (b) a board as defined in section 1(1) of the *Education Act*, R.S.O. 1990, c. E.2;
  - (c) the City or any of its local boards including land leased by these entities from the Crown in the right of Canada or Ontario;
  - (d) lands, buildings or structures owned by Metrolinx and used for transit related purposes;
  - (e) any area municipality within the Regional Municipality of York;
  - (f) the Regional Municipality of York or any local boards thereof; and
  - (g) a public hospital receiving aid under the *Public Hospitals Act*, R.S.O. 1990 c. P.40;
  - (h) lands vested in or leased to a university or college that receives regular and ongoing operating funds from the government for the purposes of post-secondary education if the development for which charges under this By-law would otherwise be payable is intended to be occupied and used by the university or college; and
  - (i) Any other exemptions as provided through the Act.

- (3) Development charges for the services designated in Schedule "A" shall be imposed upon the Service Area(s) in Schedule "B", at the rate specified in Schedule "A", and shall be collected in accordance with this By-law on development for residential use or non-residential use purposes.
- (4) Development charges provided for in subsection 2(3) apply where the development requires:
  - (a) the passing of a zoning by-law or of an amendment thereto under section 34 of the *Planning Act*;
  - (b) the approval of a minor variance under section 45 of the *Planning Act*;
  - (c) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
  - (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
  - (e) a consent under section 53 of the *Planning Act*;
  - (f) the approval of a description under section 9 of the *Condominium Act*, 1998, S.O. 1998, c.19; or
  - (g) the issuing of a permit under the *Building Code Act*, 1992, S.O. 1992 c.23 in relation to a building or structure.
- (5) The City shall not apply development charges provided for in this By-law on more than one occasion even though two or more of the actions described in subsection 2(4) are required before the land can be developed.
- (6) Despite subsection 2(5), if two or more of the actions described in subsection 2(4) occur at different times and if the subsequent action or actions have the effect of increasing the need for services, a development charge shall be imposed, calculated, and collected pursuant to subsection 2(3) limited to the increase.
- (7) Notwithstanding any other provisions of this By-law, a building or structure shall be exempt from the payment of development charges provided that it is for:
  - (a) a temporary use permitted under a zoning by-law enacted under section 39 of the *Planning Act*;
  - (b) an accessory use and, without restricting the generality of the foregoing, including a tent or canopy used on a temporary or seasonal basis;

- (c) an agricultural use;
  - (d) a renovation of an existing building which does not alter, if a residential use, the number of units, or, if a non-residential use, the gross floor area thereof;
  - (e) a temporary sales centre;
  - (f) the relocation of a built heritage structure that is listed under section 27 of the *Ontario Heritage Act*, R.S.O, 1990, c. O.18 or designated under Part IV or V of the *Ontario Heritage Act*;
  - (g) land, buildings or structures used or to be used for the purposes of a cemetery or burial ground exempt from taxation under the *Assessment Act* or any successor thereto, including mausoleums and columbariums, but excluding funeral homes; or
  - (h) buildings or structures owned by and used for the purpose of a conservation authority established under the *Conservation Authorities Act*, R.S.O, 1990, c. C.27 or its predecessor, unless such buildings or structures are used primarily for, or in connection with (i) recreational purposes for which the conservation authority charges admission, or (ii) any commercial use.
- (8) Area specific development charges paid hereunder shall be maintained in a separate reserve fund or funds and shall be used only for the services specified in Schedule "A".

### **3. ADMINISTRATION**

#### **Development Charge Payment and Calculation Date**

- (1) All development charges payable shall be paid by certified funds to the City Treasurer.
- (2) Unless otherwise provided in this section or by an agreement, a development charge is calculated on the date a building permit is issued for the development.
- (3) The development charge calculated is payable as follows:
  - (a) For all non-residential development, excluding development listed under subsection 11.1(2) of O.Reg. 82/98 of the Act, on the date a building permit is issued for development on land to which a development charge applies, and no building permit shall be issued until the development charge is paid in full;

- (b) For all non-rental residential development, the development charge shall be payable on the earlier of:
- (i) the day a permit is issued under the *Building Code Act* authorizing occupation of the building; or
  - (ii) the day the building is first occupied;
- (c) Rental residential development or institutional development as defined in subsection 11.1(2) of O.Reg. 82/98 of the Act shall pay development charges in accordance with subsection 26.1 of the Act;
- (d) As may otherwise be provided in the Act.
- (4) Where the City and owner(s) of the land have entered into an agreement pursuant to section 27 of the Act in respect of the timing of the payment and/or the amount of a development charge or a portion thereof, the terms of such agreement shall prevail over the provisions of this By-law, including subsections 3(2), 3(3) and 3(5) of this By-law.
- (5) Notwithstanding subsections 3(2) and 3(3) of this By-law and provided that the City and the owner(s) of the land have not entered into an agreement pursuant to subsection 3(4) of this By-law, developments that are eligible pursuant to sections 26.1 or 26.2 of the Act shall have development charges calculated and payable in accordance with section 26.1 and/or 26.2 of the Act and interest thereon shall be calculated and payable in accordance with the City's policy, entitled "DC Interest Policy Under sections 26.1, 26.2 and 26.3 of the *Development Charges Act, 1997*" and with the Act, as amended from time to time.
- (6) If a use of any land, building or structure that constitutes development but does not require the issuing of a building permit but requires one or more of the actions listed in subsection 2(4), a development charge shall be calculated and payable in accordance with section 26.1 and/or 26.2 of the Act.
- (7) Nothing in this By-law shall prevent Council from requiring, as a condition of any approval pursuant section 51 and 53 of the *Planning Act*, that the owner(s) of land install such local services as Council may require in accordance with the City's policy in respect of local services.

#### **4. CREDITS**

- (1) Where the City permits the provision of services in lieu of the payment of all or any portion of a development charge, the City shall give a credit for an amount equal to the reasonable cost to the owner of providing the services, as determined by the City, and agreed to by the owner, provided such credit shall relate only to the portion of the development charge attributable to the services provided, unless otherwise agreed by the City.
- (2) The City may by agreement permit an owner to provide services additional to or of a greater size or capacity than is required, and the City may give a credit for an amount up to the reasonable cost to the owner of providing the services as determined by the City, provided that no such credit may be given for any part of the cost of work that relates to an increase in the level of service that exceeds the average level of service described in Paragraph 4 of subsection 5(1) of the Act.

#### **5. GENERAL**

##### **Annual Adjustment**

- (1) The development charges established pursuant to section 2 of this By-law shall be adjusted annually, without amendment to this By-law, as of the 1<sup>st</sup> day of July in each year, commencing on July 1, 2027, in accordance with the most recent change in the Statistics Canada table 18-10-0289-01 building construction price indexes, by type of building and division, or successor, (Price index for Toronto).

#### **6. TERM**

- (1) This By-law shall come into force and effect on June 23, 2026.
- (2) This By-law shall expire in accordance with the Act, unless repealed at an earlier date.
- (3) Nothing in this By-law shall be construed so as to commit or require the City to authorize or proceed with any specific capital project at any specific time.

#### **7. TRANSITIONAL PROVISIONS**

- (1) If before the coming into force of this By-law an owner or previous owner has made a payment for services described in this By-law, or provided services in

lieu thereof, no payment as required under this By-Law and no credits or refunds shall apply;

**8. SCHEDULES**

- (1) Schedules “A” and “B” are attached hereto shall form part of this By-law.

**9. REGISTRATION**

- (1) A certified copy of this By-law may be registered in the York Region Land Registry Office against the land to which this By-law applies.

**10. SEVERABILITY**

- (1) In the event that any provision of this By-law is found by a court or tribunal of competent jurisdiction to be invalid, such provision shall be deemed to be severed, and the remaining provisions of this By-law shall remain in full force and effect.

**11. HEADINGS AND INTERPRETATION**

- (1) The headings inserted in this By-law are for convenience of reference only and shall not affect the interpretation of this By-law.
- (2) All references to the provisions of any statute or regulation contained in this By-law shall also refer to the same or similar provision in the statute or regulation as amended, replaced, revised or consolidated from time to time.

**12. SHORT TITLE**

- (1) This By-law may be cited as the Area Specific Development Charges By-Law – Rainbow Creek Sanitary Sub-trunk.

Voted in favour by City of Vaughan Council this 23<sup>rd</sup> day of June, 2026.

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Steven Del Duca, Mayor

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Todd Coles, City Clerk

Authorized by Item No. 24 of Report No. 29 of the Committee of the Whole.  
Report adopted by Vaughan City Council on June 16, 2026.  
City Council voted in favour of this by-law on June 23, 2026.  
Approved by Mayoral Decision MDC 008-2026 dated June 23, 2026.  
**Effective Date of By-Law: June 23, 2026**

## ATTACHMENT – AREA SPECIFIC DEVELOPMENT CHARGE – RAINBOW CREEK

### Schedule “A”:

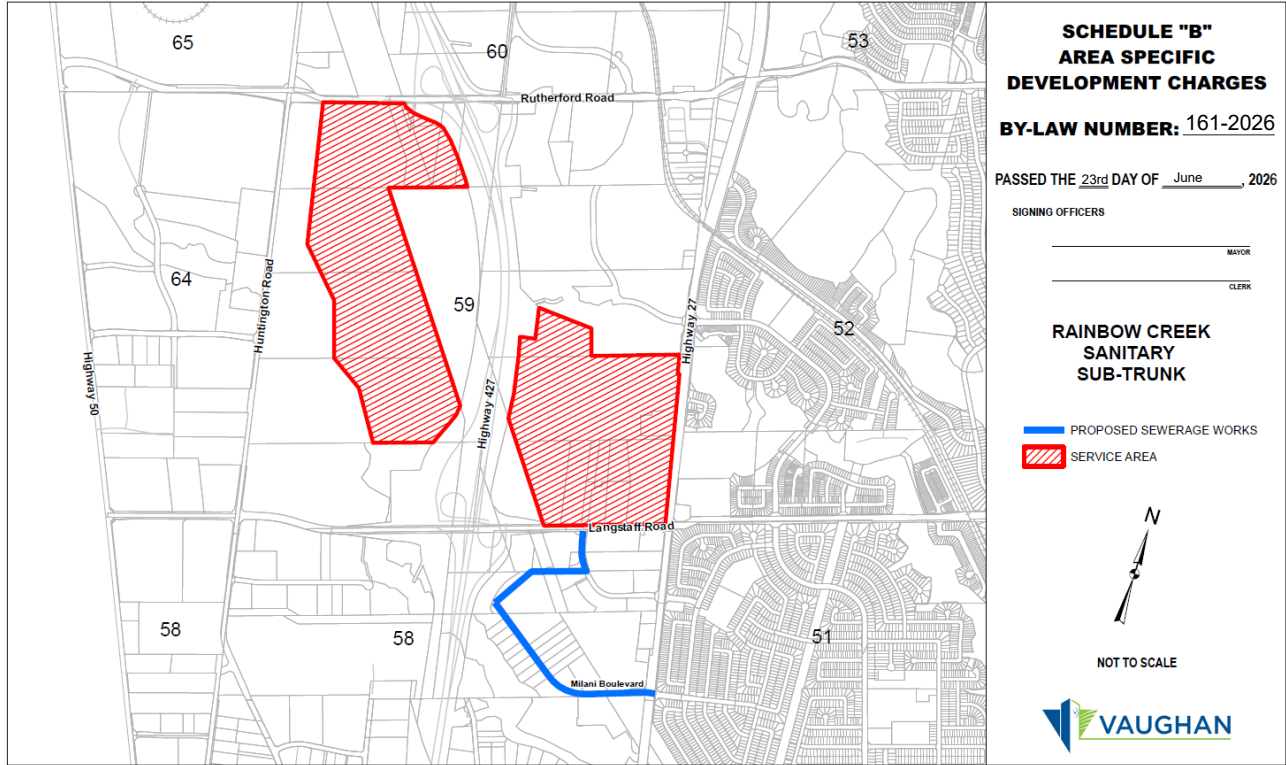
#### Area Specific Development Charge Calculation

Service	Net Capital Cost	Net Area (ha)	Rate Per Net Area (\$/ha)
Rainbow Creek Sanitary Sub-trunk	\$146,557	45.8	\$3,199.32

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**Schedule "B":**

**Map:**



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