



## **REPORT FIN-2024-034**

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TO: Mayor and Members of Council

PREPARED BY: Daniel Hernandez, Asset Management and Capital Co-op Student

PRESENTED BY: Mary Hasan, Director of Finance/Treasurer

MEETING DATE: December 18, 2024

SUBJECT: Annual Indexing of Development Charges  
File No. F21 DEV

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### **RECOMMENDATIONS**

**THAT Report FIN-2024-034 entitled Annual Indexing of Development Charges be received; and**

**THAT the indexed development charge rates outlined in Schedule B to Report FIN-2024-034 be approved.**

### **DISCUSSION**

#### Purpose

The purpose of this report is to provide the Development Charge (DC) rates effective January 1, 2025. The rates are determined by applying the Statistics Canada Non-residential Building Construction Price Index to the 2024 rates.

#### Background

DC's are collected for the Township under By-law No. 053-2024. Section 5 of the By-law states that the DC's imposed shall be adjusted annually, without amendment to the By-law, on January 1st of each year, in accordance with the prescribed index in the Act.

Section 7 of Ontario Regulation 82/98 of the Development Charges Act, 1997, states the following:

“The Statistics Canada Non-residential Building Construction Price Index for Ottawa-Gatineau or for Toronto, as appropriate, is prescribed for the purposes of paragraph 10 of subsection 5 (1) of the Act. O. Reg. 454/19, s. 2.”

### Analysis

The adjustments are made based on the most recent twelve-month change in the Statistics Canada Quarterly, “Building Construction Price Indexes” attached as Schedule A to this Report.

The Toronto non-residential buildings construction price index has increased by 3.3% from the third quarter of 2023 to the third quarter of 2024. Therefore, Township staff will implement an indexing factor increase of 3.3% effective January 1, 2025. The increase recommended is in line with Section 7 of Ontario Regulation 82/98 of the Development Charges Act, 1997. The 3.3% indexing factor is also in line with the County of Wellington’s indexing factor recently communicated to all lower tier municipalities in the County.

Please note, the non-residential indexing factor is used to index DC’s as the intent is to index the capital costs underlying the DC By-law (ie. facilities, bridges, roads, trails, etc.) which are encompassed by the non-residential index.

The current rates for 2024 compared to the indexed rates for 2025 are outlined in Schedule B to this Report.

Residential Development:  $\$8,239/\text{dwelling unit} * 1.033 = \$8,511/\text{dwelling unit}$

Non-Residential Development:  $\$1.62/\text{square foot} * 1.033 = \$1.67/\text{square foot}$

### **Financial Implications**

DC’s are an important way of funding facilities and services directly related to new development in the Township. The annual indexing provision in By-law No. 053-2024 helps to offset increases to initial development cost estimates identified for various growth-related capital projects.

### **Applicable Legislation and Requirements**

Section 7 of Ontario Regulation 82/98 of the Development Charges Act, 1997

### **Attachments**

Schedule A – Building Construction Price Indexes

Schedule B – Schedule of Development Charges

**Respectfully submitted:**

**Daniel Hernandez**  
**Asset Management and Capital Co-op Student**

**Reviewed by:**

**Mary Hasan**  
**Director of Finance/Treasurer**

## Building construction price indexes, percent change, quarterly 1

Frequency: Quarterly

Table: 18-10-0289-02

Release date: 2024-11-05

Geography: Province or territory, Census metropolitan area, Census metropolitan area part

Type of building Division 2 Geography 3 4	Non-residential buildings			
	Division composite			
	Q3 2023	Q2 2024	Q3 2024	Q3 2023 to Q3 2024
	Index, 2023=100			% change
Fifteen census metropolitan area composite	100.8	104.2	104.7	3.9
Newfoundland and Labrador	100.4	102.4	102.6	2.2
St. John's, Newfoundland and Labrador	100.4	102.4	102.6	2.2
Nova Scotia	100.5	102.4	102.6	2.1
Halifax, Nova Scotia	100.5	102.4	102.6	2.1
New Brunswick	101.6	105.1	105.6	3.9
Moncton, New Brunswick	101.6	105.1	105.6	3.9
Quebec	100.4	103	103.3	2.9
Quebec, Quebec	100.8	104.8	105.2	4.4
Montréal, Quebec	100.4	102.7	102.9	2.5
Ontario	101.1	104.1	104.6	3.5
Ottawa–Gatineau, Ontario part, Ontario/Quebec	101.4	103.3	103.7	2.3
<b>Toronto, Ontario</b>	101.1	104	104.4	<b>3.3</b>
London, Ontario	100.5	106.3	107.1	6.6
Manitoba	100.2	102.9	103.4	3.2
Winnipeg, Manitoba	100.2	102.9	103.4	3.2
Saskatchewan	100.9	106.2	106.8	5.8
Regina, Saskatchewan	100.8	106	106.6	5.8
Saskatoon, Saskatchewan	101	106.3	107	5.9
Alberta	100.6	104.2	105	4.4
Calgary, Alberta	100.6	104	104.8	4.2
Edmonton, Alberta	100.5	104.6	105.4	4.9
British Columbia	100.9	105.4	106.3	5.4
Vancouver, British Columbia	100.9	105.2	106.1	5.2
Victoria, British Columbia	100.9	107.5	107.7	6.7

## Footnotes:

This table replaces table 18-10-0276 which was archived with the release of second quarter 2024 data.

Cost components for twenty-three MasterFormat divisions are included in the building models. MasterForm

All geographic regions are based on the 2021 Census boundaries.

Data for Quebec City, Quebec; London, Ontario; Regina, Saskatchewan; and Victoria, British Columbia, are

How to cite: Statistics Canada. Table 18-10-0289-02 Building construction price indexes, percent change,  
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810028902>

Schedule B to Report FIN-2024-034

September 3, 2024 - December 31, 2024

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services:</b>					
Services Related to a Highway	\$2,768	\$2,178	\$1,674	\$1,223	\$0.85
Fire Protection Services	\$1,657	\$1,304	\$1,002	\$732	\$0.52
Parks and Recreation Services	\$2,961	\$2,330	\$1,792	\$1,308	\$0.09
Provincial Offences Act including By-Law Enforcement	\$6	\$5	\$4	\$3	\$0.00
Growth-Related Studies	\$847	\$667	\$512	\$374	\$0.16
<b>Total Township-Wide Services &amp; Class of Services</b>	<b>\$8,239</b>	<b>\$6,484</b>	<b>\$4,984</b>	<b>\$3,640</b>	<b>\$1.62</b>

January 1, 2025 - December 31, 2025

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services:</b>					
Services Related to a Highway	\$2,859	\$2,250	\$1,729	\$1,263	\$0.88
Fire Protection Services	\$1,712	\$1,347	\$1,035	\$756	\$0.54
Parks and Recreation Services	\$3,059	\$2,407	\$1,851	\$1,351	\$0.09
Provincial Offences Act including By-Law Enforcement	\$6	\$5	\$4	\$3	\$0.00
Growth-Related Studies	\$875	\$689	\$529	\$386	\$0.17
<b>Total Township-Wide Services &amp; Class of Services</b>	<b>\$8,511</b>	<b>\$6,698</b>	<b>\$5,148</b>	<b>\$3,760</b>	<b>\$1.67</b>