



## FINANCE DEPARTMENT MEMORANDUM

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**TO:** MAYOR A. NUTTALL, AND MEMBERS OF COUNCIL

**FROM:** M. VILLENEUVE, SUPERVISOR OF DEVELOPMENT CHARGES  
C. GILLESPIE, SENIOR MANAGER OF CORPORATE FINANCE AND INVESTMENTS  
C. SMITH, ACTING CHIEF FINANCIAL OFFICER EXT.5130

**NOTED:** M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

**RE:** DEVELOPMENT CHARGE AND CASH-IN LIEU OF PARKLAND RATES INDEXED FOR JANUARY 1, 2025

**DATE:** November 20, 2024

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The purpose of this Memorandum is to provide members of Council with an update concerning Development Charge and Cash-In Lieu of Parkland Rates Indexed for January 1, 2025.

### **Indexing of development charge rates is set in the regulations to the Development Charges Act**

Statistics Canada's Non-Residential Building Construction Price Index for Toronto is the prescribed index under the Development Charges Act to be used to index development charges.

This is referenced in Section 9 of the City of Barrie's Development Charge By-Law 2023-074, which states:

*The development charges set out in Schedules B of this By-law shall be adjusted annually without amendment to this By-law, commencing on January 1, 2024, by the percentage change during the preceding year, as recorded in the Statistics Canada's Construction Cost Index (3<sup>rd</sup> Quarter - non-residential building – table 18-10-0135-01), as may be amended or replaced from time to time.*

Section 3 of the City's Parkland By-law 2022-079 establishes that the per residential dwelling rate for Cash-In-Lieu of Parkland also be indexed annually on January 1 at the same rate as the City's Development Charges.

### **The Statistics Canada site is used by all municipalities, and shows the annual inflation to be 3.3%**

Attached in Appendix A is a copy of an excerpt from the Statistics Canada website indicating that the most recent twelve-month comparison is an increase (Toronto) of 3.3% for the non-residential building construction price index.

The non-residential index referred to in the City's by-law is the Provincially prescribed metric used by municipalities throughout Ontario to index their development charges. The annual increase has historically been around an average of 3% per year, however the increases well outside of the norm of 11.6%, 15.6% and 6.6% that were experienced in 2022, 2023 and 2024 respectively, are reflective of the macroeconomic conditions outside of the City's control and echoes the additional amount it costs the City to construct growth related capital projects.



The following is a summary of the new rates effective January 1, 2025:

**1. Former City Municipal Boundary Areas:**

Classification	Rate
Residential:	
Singles and semis	\$109,997
2-Bedroom and larger apartments	68,839
Bachelor and 1-bedroom apartments	44,746
Special Care/Special Dwelling Units	34,420
All other dwellings	82,435
Non-Residential:	
Retail	\$ 582.62/sq m
Non-Retail	339.88/sq m

**2. Salem & Hewitt’s Secondary Plan Areas:**

Classification	Rate
Residential:	
Singles and semis	\$122,262
2-Bedroom and larger apartments	76,515
Bachelor and 1-bedroom apartments	49,735
Special Care/Special Dwelling Units	38,257
All other dwellings	91,627
Non-Residential:	
Retail	\$ 699.58/sq m
Non-Retail	372.70/sq m

Please note that the By-law includes various statutory and discretionary discounts, which in some cases reduce the above-mentioned rates.

**3. Cash-In-Lieu of Parkland unit rates:**

Classification	Rate
Residential: Per Dwelling Unit	\$4,067

The updated rates will be available on the City’s website and posted in the Building Services Department and at Service Barrie.

APPENDIX "A"

NON-RESIDENTIAL BUILDING CONSTRUCTION PRICE INDEX

Building construction price indexes, by type of building and division <sup>1</sup>

Frequency: Quarterly

[Help](#)

Table: 18-10-0289-01

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Release date: 2024-11-05

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

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Showing 4 records

Filter

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Type of building	Non-residential buildings				
Division <sup>4</sup>	Division composite				
Geography <sup>2, 3</sup>	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Index, 2023=100					
Ontario ( <a href="#">map</a> )	101.1	101.7	102.7	104.1	104.6
Ottawa-Gatineau, Ontario part, Ontario/Quebec ( <a href="#">map</a> )	101.4	102.4	102.7	103.3	103.7
Toronto, Ontario ( <a href="#">map</a> )	101.1	101.6	102.6	104.0	104.4
London, Ontario ( <a href="#">map</a> )	100.5	101.6	103.2	106.3	107.1

Index Calculation

$$((104.4/101.1)-1)*100 = 3.3 \%$$

Source: Statistics Canada