

**DEVELOPMENT CHARGES – SEMI-ANNUAL ADJUSTMENT**

**Recommendation**

The Director of Reserves & Investments in consultation with the Commissioner of Finance & Corporate Services recommends:

- 1) That in accordance with the appropriate semi-annual adjustments sections of each respective development charge by-law, the City Wide Development Charge rates and Special Service Area Development Charge rates be increased accordingly, once the rate increase is published by Statistics Canada, effective January 1, 2006; and
- 2) That although the index was not available at the time of writing the report it will be available prior to Council approval.

**Economic Impact**

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

**Purpose**

To obtain Council approval to provide a semi-annual adjustment increase in City-Wide Development Charges and Special Service Area Development Charges.

**Background - Analysis and Options**

The Development Charges Act authorizes municipalities to pass By-laws for the recovery of 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 can 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).

In order to protect the municipality from escalating construction costs and based on a review of the Statistics Quarterly Construction Price Statistics (catalogue No. 62-007), the City Wide Development Charges and Special Service Area Development Charge Rates should be increased effective January 1, 2006.

As of the date of printing the Agenda, the required index had not been published by Statistics Canada. Finance staff will be preparing an additional information report once the index has been published for consideration at the Committee of the Whole meeting of November 21, 2005.

**Relationship to Vaughan Vision 2007**

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

**Conclusion**

Finance staff will prepare an additional information item for consideration by Committee of the Whole meeting of November 21, 2005.

**Attachments**

None

Respectfully submitted,

Ferruccio Castellarin, CGA  
Director of Reserves & Investments