

Development Charges Updates

March 4, 2026

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Purpose of Today's Update

- Administrative DC by-law update
 - Recent legislative changes
 - Financial and operational implications
 - Future work ahead

- Environmental scan
 - Update on other municipalities' DC incentives

Administrative DC By-law Update

Recent Legislative Changes

- Bill 185 – Royal Assent on June 6, 2024
- Bill 17 – Royal Assent on June 5, 2025
 - Order in Council on Oct 23, 2025
- Bill 60 – Royal Assent on Nov 27, 2025

Administrative DC By-law Update

Key Changes

- Bill 185
 - Rate freeze provision adjusted from 24 months to 18 months
- Bill 17
 - Payments of residential DC's now at occupancy
 - Interest no longer collected on deferred payments
- Minor technical/housekeeping updates

Financial Impact – Payment at Occupancy (Bill 17)

Months from Permit Issuance to Occupancy	
Development Type	Average
High Density	14
Medium Density	17
Low Density	9



Year	Residential DC Collections ¹	Revised DC Collections	Variance
2026	15,254,896	680,987	(14,573,909)
2027	23,210,956	13,024,650	(10,186,307)
2028 ²	47,814,570	27,820,306	(19,994,264)

¹ Per the 2026 Budget and Forecast

²Not adjusted previously for lower than expected collections

Next Steps: Staff to monitor through 2026 reporting and recommend capital deferrals through 2027 budget confirmation

Bill 60 DC Changes

Effective Immediately

- Reporting and oversight changes

Future Work

- Local Service Policy (LSP)
- Separate land acquisition class

Next Steps

- Recommendation to direct staff to update the City's LSP by May 27, 2027.

Environmental Scan: Update on Other Municipalities' DC Incentives

Examples of Recent Municipal DC Incentives

City of Burlington

- Exploring time-limited, broad-based exemption options

Peel Region/City of Mississauga

- Broad residential grant-in-lieu
- Targeted rental housing focused grant-in-lieu

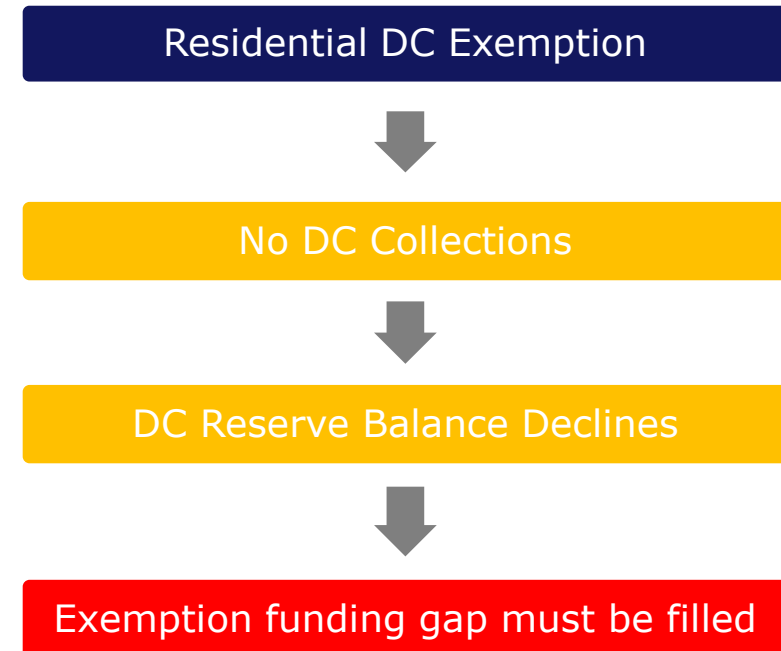
City of London

- Temporary Community Improvement Plan (CIP) for first time home buyers

Approaches vary in scope, duration, and fiscal exposure.

Municipal DC Incentive Discussions

- Financial risk
 - Reserve sustainability
 - DC supported debt payments
 - Tax levy / rate payer exposure
- Who should pay for growth?
- Significant statutory exemptions already required
- Goalposts keep moving

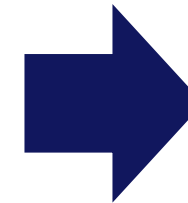


Case Study: Burlington and Guelph DC Comparison

Service/Class of Service	Guelph	Burlington	Halton (Built Boundary)
Growth Studies	Yes	Yes	Yes
Fire	Yes	Yes	
Library	Yes	Yes	
Transit	Yes	Yes	
Services related to a highway	Yes	Yes	Yes
Stormwater	Yes	Yes	
Parks and Rec	Yes	Yes	Yes
Public Works	Yes		
Facilities*			Yes
Police	Yes		Yes
Long-term Care	Yes		
Public Health	Yes		
Ambulance/Paramedics	Yes		Yes
Social Services**			Yes
Waste Diversion	Yes		Yes
Wastewater	Yes		Yes
Water services	Yes		Yes
Total	\$69,164.00	\$21,672.00	\$62,243.90

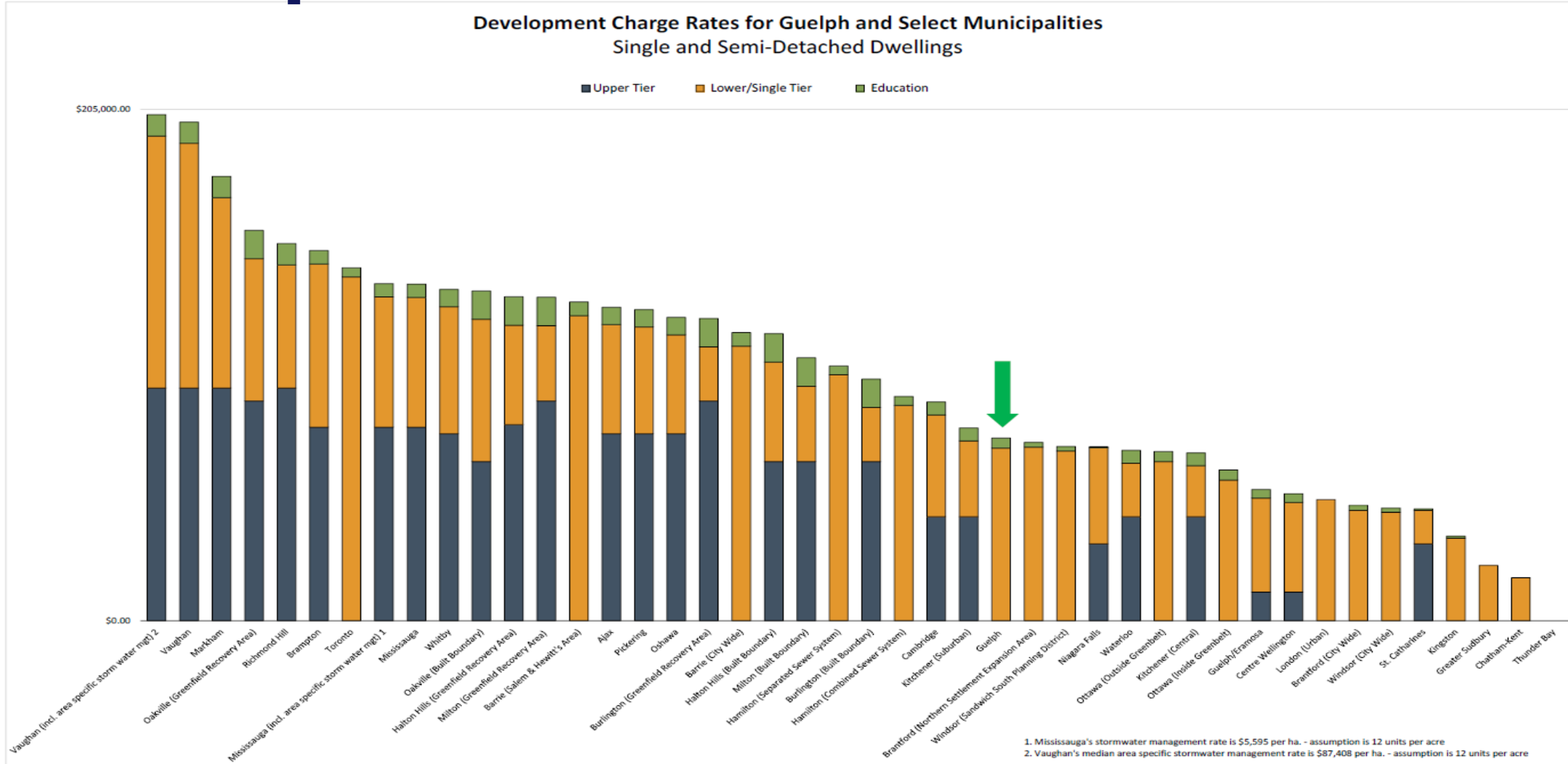
*Supports paramedics and social services

**Has a reserve fund, but no rate



Total DC Comparison	
Before	
Guelph	\$ 69,164.00
Burlington	\$ 83,915.90
Difference	\$ (14,751.90)
After	
Guelph	\$ 69,164.00
Burlington	\$ 62,243.90
Difference	\$ 6,920.10

DC Rates for Guelph and Select Municipalities



Growth Funding: Alternatives and Solutions

Municipal Reality

If not DC's, options are...

- Defer growth infrastructure (constrain growth)
- Deliver only core infrastructure (impact community service levels later)
- Shift costs to tax/rate base

What is needed:

- New stable, predictable funding for growth infrastructure from upper levels of government, up front
- Legislative stability

Municipal tools are limited. Solutions require partnerships from upper levels of government.

Questions?