



BILD applauds City of Vaughan for leadership in reducing Development Charges to enable more housing supply

Greater Toronto Area, Nov 20, 2024 – The Building Industry and Land Development Association (BILD) applauds the City of Vaughan and Mayor Steven Del Duca for adopting a new [Development Charges \(DC\) Rate Reduction and Deferral Policy](#) to support the creation of more residential development in the city.

“BILD recognizes and commends Mayor Del Duca and the City of Vaughan for taking bold action to address housing supply and the cost to build by lowering development charges,” said Dave Wilkes, President and CEO of BILD. “This will enhance the financial viability of future projects, unlocking potential investment and stimulating supply.”

All of the GTA is facing a cost to build problem, with increases in the costs of construction and government fees, taxes and charges making it challenging to deliver new housing at a rate the market can absorb. The result has been a severe downturn in sales, followed by a severe downturn in starts that threatens the future housing supply of the region.

In the GTA, fees, taxes and charges [from all levels of government account for almost 25 per cent](#) of the cost of a new home for the new homebuyer. Based on [BILD’s 2024 Municipal Benchmarking Study](#), Vaughan’s municipally added fees and development charges on new homes had been the highest in the GTA. These new DC rate reductions by the City of Vaughan, effective as of November 19, 2024, will lower the city’s DC rate to well below comparable towns and cities in the region and will help unlock stalled new housing and much needed supply.

These adjustments apply to various types of residential developments, including high rise, low-rise and mixed-use buildings. According to the City of Vaughan, the reductions, which range from 88% to 92%, translate into substantial cost savings: \$44,273 for single-detached and semi-detached homes, \$36,318 for multiples, and \$28,092 and \$20,243 for large and small apartment units, respectively. The policy also suspends development charge interest on residential developments. This announcement from Vaughan is one of the most comprehensive and leading measures taken to address the cost to build and development charges.

BILD also acknowledges actions taken on this by other municipalities in the GTA. Earlier in 2024, Burlington significantly lowered its proposed development charge increase and discussions are underway in other municipalities. Earlier this month, the City of Toronto, also recognized that costs associated with development charges were a significant impediment to building and addressed this by eliminating DCs on select projects. Although a laudable step, this was also a missed opportunity to provide a more comprehensive solution to addressing stalled construction, opting instead for a narrow approach that will only support a limited number of projects already receiving financial assistance from the city or other levels of government.

“The solution is clear: to fix the Greater Toronto Area’s housing crisis, we must first fix the cost to build in order to jump-start stalled construction and get housing starts back on the right trajectory,” said Wilkes. “It is time for other municipalities to follow the bold leadership shown by Mayor Del Duca and the City of Vaughan and take action to reduce the barriers to building the housing supply the region desperately needs. The economic viability and social fabric of all communities across the GTA are at stake.”

With 1,200 member companies, BILD is the voice of the home building, residential and non-residential land development and professional renovation industries in the Greater Toronto Area. The building and renovation industry provides 256,000 jobs in the region and \$39.3 billion in investment value. BILD is affiliated with the Ontario and Canadian Home Builders’ Associations.

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