

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24, 2014

Item 9, Report No. 8, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 24, 2014.

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DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance & City Treasurer and Director of Development Finance and Investments, dated June 16, 2014:

Recommendation

The Commissioner of Finance & City Treasurer and Director of Development Finance and Investments recommend:

1. That in accordance with the appropriate semi-annual adjustment sections of the City Wide Development Charge and Special Service Area Development Charge by-laws that the associated rates be increased by 0.6% effective July 1, 2014; and
2. That the following revised Development Charge Rates (Attachments 1, 2, 3 and 4) be approved.

Contribution to Sustainability

This is not applicable to this report.

Economic Impact

The semi-annual adjustment will provide a 0.6% increase in City-Wide Development Charges and Special Area Development Charges.

Communications Plan

Public notice of the development charges semi-annual adjustment is through the agenda process.

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.

Background - Analysis and Options

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 1st day of January and the 1st 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).

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 increased by 0.6% which reflects 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, 2013 to March 31, 2014.

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Attachment 1 to this report provides the indexed City Wide rates applicable from July 1, 2014 to September 20, 2014.

Attachments 2 and 3 to this report provide the indexed rates applicable to each of the two remaining phase-in dates of the new City Wide by-law that comes in to effect on September 21, 2014 and March 21, 2015 respectively.

Attachment 4 provides the indexed rate for all existing Special Service Area Charges. No phase-ins apply to the Special Area Charge by-laws.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council, specifically; Ensure Financial Sustainability and the necessary resources have been allocated and approved.

Regional Implications

Not applicable.

Conclusion

Staff recommends that both the existing and future phased-in approved City of Vaughan Development Charges be increased by 0.6%. The City Wide Development Charges and the Special Service Area Development Charges may be indexed without amending the by-laws. The revised schedules reflecting the new rates are attached.

Attachments

- 1 - Indexed City Wide Rates applicable from July 1, 2014 to September 20, 2014
- 2 - Indexed City Wide Rates applicable from September 21, 2014 to March 20, 2015
- 3 - Indexed City Wide Rates applicable from March 21, 2015 onwards
- 4 - Indexed Special Service Area Charges from July 1, 2014 onwards

Report prepared by:

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(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)