

# City of Toronto Development Charges



The following information provides an overview of the City of Toronto's Development Charge Bylaws and is intended only as a guide. Applicants should review the Bylaws and consult with Toronto Building Division to determine the charges that may apply for specific land development proposals.

## Purpose of development charges

Development charges are imposed on land development and redevelopment projects to help pay for the capital cost of infrastructure needed to service growth. The revenue from these charges is an important capital funding source used by most Ontario municipalities.

## Background

On February 25, 2009, City of Toronto Council passed Development Charge Bylaw 275-2009 in accordance with the *Development Charges Act, 1997*. This Bylaw, that came into effect on May 1, 2009, imposes a development charge on all lands within the City of Toronto. On December 4, 2009, Council passed a technical amendment to this Bylaw (Bylaw 1195-2009) in order to clarify the definition of "Ground Floor". These two Bylaws are available for review from the Office of the City Clerk during regular business hours or from the City's website at [www.toronto.ca](http://www.toronto.ca).

## What do development charges pay for?

The charges partially pay for the growth-related capital costs related to the following services:

- Child care
- Civic improvements
- Development-related studies
- Emergency medical services
- Fire
- Health
- Library
- Parks and recreation
- Pedestrian infrastructure
- Police
- Roads and related
- Sanitary sewer
- Spadina Subway extension
- Storm water management
- Subsidized housing
- Transit
- Water

## When are development charges payable?

The charges are calculated, payable and collected on the date an above grade building permit is issued.

## Is my project subject to a development charge?

You may be required to pay development charges for land development or redevelopment projects, if you are:

- Constructing a new building
- Making an addition or alteration to an existing building that increases the number of residential units or non-residential gross floor area
- Redeveloping a property or making interior alterations that results in a change of use to all or part of a building

## Exemptions

Development charges are payable on all new residential and non-residential development requiring specific development approvals unless the Bylaws or the legislation provides for an exemption. For a complete list of exemptions, please refer to the Bylaws or contact City staff. Exemptions provided in the Bylaws or the *Development Charges Act, 1997* include:

- Industrial uses (as defined in the Bylaws)
- Buildings owned by and used for a college or university under the *Education Act*

- Buildings used for public hospitals receiving aid under the *Public Hospitals Act*
- Buildings used for places of worship that are exempt from taxation under the *Assessment Act*
- Buildings used as a cemetery or burial ground
- Projects approved for a grant under the Imagination, Manufacturing, Innovation and Technology Financial Incentives Program (subject to an agreement)
- Temporary buildings or structures not exceeding eight months
- Temporary residential sales offices or pavilions
- Accessory uses not exceeding 10 square metres
- Non-profit housing (as defined in the Bylaws)
- Dwelling rooms within a rooming house
- Enlargement of an existing dwelling unit

## Schedule of Development Charges

The most up to date Schedule of Development Charges is available on the City of Toronto's website ([www.toronto.ca/finance/dev\\_charges.htm](http://www.toronto.ca/finance/dev_charges.htm)) or by contacting the Toronto Building Division.

City of Toronto Schedule of Development Charges Effective February 1, 2011 to January 31, 2012	
<b>Residential (per unit)</b>	
Single Detached and Semi-detached Dwelling	\$14,025.00
Multiple Dwelling Unit	\$11,240.00
Apartment Unit - Two Bedroom and Larger	\$9,040.00
Apartment Unit - One Bedroom and Bachelor	\$5,823.00
Dwelling Room	\$3,686.00
<b>Non-residential (per m<sup>2</sup> of gross floor area)</b>	
Industrial Uses	No charge
Other Non-residential Uses (Ground Floor only)	\$107.91
Notes:	
(1) The development charge rates are subject to change due to indexing, phase-in or amendment to the Bylaws.	
(2) Multiple Dwelling Units smaller than 55 m <sup>2</sup> are subject to the Apartment Unit rate.	
(3) The non-residential development charge applies only to the Non-residential Gross Floor Area that is located on the Ground Floor (as defined in the Bylaws).	

**Exemptions continued:**

- The creation of up to two additional dwelling units in an existing residential building, depending on type of unit, provided that the new unit(s) are smaller than any existing unit and subject to certain restrictions

In addition to the above, projects that meet the Tier 2 requirements of the Toronto Green Standard Program are potentially eligible for a 20% refund of the development charges paid. Applicants must follow the application and verification procedures set out by the City in order to qualify for a refund.

For more information, please visit the City's website ([www.toronto.ca/planning/environment/developerinfo.htm](http://www.toronto.ca/planning/environment/developerinfo.htm)) or contact the sustainable city hotline at 416-392-0191.

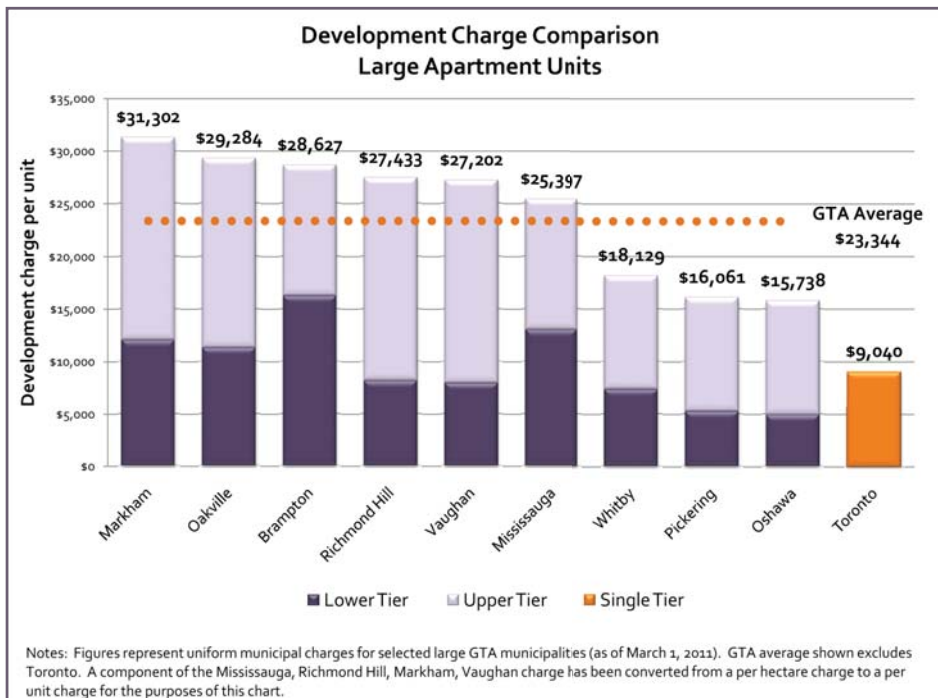
**Indexing and Phase-in**

Development charges imposed under the Bylaws are adjusted annually on February 1st using the Statistics Canada Quarterly Capital Expenditure Price Statistics, Catalogue Number 62-007-X. Except for annual indexing, the City of Toronto's development charge rates were frozen at 2009 levels until January 31, 2011.

Commencing on February 1, 2011, and annually thereafter, the approved development charge rate increase will be phased-in over four years depending on the level of residential development activity occurring in the City of Toronto. Please review the Bylaws for further details.

**GTA Development Charges Comparison**

Toronto's development charge rates are by far the lowest in the Greater Toronto Area.



**Statement of the Treasurer**

The Annual Statement of the Treasurer, identifying opening and closing balances and reserve fund transactions during the year, is available for review at the Office of the City Clerk during regular business hours.

**Education Development Charges**

The City of Toronto also collects education development charges on behalf of the Toronto Catholic District School Board. If you have any questions on education development charges, please contact Joseph Ruscitti, Toronto Catholic District School Board (416-222-8282 x2281, [joseph.ruscitti@tcdsb.org](mailto:joseph.ruscitti@tcdsb.org)) or visit the Toronto Catholic District School Board's website at [www.tcdsb.org](http://www.tcdsb.org).



**Why Build in Toronto?**

- With a population of 2.7 million, Toronto is Canada's largest city and is the heart of the fifth largest city region in North America.
- One-quarter of Canada's population is located within 160 km (100 mi.) of the City and more than 60% of the population of the United States of America is within a 90-minute flight.
- Toronto's labour force (1.5 million people) is very well-educated and multi-lingual; more than a third of residents have a university degree and over 50% have at least a community college diploma.
- Toronto is the financial and business capital of Canada.
- More large Canadian corporations are headquartered here than in any other Canadian city. Sixty percent of Canadian companies in Fortune's Global 500 are in Toronto.
- The Toronto Stock Exchange is the third largest stock exchange in North America and the eight largest in the world based on market capitalization.
- Toronto is the cultural and media capital of English Canada.
- It is the third largest English language live theatre market in the world and offers world class ballet, opera and symphony as well as six professional sports teams.
- Toronto is Canada's number one tourist destination.
- Toronto is a major global centre for research, higher education and specialized health care.
- Toronto is a safe and vibrant city. It has North America's largest public transit system after New York City and Mexico City and is served by the largest airport in Canada.

For more information about investing in Toronto, visit: [www.toronto.ca/business](http://www.toronto.ca/business).

**More Information**

For more information on your building permit application, including the calculation and payment of development charges, please contact the Toronto Building Division at:

- Etobicoke York District**  
399 The West Mall.....416-394-8002
- North York District**  
5100 Yonge Street .....416-395-7000
- Scarborough District**  
150 Borough Drive .....416-396-7526
- Toronto & East York District**  
100 Queen Street West .....416-392-7539