

Memo

To: Members of Council

From: Matt Day, Manager, Development Financing & Investments
Jonathan van der Heiden – Treasurer and Director of Finance

CC: Jane Clohecy, Chief Administrative Officer
Doug Carr, A/Commissioner- Corporate Services and Town Solicitor

Date: February 20, 2025

Subject: Annual Indexing of Development Charge Rates

This memo is to provide the change in the Town of Oakville's Development Charge (DC) rates that will take place, effective April 1, 2025.

The town's DC By-law 2022-068 contains a provision that DC rates be indexed annually on April 1st in accordance with the most recent twelve-month change in the Statistics Canada Quarterly, Construction Price Statistics (Non-residential Building Construction Price Index). The index for the Toronto area has increased by 4.0% from the fourth quarter of 2023 to the fourth quarter of 2024. The provision to index rates annually is intended to reflect the impact of inflation on the cost of providing growth related infrastructure.

The Region of Halton will be indexing their DC rates as well on April 1, 2025 subject to approval by regional council. The school boards do not index their DC rates in accordance with the *Education Act*.

DCs for the town and region are calculated at the rate in effect at the time of building permit issuance. For developments proceeding through a site plan or zoning amendment application, DC rates are calculated using the rates on the day of the complete application (if the building permit is issued within two years of the application approval) and are subject to interest.

A comparative schedule illustrating the impact of the rate change is provided in Table 1.

Table 1: Town of Oakville Development Charge Rates

	April 1, 2024	April 1, 2025
RESIDENTIAL		
Single and Semi-Detached Dwelling	\$ 54,807	\$ 56,999
Multiples	\$ 40,569	\$ 42,192
Apartments - 2 Bedrooms +	\$ 27,508	\$ 28,608
Apartments - Bachelor and 1 Bedroom	\$ 20,738	\$ 21,568
Special Care/Special Dwelling Units	\$ 16,365	\$ 17,020
NON-RESIDENTIAL		
(per sq.ft. of Gross Floor Area)	\$ 15.09	\$ 15.69

Note: Rates for Rental Housing developments are discounted by: 1 Bedroom (15%), 2 Bedroom (20%), 3 Bedroom (25%).