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Town of Aurora
Committee of the Whole Report
No. FIN25-057

Subject: York Region Development Incentives Collaboration & Other
Development Charge Policies

Prepared by: Jason Gaertner, Manager, Financial Management

Department: Finance

Date: November 11, 2025

Recommendation

1. That Report No. FIN25-057 be received; and
2. That the York Region Development Incentives Collaboration Policy (Attachment #1) be approved; and
3. That the Development Charges Credit & Reimbursement Policy (Attachment #2) be approved; and
4. That the Development Charges Refund Policy (Attachment #3) be approved.

Executive Summary

York Region Council has approved numerous policies in an effort to incentivize desired residential and non-residential development through-out York Region. In most instances the offered incentive involves development charges and requires the participation of the lower tier applicable municipality which has necessitated a town policy in this regard. Further, in support of the Town's continued improvement of its internal processes, it has now formally documented two of its development charge processes.

- The proposed York Region Development Incentives Collaboration Policy enables the provision of financially feasible incentives in a timely manner
- Town offered incentives must align with the applicable York Region policy objective(s) under which it is being provided

- All development charge incentives will be supported by a developer agreement and a security
- The Town has formally documented its processes for development charge credits/reimbursements and development charge refunds
- The proposed policies include a requirement to report back to Council on their usage

Background

On June 26, 2025, York Region Council approved multiple changes to existing and new policies in an effort to incentivize desired development. The majority of these policies include a local participation clause, which states that York Region will only enter into a policy's underlying incentive agreement if the local municipality has provided a similar, if not better, incentive for the proposed development; meaning the Town will be subject to pressure to match each York Region incentive offering in a timely manner.

On September 23, 2025, Aurora Council approved a recommendation requesting that staff proceed with the development of a Local Participation in York Region Development Incentives Policy for its future review. It also requested that this policy include:

- Securities for all DC deferrals to ensure collection; and
- Affordability mandates for developers accessing deferral

Analysis

The proposed York Region Development Incentives Collaboration Policy enables the provision of financially feasible incentives in a timely manner

Through the empowerment of staff this policy enables the Town to provide financially feasible incentives in alignment with each applicable York Region policy in a timely manner, minimizing delays to targeted development.

Financial feasibility will be assessed based upon many factors such as municipal reserve impact, cost-benefit analysis of the induced development, alignment with long-term capital plans, and the potential additional revenues derived from the increased assessment base.

Town offered incentives must align with the applicable York Region policy objective under which it is being provided

Each York Region development incentive policy specifies the desired objectives that it is attempting to achieve through its offered incentives. Each policy requires the participating local municipality's incentive to align with these objectives. Certainly, staff will strive to achieve the Town's own development objectives within the allowed parameters of each York Region policy.

Should a Town objective be unachievable under a York Region policy, it will need to develop its own separate policy(ies) to address these goals. For example, the Town may be unable to achieve its desired affordability mandate within York Region's development incentive policies parameters. In this instance, the Town would need to develop a separate development incentive policy with this mandate in mind.

All development charge incentives will be supported by a developer agreement and a security

Every Town development incentive offer will require the applicant to enter into a formal agreement with the Town and provide a form of security acceptable to the Town. The York Region Incentive Collaboration policy defines a standard set of terms that each agreement must include. These standard terms address the agreement's duration, applicable development charge rates and payable, applicable interest, consequences of non-payment, and security requirements.

The Town has formally documented its processes for development charge credits/reimbursements and development charge refunds

The Town's processes for its agreement upon and issuance of development charge credits / reimbursements as well as development charge refunds have not been documented until now. These processes have now been documented in the form of two policies being the (i) Development Charge Credit & Reimbursement Policy and (ii) Development Charge Refund Policy which are presented in this report for Council's review and approval.

A development charge credit/reimbursement may be approved by the Town in return for work performed by a developer that relates to a service for which a credit / reimbursement is provided within the Development Charges Bylaw. Common examples of these services include the construction of public works which the Town is responsible for providing in support of the development, by developers on its behalf.

Examples of these public works may include playgrounds, trails, or water / wastewater / storm or sidewalk connections that are external to the development.

A development charge refund is the Town's repayment of previously collected development charges under Sections 18 and 20 of the Development Charges Act. Refunds of this nature may relate to an error in the Town's calculation of a development charge payable; or, as a result of an Ontario Land Tribunal decision which impacts the original development charge payable amount. The Town may also offer a refund in instances when a building permit is issued, but the underlying development does not take place resulting in the expiry of the permit.

Both of these policies are closely aligned with other Ontario municipalities.

The proposed policies include a requirement to report back to Council on their usage

To ensure Council is kept fully informed, each policy includes a requirement for staff to report back to Council regularly on their usage, financial impacts and effectiveness.

Advisory Committee Review

Not Applicable.

Legal Considerations

The proposed policies have all been reviewed by key staff, the Corporate Management Team and the Executive Leadership Team in accordance with the Town's policy program.

Financial Implications

There are no direct financial implications as a result of this report.

Communications Considerations

The Town will inform the public about the information contained in this report by posting it to the Town's website.

Climate Change Considerations

There are no direct climate change implications as a result of this report.

Link to Strategic Plan

Development Charges are the primary funding source through which Ontario municipalities can finance their cost of expanding infrastructure and service amenities to accommodate growth demands in their communities. The establishment of clear policy direction in the management of these revenues demonstrates the Strategic Plan principles of Leadership in Corporate Management.

Alternative(s) to the Recommendation

1. Council may propose policy amendments, or an alternative policy(ies)

Conclusions

In response to York Region Council's recent approval of a series of development incentive policies which require local municipality participation, the Town has developed its York Region Development Incentives Collaboration policy which will enable its timely and effective participation.

Also, two development charge process formalizing policies are proposed for Council's review and approval.

Attachments

Attachment 1 – York Region Development Incentives Collaboration Policy

Attachment 2 – Development Charge Credit and Reimbursement Policy

Attachment 3 – Development Charge Refund Policy

Previous Reports

[FIN25-045 – Bill 17 and Other Proposed Residential Development Incentives Update](#)

Pre-submission Review

Agenda Management Team review on October 23, 2025

Approvals

Approved by Rachel Wainwright-van Kessel, CPA, CMA, Director, Finance

Approved by Doug Nadorozny, Chief Administrative Officer