

June 10, 2025

The Honourable Rob Flack
Ministry of Municipal Affairs and Housing
17th Floor
777 Bay St.
Toronto, ON M7A 2J3

Submission from the Toronto Regional Real Estate Board (TRREB) on Changes to the *Development Charges Act, 1997* to Simplify and Standardize the Development Charge (DC) Framework as part of Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*

Ontario Regulatory Registry Proposal Number 25-MMAH003

Delivered via email: MFPB@ontario.ca

Dear Minister,

On behalf of the Toronto Regional Real Estate Board (TRREB), thank you for the opportunity to provide feedback on the Government of Ontario's proposed amendments to the *Development Charges Act, 1997*, under Bill 17. TRREB commends your government's ongoing efforts to improve housing affordability and accelerate the delivery of new homes.

TRREB serves 70,000 registered real estate Brokers and Salespersons across the Greater Toronto Area (GTA) and surrounding regions, representing both residential and commercial markets. Our Members serve one of North America's most complex and diverse real estate markets. Each year, TRREB members facilitate billions of dollars in real estate transactions, which is critical to the health of the provincial economy and the financial well-being of millions of Ontarians.

We strongly support the proposed deferral of development charge (DC) payments for non-rental residential developments until occupancy. This change aligns with how DCs are already treated for purpose-built rental projects and will significantly improve project feasibility, reduce financial risk, and remove a key barrier to getting shovels in the ground faster. By shifting payment obligations to later in the development process, builders can redirect capital to construction, helping to deliver much-needed housing more quickly and potentially at lower costs to consumers.

TRREB also supports the proposal to allow municipalities to reduce DCs or remove indexing without requiring a new DC background study or public meeting. This streamlining measure will enable municipalities to respond swiftly to market conditions and economic pressures, providing cost relief for new developments without being hindered by procedural delays. Flexibility in adjusting DCs, particularly during a downturn in new housing starts, is a welcome and pragmatic step toward affordability.

However, while these reforms are essential, they are not a substitute for more ambitious action to meaningfully reduce the overall burden that DCs place on new homes. In the Greater Toronto Area, development charges have increased by more than 600 per cent over the past decade, according to Altus Group data. As of May 2025, the DC for a two-bedroom ownership condominium unit in Toronto is \$83,946, representing a significant increase from previous years. These costs are passed on to homebuyers.

In its recent Speech from the Throne, the federal government has confirmed its intention to restore housing affordability by cutting development charges in half for all multi-unit housing for five years to increase supply

and lower costs by helping municipalities make up the cost of that lost revenue. In Toronto, this proposal would reduce the price of a two-bedroom apartment by \$40,000.

We urge the provincial government to go beyond the proposed amendments to development charges in Bill 17 and adopt an approach similar to that of the federal government. Alignment of policies across all levels of government is essential to meaningfully improve housing affordability for all Ontarians. A continued and comprehensive review of the development charges system is necessary to ensure that infrastructure funding is fair, sustainable, and does not disproportionately burden new homebuyers. Addressing the housing crisis requires coordinated efforts to reduce the fees, taxes, and regulatory barriers that are significantly driving up housing costs.

TRREB is committed to working in partnership with the provincial government to advance solutions that make housing more accessible and attainable for all Ontarians.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elechia Barry-Sproule', with a stylized, cursive script.

Elechia Barry-Sproule
President