

Authority: City Council Item CC43.9, as adopted by City of Toronto Council on July 29 and 30, 2026
City Council voted in favour of this by-law on July 30, 2026
Written approval of this by-law was given by Mayoral Decision 13-2026 dated July 30, 2026

CITY OF TORONTO

BY-LAW 1261-2026

To amend City of Toronto Municipal Code Chapter 415, Development of Land, Section 415-7 by adding subsection A.1 and by adding Schedule D to Article I.

Whereas Council is amending the Development Charge By-law 1137-2022, as amended, pursuant to section 2 and subsection 19(1.1) of the Development Charges Act, 1997; and

Whereas Council has determined it is appropriate to amend Municipal Code Chapter 415, Development of Land by adding a new subsection 415-7 A.1 and a new Schedule D to Article I both for the purpose of decreasing the amount of the development charge for residential uses in specified circumstances; and

Whereas Council has determined it is appropriate to amend Section 415-11 to remove rate indexing in 2027, 2028 and 2029;

The Council of the City of Toronto enacts:

1. Section 415-7 of Municipal Code Chapter 415, Development of Land, is amended by adding subsection 415-7 – A.1 after subsection 415-7 - A:

§ 415-7 A.1 Time Limited Decreases:

Notwithstanding A.(1), where the circumstances set out in Schedule D are satisfied, Development Charges on Residential Uses of land, building or structures shall be decreased in accordance with Schedule D.

2. Article I of Municipal Code Chapter 415, Development of Land, is amended by adding a new Schedule D, attached hereto as Schedule 1.

3. Section 415-11 of Municipal Code Chapter 415, Development of Land, is amended so that it reads:

"§ 415-11. Indexing.

- A. The development charges set out in Schedules A-1 to A-3, inclusive, and Schedules B-1, B-2 and C at the end of this chapter shall be adjusted by the City without amendment to this article, in accordance with the most recent annual change in the Statistics Canada Quarterly Construction Price Statistics, on the following dates:

May 1, 2023;
May 1, 2024;
May 1, 2030, and annually thereafter on May 1 of each subsequent year; and

- B. For greater certainty, the Non-Residential Building Construction Price Index (Toronto) shall be used."

4. This By-law shall come into effect on the date it is enacted and passed.

Enacted and passed on July 30, 2026.

Frances Nunziata,
Speaker

John D. Elvidge,
City Clerk

(Seal of the City)

Schedule 1

Schedule D to Article I – TIME LIMITED DECREASES

For the purpose of this Schedule D, and notwithstanding any definitions to the contrary in 415-1, the following terms shall have the meanings indicated as follows:

- a) **"Above-Grade Building Permit"** means the first Building Permit to be issued that will permit above-grade construction of all, or any part of, a building within the Development, but excluding a temporary sales/rental office or building;
 - b) **"Building Permit"** means any permit to construct a building or structure pursuant to section 8 of the Building Code Act, 1992 and includes a conditional permit but does not include any permit for site servicing, demolition, drain, plumbing, heating ventilation and air-conditioning, or a permit for a temporary sales/rental office or building;
 - c) **"Decreased Amounts"** means the development charge amounts as set out in Appendix D.1 (Non-rental) and Appendix D.2 (Rental);
 - d) **"Development"** means the development for which Development Charges are payable. If a Building Permit application contemplates multiple phases as that term is used in subsection 26(1.2) of the Development Charges Act, each phase shall be treated as a separate Development; and
 - e) **"Transfer Payment Agreement"** means an agreement between the Government of Canada and/or the Province of Ontario and the City of Toronto whereby funding will be transferred to the City as part of the Development Charges Reduction Program containing terms consistent with the terms of this by-law.
1. The Decreased Amounts set out below will be payable for Residential Uses only in the following circumstances:
- a. For a building constructed on an individual foundation or the first building on a shared foundation:
 - i. The Transfer Payment Agreement has been fully executed;
 - ii. No Building Permit was issued in respect of the Development prior to March 30, 2026 or, if Building Permits were issued in respect of the Development prior to March 30, 2026, those Building Permits were all revoked prior to March 30, 2026;
 - iii. The first Building Permit in respect of the Development is issued between March 30, 2026 and the date that is three years following the effective date of the Transfer Payment Agreement, inclusive;

- iv. An Above-Grade Building Permit in respect of the Development is issued by the later of:
 - i. The date that is three years following the effective date of the Transfer Payment Agreement; and
 - ii. The date that is 24 months following the issuance of the first Building Permit; and
 - v. The Above-Grade Building Permit referred to in iv. is not revoked at any point prior to occupancy, even if development charges have been paid early.
 - b. For the second or subsequent buildings being constructed on a shared foundation for which a Building Permit was issued prior to March 30, 2026:
 - i. The Transfer Payment Agreement has been fully executed;
 - ii. An Above-Grade Building Permit in respect of the Development is issued no later than the date that is three years following the effective date of the Transfer Payment Agreement; and
 - iii. The Above-Grade Building Permit referred to in ii. is not revoked at any point prior to occupancy, even if development charges have been paid early.
2. The Development Charge rates set out Schedules A-1 to A-3, inclusive, and Schedules B-1, B-2 and C continue to apply, including for the purpose of determining the amount of the development charge pursuant to section 26.2 of the Development Charges Act.
3. The Decreased Amounts will only apply where the above circumstances have been achieved as confirmed at occupancy of the Development. Where any early payment has been made pursuant to section 26.1(12) of the Development Charges Act and in the event the above circumstances have not been achieved as determined at occupancy of the Development, the difference between the early payment amount and the development charges due shall be paid at occupancy.

**Appendix D.1 - Development Charge Reduction Program
Time Limited Decreased Amounts – Non-Rental**

Service	Non-Rental Residential Charge By Unit Type						Percent of Charge
	Singles and Semis	Multi 2+ Bed	Multi. 1 Bed and Bachelor	Apart. 2+ Bed	Apart. 1 Bed and Bachelor	Dwelling Room	
Spadina Subway extension	\$2,839	\$2,347	\$1,540	\$1,662	\$1,420	\$769	4.9
Transit (balance)	\$15,955	\$13,187	\$11,025	\$9,339	\$10,161	\$4,323	29.9
Parks and Recreation	\$13,116	\$10,840	\$7,118	\$7,677	\$6,560	\$3,555	22.9
Library	\$1,803	\$1,491	\$978	\$1,056	\$902	\$489	3.1
Housing Services - Shelter	\$-	\$-	\$-	\$-	\$-	\$-	0.0
Housing Services - Affordable Housing	\$-	\$-	\$-	\$-	\$-	\$-	0.0
Police	\$500	\$413	\$271	\$293	\$250	\$135	0.9
Fire	\$187	\$155	\$102	\$109	\$94	\$51	0.3
Ambulance Services	\$687	\$568	\$373	\$402	\$344	\$187	1.2
Development-related studies	\$134	\$111	\$73	\$78	\$67	\$36	0.2
Long Term Care	\$1,554	\$1,284	\$843	\$909	\$777	\$421	2.7
Child Care	\$777	\$642	\$421	\$455	\$388	\$210	1.4
Waste Diversion	\$625	\$517	\$339	\$366	\$313	\$169	1.1
Subtotal General Services	\$38,177	\$31,555	\$23,083	\$22,346	\$21,276	\$10,345	68.6
Roads and Related	\$8,783	\$7,260	\$6,070	\$5,142	\$5,594	\$2,380	16.5
Water	\$1,365	\$1,128	\$943	\$799	\$869	\$370	2.6
Sanitary Sewer	\$3,358	\$2,776	\$2,321	\$1,966	\$2,139	\$910	6.3
Storm Water Management	\$3,455	\$2,856	\$1,875	\$2,023	\$1,728	\$937	6.0
Subtotal Engineered Services	\$16,961	\$14,020	\$11,209	\$9,930	\$10,330	\$4,597	31.4
TOTAL CHARGE PER UNIT	\$55,138	\$45,575	\$34,292	\$32,276	\$31,606	\$14,942	100

NOTE: The Decreased Amounts described above will only apply where the circumstances in section 1 above are satisfied. The Decreased Amounts will not be subject to indexing. These amounts do not apply for the purpose of 26.2(1). Refer to Schedules A-1 through A-3 for the purpose of determining amounts under section 26.2(1).

**Appendix D.2 - Development Charge Reduction Program
Time Limited Decreased Amounts – Rental**

Service	Rental Residential Charge By Unit Type							Percent of Charge
	Multi 3+ Bed	Multi 2 Bed	Multi. 1 Bed and Bachelor	Apart. 3+ Bed	Apart. 2 Bed	Apart. 1 Bed and Bachelor	Dwelling Room	
Spadina Subway extension	\$1,501	\$1,601	\$1,109	\$1,063	\$1,134	\$1,022	\$558	5.6
Transit (balance)	\$7,555	\$8,061	\$7,159	\$5,352	\$5,710	\$6,598	\$2,807	30.5
Parks and Recreation	\$6,230	\$6,645	\$4,601	\$4,411	\$4,706	\$4,240	\$2,315	23.4
Library	\$1,069	\$1,140	\$790	\$757	\$807	\$727	\$397	4.0
Housing Services - Shelter	\$-	\$-	\$-	\$-	\$-	\$-	\$-	0.0
Housing Services - Affordable Housing	\$-	\$-	\$-	\$-	\$-	\$-	\$-	0.0
Police	\$321	\$342	\$237	\$227	\$242	\$218	\$119	1.2
Fire	\$120	\$128	\$89	\$85	\$90	\$82	\$45	0.5
Ambulance Services	\$304	\$324	\$224	\$215	\$229	\$207	\$113	1.1
Development-related studies	\$86	\$91	\$63	\$61	\$65	\$58	\$32	0.3
Long Term Care	\$77	\$82	\$56	\$55	\$58	\$52	\$29	0.3
Child Care	\$449	\$479	\$332	\$318	\$339	\$306	\$167	1.7
Waste Diversion	\$30	\$32	\$22	\$21	\$23	\$20	\$11	0.1
Subtotal General Services	\$17,742	\$18,925	\$14,682	\$12,565	\$13,403	\$13,530	\$6,593	68.8
Roads and Related	\$3,529	\$3,765	\$3,345	\$2,500	\$2,666	\$3,082	\$1,312	14.3
Water	\$846	\$902	\$802	\$599	\$639	\$739	\$314	3.4
Sanitary Sewer	\$2,047	\$2,183	\$1,940	\$1,449	\$1,546	\$1,787	\$761	8.3
Storm Water Management	\$1,411	\$1,505	\$1,042	\$999	\$1,066	\$960	\$524	5.3
Subtotal Engineered Services	\$7,833	\$8,355	\$7,129	\$5,547	\$5,917	\$6,568	\$2,911	31.2
TOTAL CHARGE PER UNIT	\$25,575	\$27,280	\$21,811	\$18,112	\$19,320	\$20,098	\$9,504	100

NOTE: The Decreased Amounts described for rental housing development will only apply where the circumstances in section 1 above are satisfied. Rental rates are inclusive of the statutory discounts contained in section 26.2 (1.1) of the Development Charges Act, 1997. The Decreased Amounts will not be subject to indexing. These amounts do not apply for the purpose of 26.2(1). Refer to Schedules A-1 through A-3 for the purpose of determining amounts under section 26.2(1).