

## 2026 Budget Notes

### Development Review

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### Description

Development Review (DR) delivers an efficient, collaborative and transparent service dedicated to building a more equitable, inclusive and sustainable Toronto. Through the review of development applications, Development Review helps shape the city's growth, ensuring that new homes, services, public spaces and infrastructure support complete, livable and resilient communities across the city. Development Review's work directly contributes to economic and cultural vitality, job growth, and social cohesion. It also advances environmental sustainability and climate resilience.

### Why We Do It

We advance world-class city-building by delivering a development review service that is innovation, collaborative, customer focused, transparent, and efficient.

#### We Are Driven By These Core Values:

- Collaboration and Partnership
- Continuous Learning and Improvement
- Customer Service
- Diversity, Equity, Reconciliation and Inclusion
- Leadership, Innovation and Creativity
- Transparency and Accountability

*The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.*

For Development Review Division, please visit: <https://www.toronto.ca/city-government/accountability-operations-customer-service/city-administration/staff-directory-divisions-and-customer-service/development-review/>

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What Service We Provide

Development Review

**Who We Serve:** Residents across Toronto; Indigenous, non-profit, public and private development applicants; City divisions, agencies, boards and corporations; Elected Officials; Provincial, federal, and regional public sector partners.

What We Deliver:

- A world-class development review service that is efficient, transparent, and equitable - grounded in a people-centred approach, consistent processes, modern tools, and a culture of accountability.
- A multidisciplinary approach to development review by integrating community planning, development engineering, transportation review, business operations, process improvement and technology, strategy and client relations and change management.
- We are committed to enabling the delivery of complete communities that are inclusive, livable, and responsive to the diverse needs of all Torontonians.

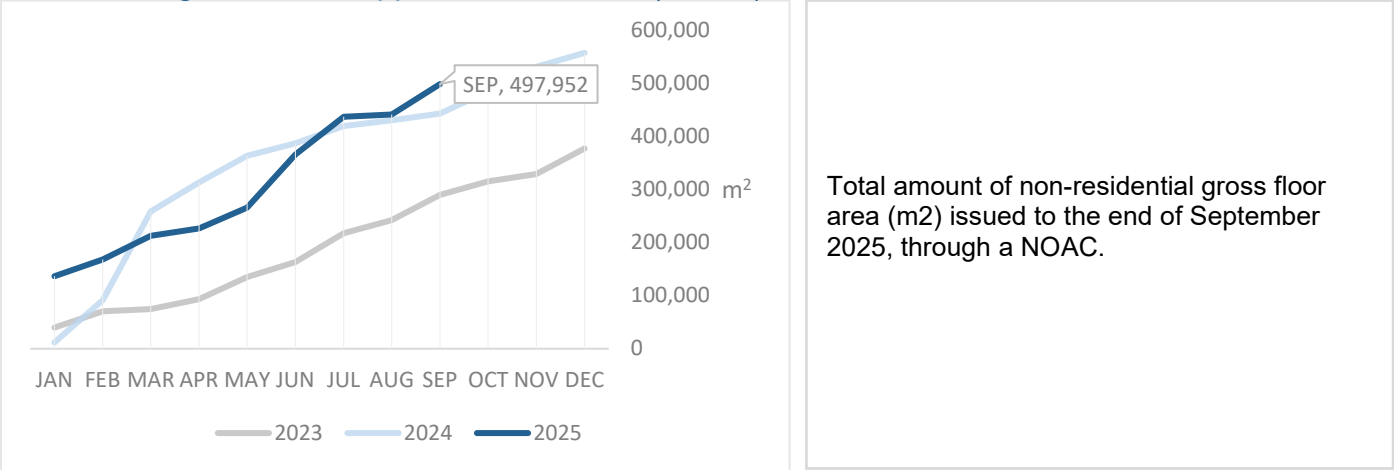
**Resources (gross 2026 operating budget):** \$58.3 million

Budget at a Glance

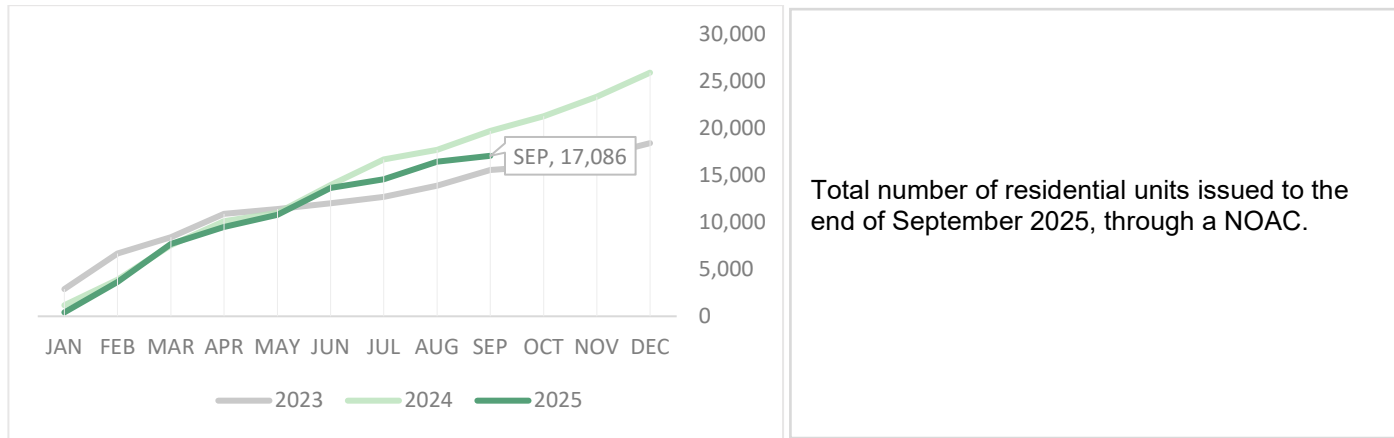
2026 OPERATING BUDGET				2026-2035 10-YEAR CAPITAL PLAN			
In \$ Millions	2026	2027	2028	In \$ Millions	2026	2027-2035	Total
Revenues	\$56.0	\$58.1	\$59.9	Development Review does not have a 10-Year Capital Budget and Plan.			
Gross Expenditures	\$58.3	\$60.4	\$62.1				
Net Expenditures	\$2.3	\$2.3	\$2.3				
Approved Positions	397.0	397.0	397.0				

How Well We Are Doing – Behind the Numbers

Non-Residential Gross Floor Area (GFA) (m<sup>2</sup>)  
Issued through Notice of Approval Conditions (NOAC)



Residential Units Issued through NOAC



The NOAC is a critical milestone as it allows applicants to apply for and obtain partial building permits to advance construction. Once the NOAC is issued, Development Review’s evaluation of the application is largely complete. While effort can be expended on implementing agreements and satisfying conditions, an applicant or landowner advancing to a NOAC is a key indicator of readiness to advance to the Building Permit stage.

## How Well We Are Doing

Service	Measure	2024 Actual	2025 Target	2025 Projection	2026 Target	2027 Target
Outcome Measures						
Priority Development Review*	# of Affordable Housing applications approved through Priority Development Review	15	15	17	15	15
	% of applications approved / refused (reviewed through the City's Priority Development Review Stream)	100%	100%	100%	100%	100%
Development Review	% of complete / incomplete notice sent within 30 days**	75%	80%	78%	80%	80%
	% of proposed residential units in Official Plan growth areas***	77%	80%	80%	80%	80%
	% of proposed non-residential Gross Floor Area (GFA) in Official Plan growth and employment areas****	84%	80%	84%	80%	80%
	Number of engineering drawings reviewed (post approval)	91	50	50	60	60

### Notes

- \*Priority Development Review is a "concierge-style" service that accelerates priority projects e.g. affordable housing projects. In 2025, the Priority Development Review Stream was expanded to accelerate projects ready to begin construction within 12 to 24 months.
- \*\*In August 2023, the City implemented two-step circulation, establishing reduced internal timelines for determination of complete application and emphasizing Notice of Complete Application as a legislated requirement.
- \*\*\*Includes Official Plan Growth Management Areas only.
- \*\*\*\*Includes Official Plan Growth Management Areas and Employment Areas.

Key Service Level Measures						
Development Review	% of Official Planning Amendment (OPA) + Zoning By-law Amendment (ZBA) decisions within 8 months (post-July 1, 2023)	100%	80%	82%	80%	80%
	% of ZBA decisions within 8mths (post-July 1, 2023*)	96%	80%	83%	80%	80%
	% of Site Plan Amendment (SPA) decisions within 8 months (post-July 1, 2023*)	92%	80%	87%	80%	80%
	Engineering drawings reviewed (post-approval)**	92%	90%	95%	90%	90%

**Notes:**

- Statutory review timelines for complex applications (including combined Official Plan Amendment and Zoning By-law Amendment, Zoning By-law Amendment and Site Plan Control) have improved by over 80% compared to the previous five-year average.
- \*Bill109 was implemented on July 1, 2023.
- \*\*Percent compliance with meeting review timelines.

**Future Service Level Measures Updates**

In 2026, the Development Review division will review and refresh its service level measures. This work is critical to reflect the mandate of the new division, current legislative and Council timelines, and the consolidation of services from various divisions each with their own service measures which should be harmonized.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Development Review released its inaugural Strategic Plan (2025-2028), setting out four strategic priorities grounded in its vision, mission and values to guide the division's work over the next three years. The plan was developed with input from 300 staff and internal and external partners.
- Development Review continues to improve its organizational structure to streamline decision-making; improve consistency, transparency and accountability; improve service delivery for applicants and City staff; and ultimately, accelerate the City's development application review process.
- Timelines for processing of development applications were reduced by 80%, on average, across all application types as compared to the previous five year average.
- A total of 303 development applications (as of September 30, 2025) were reviewed by the Division.
- A total of 157 replacement rental units, including 65 affordable replacement rental units were secured.

### Key Challenges and Risks

- Frequent provincial legislation and policy changes negatively impact progress and outcomes related to the improvements being made to the City's development review service.
- Lack of fully harmonized policies and practices will challenge the effectiveness of Community Planning.
- Market conditions and moving to more "as of right" permissions resulting in less development applications could negatively impact revenues.
- Unpredictable and unfavourable market conditions impact revenues collected from development application fees which are essential to maintain current service levels and to support continuous improvement projects.

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## Priority Actions

The following 2026 Priority Actions support implementation of the [Development Review 2025-2028 Strategic Plan](#) and are aligned with the [Corporate Strategic Plan](#):

### A well-run City

- Develop a clear and actionable implementation roadmap for the Strategic Plan that outlines specific initiatives, timelines and key performance indicators (KPIs).
- Implement standard operating procedures for each application type to support clear, consistent and effective application reviews across all districts.
- Significantly reduce the number of “legacy” applications in the development review pipeline.
- Enable economic growth by expanding the Priority Development Review Stream to expedite the review of applications that support economic growth and job creation ([2025.EX25.2](#)).
- Establish clear service levels, performance targets, and indicators that reflect city-building goals.
- Enhance public reporting by tracking and providing updates on application timelines and progress.
- Continue rollout of the File Circulation Tool technology and implement other technology tools to improve collaboration and workflow management.
- Improve application tracking and analytics as part of a commitment to quality assurance that includes monitoring application progress, proactive issues resolution and collaborative problem-solving.
- Transfer the Parks Development team from Parks and Recreation, and Committee of Adjustment section from City Planning to Development Review, along with associated budget allocations, to streamline decision-making.

### Maintain and create housing that's affordable

- Continue to enhance the Priority Development Review Stream to expedite review and approval of applications that support the delivery of affordable homes within complete, livable and resilient communities.
- Improve cross-government relationships with provincial and federal partners to continue to unlock housing supply and build complete communities.

### Invest in people and neighbourhoods

- Provide ongoing staff training, resources, and tools to ensure more consistent and timely interpretation and application of regulatory frameworks.
  - Continue implementing organizational efficiencies.
  - Create a human rights-based approach to development review, which will ensure that in addition to technical compliance, the principles of equity, reconciliation, inclusion, and non-discrimination guide development review decisions.
  - Establish a dedicated Equity and Reconciliation function within the division to advance the City's commitment to diversity, equity and reconciliation.
  - Improve the public consultation process by identifying opportunities to more effectively engage with Toronto's diverse residents and other key stakeholders.
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## CITY STAFF PREPARED BUDGET

The City Manager and Chief Financial Officer and Treasurer have prepared the following budget:

1. The 2026 Operating Budget for Development Review of \$58.317 million gross, \$56.029 million revenue and 2.288 million net for the following services:

<b>Service:</b>	<b>Gross Expenditures (\$000s)</b>	<b>Revenues (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
Development Review	58,316.5	56,028.5	2,288.0
<b>Total Program Budget</b>	<b>58,316.5</b>	<b>56,028.5</b>	<b>2,288.0</b>

- The 2026 staff complement for Development Review of 397.0 positions comprised of 4.1 capital positions and 392.9 operating positions.



**2026  
OPERATING BUDGET**

## 2026 OPERATING BUDGET OVERVIEW

Table 1: 2026 Operating Budget by Service

(In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Base Budget	2026 New/Enhanced	2026 Budget	Change vs. 2025 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Development Review	8,095.1	53,482.2	53,720.6	56,028.5		56,028.5	2,546.4	4.8%
<b>Total Revenues</b>	<b>8,095.1</b>	<b>53,482.2</b>	<b>53,720.6</b>	<b>56,028.5</b>		<b>56,028.5</b>	<b>2,546.4</b>	<b>4.8%</b>
<b>Gross Expenditures</b>								
Development Review	8,095.1	54,591.7	54,391.5	58,316.6		58,316.6	3,724.9	6.8%
<b>Total Gross Expenditures</b>	<b>8,095.1</b>	<b>54,591.7</b>	<b>54,391.5</b>	<b>58,316.6</b>		<b>58,316.6</b>	<b>3,724.9</b>	<b>6.8%</b>
<b>Net Expenditures</b>		<b>1,109.5</b>	<b>670.9</b>	<b>2,288.0</b>		<b>2,288.0</b>	<b>1,178.5</b>	<b>106.2%</b>
<b>Approved Positions**</b>	<b>51.0</b>	<b>399.0</b>	<b>N/A</b>	<b>397.0</b>		<b>397.0</b>	<b>(2.0)</b>	<b>(0.5%)</b>

\*2025 Projection based on 9-Month Variance

\*\*Year-over-year comparison based on approved positions

## KEY DRIVERS

**Total 2026 Budget** expenditures of \$58.317 million gross reflect an increase of \$3.725 million in spending above the 2025 Budget, predominantly arising from:

- Base budget changes to salary and benefits for existing positions due to inflationary increases and other wage and benefit adjustments.
- Financial impacts arising from the re-organization and consolidation of staffing resources, revenues and expenses from various divisions, including City Planning, Engineering and Construction Services, and Transportation Services into Development Review.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Development Review's 2026 Operating Budget do not have any significant equity impacts.

## 2026 OPERATING BUDGET KEY COST DRIVERS

The 2026 Net Operating Budget for Development Review of \$2.288 million is \$1.179 million, 106.2% greater than the 2025 Net Budget. Table 2 below summarizes the key cost drivers for the 2026 Budget.

**Table 2: 2026 Key Cost Drivers**

(In \$000s)	2026				2027 Annualized Impact (Net)
	Revenues	Gross Expenditures	Net Expenditures	Positions**	
<b>2025 Projection*</b>	53,720.6	54,391.5	670.9	N/A	N/A
<b>2025 Budget</b>	53,482.2	54,591.7	1,109.5	399.0	N/A
<b>Key Cost Drivers:</b>					
<b>Salaries and Benefits</b>					
Salaries and benefits changes	(41.7)	3,777.1	3,818.8	(2.0)	2,067.7
<b>Revenue Changes</b>					
User Fee inflationary changes	1,721.7		(1,721.7)		(895.3)
User Fee review impacts	5,649.4		(5,649.4)		
Capital, recoveries and other revenue changes	200.0	(52.2)	(252.2)		(261.7)
Contribution from Reserve Funds	(4,983.0)		4,983.0		(910.7)
<b>Sub-Total - Key Cost Drivers</b>	<b>2,546.4</b>	<b>3,724.9</b>	<b>1,178.5</b>	<b>(2.0)</b>	<b>0.0</b>
<b>Affordability Measures</b>					
<b>Total 2026 Base Budget</b>	<b>56,028.5</b>	<b>58,316.6</b>	<b>2,288.0</b>	<b>397.0</b>	<b>0.0</b>
<b>2026 New/Enhanced</b>					
<b>2026 Budget</b>	<b>56,028.5</b>	<b>58,316.6</b>	<b>2,288.0</b>	<b>397.0</b>	
<b>Change from 2025 Budget (\$)</b>	<b>2,546.4</b>	<b>3,724.9</b>	<b>1,178.5</b>	<b>(2.0)</b>	<b>N/A</b>
<b>Change from 2025 Budget (%)</b>	<b>4.8%</b>	<b>6.8%</b>	<b>106.2%</b>	<b>(0.5%)</b>	<b>N/A</b>

\*Based on 9-Month Variance

\*\*Year-over-year comparison based on approved positions

### Key Base Drivers:

#### Salaries and Benefits:

- Inflationary increases and adjustments to salaries and benefits for existing positions.
- Impacts of organizational realignment for staff providing development review work, with a total of 350 positions from City Planning (202), Engineering and Construction Services (85), and Transportation Services (63) which were transferred to Development Review in 2025.
- Reduction of two positions, with the end of capital funding for one temporary position working on the Ontario Place Revitalization project in the Community Planning Unit and the transfer of one permanent position from the Engineering Review Unit to the Housing Development Office.

#### Revenue Changes:

- Inflationary increases to development application review fees of 4.8%.
- Increases to user fees arising from the Development Application Fee Review ([PH21.3](#)).
- Increases to recoveries for divisional positions working on Toronto Water and Waterfront capital projects, Update Downsview, Transit Oriented Communities and other projects.

**2027 AND 2028 OUTLOOK****Table 5: 2027 and 2028 Outlook**

(In \$000s)	2026 Budget	2027 Incremental Outlook	2028 Incremental Outlook
<b>Revenues</b>			
User fee inflationary increases		895.3	913.2
Recoveries and other revenues		261.7	196.0
Contribution from Reserve		910.7	651.5
<b>Total Revenues</b>	<b>56,028.5</b>	<b>2,067.7</b>	<b>1,760.7</b>
<b>Gross Expenditures</b>			
Salaries and Benefits Changes		2,067.7	1,760.7
<b>Total Gross Expenditures</b>	<b>58,316.6</b>	<b>2,067.7</b>	<b>1,760.7</b>
<b>Net Expenditures</b>	<b>2,288.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Approved Positions</b>	<b>397.0</b>		

**Key Outlook Drivers**

The 2027 Outlook with total gross expenditures of \$60.384 million reflects an anticipated \$2.068 million or 3.5% increase in gross expenditures above the 2026 Operating Budget. The 2028 Outlook expects a further increase of \$1.760 million or 3.0% above the 2027 Outlook.

These changes arise from the following:

- **Salary and Benefits:** base budget increases for salary and benefits in 2027 and 2028 due to inflationary increases and other wage and benefit adjustments.
- **Revenue changes:** anticipated increases from user fee inflationary increases, recoveries and other revenue for staff working on projects and funding from the Development Application Review Reserve Fund.

**APPENDICES**

## Appendix 1

### 2026 Operating Budget by Category

Category (In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Budget	2026 Change from 2025 Budget	
	\$	\$	\$	\$	\$	%
Provincial Subsidies	1,026.8					N/A
User Fees and Donations	3,683.6	38,573.9	39,766.6	45,945.0	7,371.0	19.1%
Contribution From Reserves/Reserve Funds	3,652.7	13,589.0	13,040.4	8,776.8	(4,812.2)	(35.4%)
Sundry and Other Revenue	(268.0)	1,319.2	913.6	1,306.7	(12.4)	(0.9%)
<b>Total Revenues</b>	<b>8,095.1</b>	<b>53,482.2</b>	<b>53,720.6</b>	<b>56,028.5</b>	<b>2,546.4</b>	<b>4.8%</b>
Salaries and Benefits	7,037.2	52,433.6	52,686.0	56,158.5	3,724.9	7.1%
Materials and Supplies	0.3	36.2	32.0	36.2		0.0%
Equipment	530.7	942.9	688.4	942.9		0.0%
Service And Rent	455.7	1,165.5	971.9	1,165.5		0.0%
Other Expenditures		13.5	13.2	13.5		0.0%
Inter-Divisional Charges	71.1					N/A
<b>Total Gross Expenditures</b>	<b>8,095.1</b>	<b>54,591.7</b>	<b>54,391.5</b>	<b>58,316.6</b>	<b>3,724.9</b>	<b>6.8%</b>
<b>Net Expenditures</b>		<b>1,109.5</b>	<b>670.9</b>	<b>2,288.0</b>	<b>1,178.5</b>	<b>106.2%</b>

\*2025 Projection based on 9-Month Variance

## **Appendix 2**

### **Summary of 2026 Service Changes**

**N/A**

## **Appendix 3**

### **Summary of 2026 New/Enhanced Requests Included in Budget**

**N/A**

## **Appendix 4a**

### **Operating Program Provincial/Federal Funding Streams by Program**

**N/A**

## **Appendix 4b**

### **Capital Program Provincial/Federal Funding Streams by Project**

**N/A**

## **Appendix 5**

### **2026 Capital Budget; 2027-2035 Capital Plan Including Carry Forward**

**N/A**

## **Appendix 5a**

### **2026 Cash Flow and Future Year Commitments Including Carry Forward**

**N/A**

## **Appendix 5b**

### **2027-2035 Capital Plan Including Carry Forward**

**N/A**

## **Appendix 6**

### **Capacity to Deliver Review**

**N/A**

## **Appendix 7**

### **Summary of Capital Delivery Constraints**

**N/A**



## Appendix 8

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2026 Operating Budget

#### Program Specific Reserve/Reserve Funds

Reserve Account	Reserve/Reserve Fund Name	Inflow/Outflow/Balance	2026	2027	2028
XR1307 (\$000)	Development Application Review	<b>Opening Balance</b>	<b>26,916.5</b>	<b>13,109.1</b>	<b>2,033.5</b>
		<b>*Contributions (+)</b>			
		<b>Total Contributions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>*Withdrawals (-)</b>			
		<b>Operating Budget</b>			
		City Clerk's Office	(130.0)	(130.0)	(130.0)
		City Manager Services	(83.1)	(83.1)	(83.1)
		City Planning	(3,337.0)	0.0	0.0
		Development Review	(8,776.8)	(9,687.5)	(10,339.0)
		Legal Services	0.0	0.0	0.0
		Policy, Planning, Finance & Administration	(1,250.4)	(1,250.4)	(1,250.4)
		Toronto Cyber Security	(429.3)	0.0	0.0
		<b>Sub-Total Operating Withdrawals</b>	<b>(14,006.6)</b>	<b>(11,150.9)</b>	<b>(11,802.4)</b>
		<b>Capital Budget and Plan</b>			
		<b>Sub-Total Capital Budget and Plan Withdrawals</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
		<b>Total Withdrawals</b>	<b>(14,006.6)</b>	<b>(11,150.9)</b>	<b>(11,802.4)</b>
		Interest Income	199.1	75.3	0.0
		<b>Closing Balance</b>	<b>13,109.1</b>	<b>2,033.5</b>	<b>(9,768.9)</b>

While some years are showing a negative ending balance, it is anticipated that one time funding injection / changing priorities and revised expenditures will adjust the balance.

## Appendix 9

### Glossary

**Approved Position:** Permanent or temporary position that support the delivery of City services and service levels in annual budget.

**Actuals:** An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

**Capacity to Deliver** Ability to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

**Capital Budget and Plan:** A Capital Budget and Plan is the City's 10-year strategy to acquire/build assets or extend the useful lives of existing assets. The Capital Budget is the first year of approved cash flows and future year's commitments and the remaining nine years include project estimates.

**Capital Delivery Constraints:** The capital needs that cannot be accommodated within the capital plan that the Division or Agency has the capacity to deliver.

**Complement:** Positions that support the delivery of City services and service levels as approved by Council.

**Efficiencies:** Reductions in the cost of delivering a service without a reduction in service level.

**New/Enhanced Service Priorities:** New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

**Operating Budget:** An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provide services.

**Operating Impact of Completed Capital Projects:** The Operating Budget Impact of Capital is the change in operating expenditure and/or revenue, which is projected to occur during the implementation of a capital project and/or when a capital project is completed. These changes should be documented on a Business Case Form in the appropriate category.

**Rate-Supported Budget:** Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority.

**Salary and Benefit Adjustments:** General increases related to contractual obligations, such as cost of living, step increases, pay for performance and progression pay.

**State of Good Repair (SOGR):** The cost of maintaining assets to ensure that they can support the delivery of City services and meet service outcomes.

**Tax-Supported Budget:** Budget funded by property taxes.

**User Fees:** Includes all program-generated fees and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).