

REPORT

Senior Management Team

To: Mayor Johnstone and Members of Council
Date: August 25, 2025

From: Senior Management Team
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Item #: 2025-231

Subject: **Development Cost Charges Bylaw No. 8327, 2022, Amendment Bylaw No. 8539, 2025, and Amenity Cost Charges Bylaw No. 8540, 2025**

RECOMMENDATION

1. *THAT Development Cost Charges Bylaw No. 8327, 2022, Amendment Bylaw No. 8539, 2025 be introduced and given first, second, and third readings; and*
 2. *THAT Amenity Cost Charges Bylaw No. 8540, 2025 be introduced and given first, second, and third readings.*
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PURPOSE

To request that Council consider the recommendations for Development Cost Charges Bylaw No. 8327, 2022, Amendment Bylaw No. 8539, 2025, and Amenity Cost Charges Bylaw No. 8540, 2025.

SUMMARY

City staff and the ACC and DCC consultant conducted two information sessions, the first session was conducted with the development community (July 9, 2025), and the second session was conducted with the public (August 6, 2025), there were eight (8), and nine (9) attendees, respectively. The information sessions included a presentation outlining the interim DCC update and introducing an ACC program, which included proposed updated interim DCC rates and new ACC rates.

Questions received by staff, along with the answers provided in response, are outlined in the following sections below: 'Information Session – Development Community', and 'Information Session – Public'.

Following the completion of the information sessions, DCC Amendment Bylaw No. 8539, 2025 (DCC Amendment Bylaw), and ACC Bylaw No. 8540, 2025 (ACC Bylaw) were developed. The updates to the DCC Amendment Bylaw, include incorporating the updated Mainland and Queensborough rate tables, as a result of the new eligible categories (e.g., firehalls, police facilities, and solid waste and recycling facilities). The ACC Bylaw is entirely new, and follows a similar structure to the City's existing DCC Bylaw. The ACC Bylaw is primarily focused on amenities-based infrastructure (e.g., community centres, libraries, parklets, etc.), whereas the DCC Bylaw is focused on utilities (i.e., water, sanitary, stormwater), transportation infrastructure, and parkland acquisition.

As a reminder, the DCC Bylaw Amendment and ACC Bylaw are interim programs. At this time, DCC categories such as water, sanitary, stormwater, roads, active transportation infrastructure, and additional parkland acquisition have not been included in this draft interim update. They will be included in a subsequent DCC update, scheduled to be conducted over the next year, and is anticipated to be completed by approximately spring 2027.

BACKGROUND

City staff and the ACC and DCC consultant conducted two information sessions, the first session was conducted with the development community (July 9, 2025), and the second session was conducted with the public (August 6, 2025), there were eight (8), and nine (9) attendees, respectively. The information sessions included a presentation outlining the interim DCC update and introducing an ACC program, which included proposed updated interim DCC rates and new ACC rates.

INFORMATION SESSION – DEVELOPMENT COMMUNITY

Staff facilitated an interim DCC and ACC information session with the development community (i.e., developers with the Urban Development Institute) on July 9, 2025. There were eight (8) members from UDI in attendance. The presentation included an overview of the proposed changes in the upcoming interim DCC bylaw update, and the inclusion of the new ACC program, along with a question-and-answer (Q&A) segment towards the end of the information session. Outlined in the table below are questions that staff received during the Q&A session, and in written correspondence, along with the responses provided by staff.

Questions / Comments from UDI	Staff Responses
Can City staff / City's consultant provide details about the financial feasibility	<ul style="list-style-type: none">The City's consultant indicated that the financial feasibility analysis was

analysis process (e.g., process, input parameters)?	<p>conducted by the consultant's land economics team.</p> <ul style="list-style-type: none"> The City also retained an additional consultant to conduct a peer review of the financial analysis model.
How will the interim density bonus program interact with the incoming interim ACC program?	<ul style="list-style-type: none"> The intention is that once the interim ACC program, along with the City's upcoming updated inclusionary housing policy (IHP) are in effect, then the interim density bonus program would be replaced.
General questions regarding the types of affordable housing, or below market rental, and if they would be exempt from ACCs.	<ul style="list-style-type: none"> Additional details regarding the criteria that would need to be achieved, prior to being eligible for an ACC exemption, are outlined in Section 570.4 of the Local Government Act (LGA), and the Prescribed Classes of Affordable Housing Regulation documentation.

INFORMATION SESSION – PUBLIC

In addition to the information session that was conducted with the development community, staff also conducted an information session with the public on August 6, 2025. There were nine (9) members from the public in attendance. The intention of the information session was to focus the content for the public to learn more about the purpose and function of the interim DCC, and ACC programs, and how the timing of the introduction of the new ACC program is in alignment with the legislated housing updates from the Province (e.g., Transit oriented development areas, Small-scale multi-unit housing).

Questions / Comments from the Public	Staff Responses
Is there an estimated timeframe of how long this interim DCC and ACC program will be in effect (prior to the next update)?	<ul style="list-style-type: none"> Approximately between 1 – 2 years. As the Parks and Recreation, Solid Waste, and Utilities Master Plans are completed, the recommendations on infrastructure upgrades are expected to be incorporated into the next DCC and ACC bylaw update.

When will a Waivers and Reductions Bylaw be tabled?	<ul style="list-style-type: none"> This is anticipated to be brought forth to Council for consideration next year.
Will a single-family home, replacing a single-family home have to pay DCCs and ACCs?	<ul style="list-style-type: none"> If the land on which the new single family house is being built upon does not change, then no, DCCs and ACCs will not be charged, because the charge type in the interim DCC and ACC bylaws are by 'parcel area'.

DISCUSSION

Following the completion of the information sessions, the draft interim DCC amendment bylaw, and ACC bylaw, DCC Amendment Bylaw No. 8539, 2025, and ACC Bylaw No. 8540, 2025, respectively, were developed.

The focus of the changes in DCC Amendment Bylaw No. 8539, 2025 is to incorporate the new DCC rates, as a result of the new eligible categories (i.e., firehalls, police facilities, and solid waste and recycling facilities). Other changes include housekeeping revisions to provide clarity (e.g., effective date). The full list of changes is listed within Attachment 1.

ACC Bylaw No. 8540, 2025 (ACC Bylaw) is an entirely new bylaw, that was introduced as part of Bill 46 by the Province in late 2023. The overall structure of the draft ACC Bylaw is similar to the City's existing DCC Bylaw, with a few exceptions, outlined below:

1. The ACC Bylaw focuses on amenities-based infrastructure (e.g., community centres, libraries, parklets, etc.); whereas, the DCC Bylaw focuses on utilities (i.e., water, sanitary, stormwater), transportation infrastructure, and parkland acquisition.
2. Default exemptions between the ACC and DCC programs:

DCC Program	ACC Program
<ul style="list-style-type: none"> If a development does not pose capital costs burdens If a DCC had been previously paid by a development, unless there is further development If a development contains fewer than 4 units (unless authorized by LG bylaw) 	<ul style="list-style-type: none"> If a development does not result in an increase in the population of residents or workers If an ACC had been previously paid by a development for a particular amenity unless there is further development

<ul style="list-style-type: none"> • If a unit is smaller than 29 square metres • If a value of work is less than \$50,000 (unless a greater amount is established by LG bylaw) 	<ul style="list-style-type: none"> • For costs that can be funded through DCCs • On types of affordable housing prescribed by regulation
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While the DCC program has default exemptions that are focused on containing less than four dwelling units, or if units are less than 29 m², these default exemptions are not included within the ACC program. Instead, the ACC program's main default exemption is centred on the types of affordable housing that are prescribed by regulation. The draft ACC Bylaw is included in Attachment 2.

The updated rate table in the DCC Amendment Bylaw (Attachment 1), and the new rate table in the ACC Bylaw (Attachment 2), are associated with the inclusion of the ACC and DCC projects list (Attachment 3).

NEXT STEPS

The general next steps are outlined in the following table:

Task	Next Steps
Submission of the DCC Bylaw and Background Report to the Ministry of Housing and Municipal Affairs	Staff will work with the consultant in preparing the consolidated DCC submission package for the Inspector of Municipalities' review.
City-wide Financing Growth Strategy	Staff will continue to work interdepartmentally to develop a comprehensive strategy for financing the infrastructure, services and amenities needed to maintain livability in the growing community, and will present this to Council for endorsement.
Comprehensive DCC and ACC Bylaw update	<p>Based on the outcomes of the city-wide financing growth strategy, include outstanding categories that have not yet been included in this update (i.e., water, sanitary, stormwater, and transportation infrastructure, along with the inclusion of additional parkland acquisition).</p> <p>This will include reviewing the categories of charges (i.e., \$ per dwelling unit, as opposed to \$ per m²), along with updating</p>

	the categories to be in alignment with the proposed housing forms from the Provincial Legislation (e.g., SSMUH, 4-plex, 6-plex).
Waivers and Reductions	Staff will review the financial impacts as a result of the inclusion of a potential waivers and reductions bylaw, and bring that forth to Council for consideration.

INTERDEPARTMENTAL LIAISON

DCCs and ACCs, in addition to the City's inclusionary housing policy, and interim density bonus program, are components within the City's broader financing growth strategy to support the anticipated future growth of the City. The Planning and Development team, in conjunction with the Engineering Services team have been working in collaboration to establish an effective date for the various development financing programs (e.g., alignment between the DCC Amendment Bylaw, ACC Bylaw, and the updated inclusionary housing policy, of when the programs would come into effect).

Staff across various departments will continue to work towards a more comprehensive update of the financing growth program (e.g., including water, sanitary, stormwater, transportation, and additional parkland acquisition categories in the DCC and ACC program), as well as other City-related policies, by spring 2027.

OPTIONS

The following options are for Council's consideration:

1. THAT Development Cost Charges Bylaw No. 8327, 2022, Amendment Bylaw No. 8539, 2025, and Amenity Cost Charges Bylaw No. 8540, 2025 be introduced and given first, second, and third readings.
2. THAT Council provide Staff with alternative direction.

Staff recommends Option 1.

ATTACHMENTS

Attachment 1 – Development Cost Charges Bylaw No. 8327, 2022, Amendment Bylaw No. 8539, 2025

Attachment 2 – Amenity Cost Charges Bylaw No. 8540, 2025

Attachment 3 – Draft Interim DCC and ACC Project List

APPROVALS

This report was prepared by:
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This report was approved by:
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