

## **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.

**9**

#### **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 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 0.6% 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.

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24, 2014**

#### **Item 9, Finance Report No. 8 – Page 2**

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:**

Terry Liuni, Development Finance Supervisor, Ext. 8354

(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.)

**DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT****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 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 0.6% 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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### **Relationship to Vaughan Vision 2020/Strategic Plan**

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### **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.

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- 4 - Indexed Special Service Area Charges from July 1, 2014 onwards

### **Report prepared by:**

Terry Liuni, Development Finance Supervisor, Ext. 8354

Respectfully submitted,

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John Henry, CPA, CMA  
Commissioner of Finance & City Treasurer

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Lloyd Noronha, CPA, CMA  
Director of Development Finance and Investments

**City of Vaughan City Wide Development Charges<sup>1</sup> (By-Law 045-2013)**

(Effective from July 1, 2014 to September 20, 2014)

**Residential Use Development Charges**

	<b><i>Engineering Services<sup>2</sup></i></b>	<b><i>General Services<sup>3</sup></i></b>	<b><i>Total Per Unit Development Charge</i></b>
Single & Semi Detached Dwellings	\$7,088	\$10,510	\$17,598
Multiple Unit Dwellings	\$6,022	\$8,951	\$14,973
Large Apartments	\$4,285	\$6,439	\$10,724
Small Apartments	\$3,571	\$4,620	\$8,191

**Non-Residential Use Development Charges<sup>4</sup>**

			<b><i>Total Per Sq.M. of GFA Development Charge</i></b>
High Density Mixed Use Non-Residential <sup>5</sup>	\$24.81	\$5.56	\$30.37
Non-Mixed Use Non-Residential	\$27.18	\$5.88	\$33.06

<sup>1</sup> All rates subject to normal indexing - rates shown are current as of July 1, 2014<sup>2</sup> Engineering Services portion of Residential Development Charge paid at Subdivision Agreement execution<sup>3</sup> General Services portion of Residential Development Charge paid at Building Permit issuance<sup>4</sup> Total Non-Residential Development Charges paid at Building Permit issuance<sup>5</sup> See definition section of by-law for definition of "High Density Mixed Use"



**City of Vaughan City Wide Development Charges<sup>1</sup> (By-Law 045-2013)**

(Effective from September 21, 2014 to March 20, 2015)

**Residential Use Development Charges**

	<b><i>Engineering Services<sup>2</sup></i></b>	<b><i>General Services<sup>3</sup></i></b>	<b><i>Total Per Unit Development Charge</i></b>
Single & Semi Detached Dwellings	\$9,731	\$10,510	\$20,241
Multiple Unit Dwellings	\$8,280	\$8,951	\$17,231
Large Apartments	\$5,933	\$6,439	\$12,372
Small Apartments	\$4,505	\$4,620	\$9,125

**Non-Residential Use Development Charges<sup>4</sup>**

			<b><i>Total Per Sq.M. of GFA Development Charge</i></b>
High Density Mixed Use Non-Residential <sup>5</sup>	\$32.20	\$5.56	\$37.76
Non-Mixed Use Non-Residential	\$36.93	\$5.88	\$42.81

<sup>1</sup> All rates subject to normal indexing - rates shown are current as of July 1, 2014

<sup>2</sup> Engineering Services portion of Residential Development Charge paid at Subdivision Agreement execution

<sup>3</sup> General Services portion of Residential Development Charge paid at Building Permit issuance

<sup>4</sup> Total Non-Residential Development Charges paid at Building Permit issuance

<sup>5</sup> See definition section of by-law for definition of "High Density Mixed Use"

**City of Vaughan City Wide Development Charges<sup>1</sup> (By-Law 045-2013)**

(Effective from March 21, 2015)

**Residential Use Development Charges**

	<b><i>Engineering Services<sup>2</sup></i></b>	<b><i>General Services<sup>3</sup></i></b>	<b><i>Total Per Unit Development Charge</i></b>
Single & Semi Detached Dwellings	\$12,374	\$10,510	\$22,884
Multiple Unit Dwellings	\$10,539	\$8,951	\$19,490
Large Apartments	\$7,581	\$6,439	\$14,020
Small Apartments	\$5,439	\$4,620	\$10,059

**Non-Residential Use Development Charges<sup>4</sup>**

			<b><i>Total Per Sq.M. of GFA Development Charge</i></b>
High Density Mixed Use Non-Residential <sup>5</sup>	\$39.58	\$5.56	\$45.14
Non-Mixed Use Non-Residential	\$46.69	\$5.88	\$52.57

<sup>1</sup> All rates subject to normal indexing - rates shown are current as of July 1, 2014<sup>2</sup> Engineering Services portion of Residential Development Charge paid at Subdivision Agreement execution<sup>3</sup> General Services portion of Residential Development Charge paid at Building Permit issuance<sup>4</sup> Total Non-Residential Development Charges paid at Building Permit issuance<sup>5</sup> See definition section of by-law for definition of "High Density Mixed Use"

**City of Vaughan Special Area Development Charges <sup>1</sup>**  
(effective from July 1, 2014)

<b>BY-LAW</b>	<b>SERVICE</b>	<b>AREA</b>	<b>CHARGE PER HECTARE</b>
046-2013	Rainbow Creek Drainage Works	D-8	\$ 2,304
047-2013	Pressure District 5 West (Woodbridge Watermain)	D-15	\$ 9,207
048-2013	Pressure District 6 West (Major Mackenzie Drive Watermain)	D-18	\$ 3,559
049-2013	Pressure District 6 East (Rutherford Road Watermain)	D-19	\$ 7,737
050-2013	Pressure District 7 Watermain West	D-20	\$ 11,670
051-2013	Dufferin/Teston Sanitary Sewer (OPA 332 Ultimate Outlet)	D-23	\$ 12,076
052-2013	Zenway/Fogal Sanitary Sub Trunk	D-25	\$ 10,120
053-2013	Highway 27 South Servicing Works	D-26	\$ 173,970
054-2013	Huntington Road Sewer (Tradevalley to Rutherford)	D-27	\$ 9,732

<sup>1</sup> All rates subject to normal indexing - rates shown are current as of July 1, 2014