

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 9, 2014**

Item 41, Report No. 41, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on December 9, 2014.

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**DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT**

**The Committee of the Whole 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 December 2, 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 0.9% effective January 1, 2015; and
2. That the following revised Development Charge Rates (Attachments 1, 2 and 3) be approved.

**Contribution to Sustainability**

This is not applicable to this report.

**Economic Impact**

The semi-annual adjustment will provide a 0.9% 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 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).

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 0.9% 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 April 1, 2014 to September 30, 2014.

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Attachment 1 to this report provides the indexed City Wide rates applicable from January 1, 2015 to March 20, 2015.

Attachments 2 to this report provide the indexed rates applicable to the remaining phase-in date of the new City Wide by-law that comes in to effect on March 21, 2015.

Attachment 3 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 0.9%. 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 January 1, 2015 to March 20, 2015
- 2 - Indexed City Wide Rates applicable from March 21, 2015 onwards
- 3 - Indexed Special Service Area Charges from January 1, 2015 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.)