



Report to: General Committee

Meeting Date: June 11th, 2024

SUBJECT: Development Charges and Community Benefits Charge December 31, 2023 Reserve Balances and Annual Activity of the Accounts
PREPARED BY: Shannon Neville, Senior Financial Analyst, ext. 2659
Kevin Ross, Manager, Development Finance & Payroll, ext. 2126

RECOMMENDATION:

- 1) That the report titled “Development Charge and Community Benefits Charge December 31, 2023 Reserve Balances and Annual Activity of the Accounts” be received by Council as required under Section 43(1) of the *Development Charges Act, 1997, as amended*, and Section 37(48) of the *Planning Act*; and further,
- 2) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

Section 43(1) of the *Development Charges Act, 1997, as amended*, requires the Treasurer to submit annually to Council a financial statement relating to Development Charges by-laws and reserve funds established under Section 33 of the *Development Charges Act, 1997*. This report includes the financial statement required under the Act, as well as information regarding the semi-annual indexing that occurred during 2023.

Additionally, Section 37(48) of the *Planning Act* requires that a report shall be provided to the public that provides the financial statements and activity of the Community Benefits Charge transactions in the preceding year. This report includes the necessary information required to satisfy the conditions under the *Planning Act*.

BACKGROUND:

As part of the *Development Charges Act, 1997, as amended (DCA)*, the Treasurer is to report annually on the funds received and dispersed as shown in the attached schedules.

In accordance with the *Planning Act*, the municipality is required to report on the Community Benefits Charge transactions for the year.

Enclosed are the statistics for the twelve (12) months ended December 31, 2023.

FINANCIAL CONSIDERATIONS**DEVELOPMENT CHARGE - SUMMARY OF ACTIVITY**

The December 31, 2023 closing balance of the development charges (DC) reserve accounts, before accounting for approved capital commitments, was \$118,872,408 (Schedule A). This balance represents the cash, letters of credit and receivable balances in the reserves, but does not take into account commitments for approved capital projects.

Approved capital commitments against the reserves as at December 31, 2023 totaled \$111,488,722 resulting in an adjusted (committed) reserve balance of \$7,383,686 (\$118,872,408 less \$111,488,722).

As depicted in Schedule B, the net increase in the reserve fund before capital commitments from January 1, 2023 to December 31, 2023 was \$5,899,531 (\$118,872,408 less \$112,972,877). Schedule B also outlines the net amount of \$35,279,934 transferred to capital projects in 2023, which is broken down into two components: transfer to capital projects, and transfer from capital projects. These two components of the transfer include \$54,761,461 of growth-related projects funded from development charges (Schedule C), as well as transfers to DC reserve accounts of \$19,481,527 resulting mainly from the closure of capital projects.

In addition to the net \$35,279,934 of growth-related capital projects funded from development charges in 2023, there are other associated sources of project funding including CBCs, which are identified in Schedule C.

A summary of the development charge activity for the year is as follows:

January 1, 2023 opening balance	\$112,972,877
Development Charges received	\$47,206,064
Interest	\$5,247,749
Developer Credits / Reimbursements Issued	(\$11,274,348)
Net amount transferred to capital projects	(\$35,279,934)
Balance as at December 31, 2023	<u>\$118,872,408</u>

The balance of the Development Charge Reserve Fund is comprised of the following major categories:

City-Wide Soft	(\$2,177,576)
City-Wide Hard	\$116,988,357
Area-Specific	\$4,061,627
Total	<u>\$118,872,408</u>

INTEREST

During 2023, there were no long-term investments of development charge reserve funds; however, the cash on hand earned interest at a competitive rate at the bank in line with short term investment rates. The interest earned for the year amounted to \$5,247,749 (Schedule D).

DEVELOPMENT CHARGE CREDITS AND REIMBURSEMENTS

Schedule E provides information on development charge credit and reimbursement agreements that the City has entered into with developers who have constructed infrastructure on the City’s behalf. During the year, the City processed credits and reimbursements totaling \$11,274,348. The City has future obligations in the amount of \$11,907,513, which is to be offset from development charges payable when the respective developers execute their agreements.

COMPONENT CATEGORIES

Schedule F provides the year-end balance of each reserve for 2021 through 2023 along with the percentage change over the three-year period.

The chart below summarizes the year-end DC reserve balances by component category, taking into account the total approved capital commitments:

	YEAR-END BALANCES			% CHANGE 2021 - 2023
	2021	2022	2023	
CITY-WIDE SOFT SERVICES	(\$2,576,697)	(\$2,196,106)	(\$2,177,576)	15%
CTIY-WIDE HARD SERVICES	\$106,233,021	\$109,527,420	\$116,988,357	10%
AREA SPECIFIC CHARGES	\$7,721,206	\$5,641,563	\$4,061,627	-47%
TOTAL DEVELOPMENT CHARGE RESERVE	\$111,377,530	\$112,972,877	\$118,872,408	7%
CAPITAL COMMITMENTS AT YEAR-END	(\$41,068,941)	(\$48,828,229)	(\$111,488,722)	-171%
ADJUSTED DC RESERVE BALANCES	\$70,308,589	\$64,144,648	\$7,383,686	-89%

The City-Wide Soft services reserves continue to be in a negative balance, mainly due to the pre-emplacment of recreational facilities.

The increase in the City-Wide Hard reserve is primarily due to a slower pace of expenditures on engineering-related infrastructure than anticipated, to match growth patterns.

DEVELOPMENT CHARGES COMMITTED TO APPROVED PROJECTS

Growth-related capital projects approved as part of annual budgets generally denote development charges as the major funding source, but the actual cash funding for capital expenditures totaling one million dollars or greater is not transferred to the project until required. This process retains cash within the Development Charge Reserve Fund to earn as much interest as possible for the reserve. Upon the approval of the budget, the reserve balances in the Development Charge Reserve Fund are considered to be committed to projects underway, or about to start.

The reserve balance for the year ended December 31, 2023 is significantly lower when capital commitments of \$111,488,722 are taken into account, leaving an adjusted (committed) reserve balance of \$7,383,686. The total capital commitments for 2023 represent an increase of \$62,660,493 (\$111,488,722 less \$48,828,229) compared to the prior year. This increase is mainly attributed to the approximately \$96M in 2023 DC funded capital projects approved by Council as part of Budget 2023 (in April 2023), net of \$35M in capital projects funded from the DC reserves during the year. Two projects constituted the majority of the \$96M, namely - the construction of

the Highway 404 Midblock Crossing, north of 16th (\$53.5M) and the Phase 1 Construction of Victoria Square Boulevard (\$21.4M).

The capital commitments relate to City-Wide Hard and City-Wide Soft services projects which total approximately \$92M and \$19.5M respectively. The City Wide Hard includes projects with remaining funding balances, such as construction for the Highway 404 Mid-Block Crossing North of 16th (\$50M), Phase 1 Construction of Victoria Square Boulevard (\$17M) and the Miller Pond Site Preparation and Property Acquisition (\$15M). The City-Wide Soft capital commitments includes projects such as the construction of the Markham Centre-Rougeside Promenade Park (\$4M), and Phase 3 Design and Construction of Ada Mackenzie Park (\$4M). The adjusted (committed) reserve balance of \$7.4M represents a \$56.7M decrease from the prior year closing balance of \$64.1M.

The chart below summarizes the 2023 year-end reserve balances and capital commitments:

	YEAR-END RESERVE BALANCE	CAPITAL COMMITMENTS	ADJUSTED RESERVE BALANCE
CITY-WIDE SOFT SERVICES	(\$2,177,576)	(\$19,489,524)	(\$21,667,100)
CITY-WIDE HARD SERVICES	\$116,988,357	(\$91,999,198)	\$24,989,159
AREA-SPECIFIC CHARGES	\$4,061,627	\$0	\$4,061,627
TOTAL DEVELOPMENT CHARGE RESERVE	\$118,872,408	(\$111,488,722)	\$7,383,686

INDEXING

Section 15 of the City's Development Charge by-laws state that the charges referred to in each of the by-laws shall be increased, if applicable, semi-annually without an amendment to the by-laws, on the first day of January and the first day of July, of each year, in accordance with the most recent change in the Statistics Canada Quarterly, *Construction Price Statistics* (Catalogue No. 62-007). Indexing the City's development charges helps to partially mitigate the impact of inflationary increases on future growth-related costs.

As new development charge by-laws went into effect on June 17th, 2022, the development charge rates were not indexed on July 1st, 2022. Therefore, this index was included in the January 1st, 2023 rate adjustment of 15.7%, covering a 12-month period and is consistent with the historically high inflationary rates seen over the period. Semi-annual indexing continued thereafter, with an index of 4.3% on July 1st, 2023. This represents the increase in the prescribed index, the Statistics Canada Quarterly, *Construction Price Statistics* for non-residential buildings in Toronto.

COMMUNITY BENEFITS CHARGE

Through *Bill 197, COVID-19 Economic Recovery Act, 2020*, the Community Benefits Charge (CBC) replaced the Section 37 density bonusing under the *Planning Act*. In tandem with the 2022 Development Charges Background Study, Council also approved the CBC Strategy and By-law, which went into effect as at May 31st, 2022. To date, all applications processed have qualified for the previous Section 37 requirements and therefore, no CBCs have been collected. In 2023, the

City partially funded two capital projects through CBCs (see Schedule C) and, therefore, the reserve account has a negative balance at the end of the year. A summary of the annual activity of the account is shown below.

January 1, 2023 opening balance	\$0
CBCs Received	\$0
Interest	\$0
Net amount transferred to capital projects	(\$102,603)
Balance as at December 31, 2023	<u>(\$102,603)</u>

This information is provided in accordance with Section 37(48) of the *Planning Act*.

IMPACT OF THE MORE HOMES BUILT FASTER ACT, 2022 (BILL 23)

The passing of the *More Homes Built Faster Act, 2022* (Bill 23) on November 28, 2022 resulted in significant changes to the *DCA* and negatively impacted the municipality’s ability to collect development charge revenues which are used to support growth-related infrastructure. City staff had estimated the total potential impact of \$136 million per year due to revenue loss from Bill 23. Bill 23 impacts related to development charges are outlined below.

Mandatory phase-in of DC rates - For by-laws enacted from January 1st, 2022 onwards, the phase-in requires the municipality to collect 80% of its approved rates during the first year of the by-law, and this increases annually by 5% until the full rates are in effect by year 5 of the by-law. As the City enacted new by-laws on June 17, 2022, the City’s DC rates were adjusted to 80% when Bill 23 received Royal Assent (i.e., November 28, 2022), and to 85% on June 17, 2023 (i.e., year 2 of by-law enactment). Due to the mandatory rate phase-in, the City was not able to levy charges at the full 100% rate, which resulted in \$10.3M less in development charge revenues being collected as of December 31, 2023.

Non-profit, affordable/attainable, and rental housing exemptions - The non-profit residential housing exemption came into force at enactment of Bill 23, and was applied to one development application in 2023, which resulted in a \$8.3M loss in development charge revenues. As the regulations for affordable/attainable and rental housing had not been prescribed as at the end of 2023, these regulations have not yet impacted the City’s development charge revenues.

The combined reduction in development charge revenue as a result of the rate phase-in and non-profit residential housing exemption as of December 31, 2023, is \$18.6M as shown in the table below.

	City-Wide Hard	City-Wide Soft	Area Specific	Total
2022 Cash Collection Impact (i.e. Nov. 28, 2022 to Dec. 31 2022)	(\$494,027)	(\$53,920)	\$0	(\$547,947)
2023 Cash Collections Impact at 80% (Collections to June 17, 2023)	(\$3,354,874)	(\$1,026,391)	(\$567,400)	(\$4,948,666)
2023 Cash Collections Impact at 85% (Rates June 17 2023 Onward)	(\$3,340,907)	(\$931,685)	(\$485,033)	(\$4,757,624)
Total Phase-In Impact	(\$7,189,807)	(\$2,011,996)	(\$1,052,433)	(\$10,254,237)
2023 Non-Profit Residential Housing Exemption	(\$4,481,522)	(\$3,864,404)	\$0	(\$8,345,926)
Total Impact as at December 31, 2023	(\$11,671,329)	(\$5,876,400)	(\$1,052,433)	(\$18,600,163)

There is a possibility that a portion of this loss (i.e., Hard Services) could be reconciled through future DC Background Study updates; however, the outstanding DC revenue shortfall will necessitate continued prudent financial management by the City to deliver infrastructure to support anticipated growth in the upcoming years. Other funding sources, such as grants and possibly property taxes, will be required to make up this shortfall. The City may also consider reducing service levels, however this will impact how new communities in Markham are planned and would create inequities across the City.

Additional changes through Bill 23 included the potential removal of land and growth-related studies as DC-eligible capital costs. To date, no regulations have been prescribed with respect to the removal of land, and the Province has not mentioned this in subsequent updates. The removal of studies impacts by-laws passed after the enactment of Bill 23 in November 2022 and, therefore, this does not affect the City's current by-laws and there are no impacts in 2023 to report.

THE CUTTING RED TAPE TO BUILD MORE HOMES ACT, 2024 (BILL 185)

On April 10, 2024, the Provincial Government introduced the *Cutting Red Tape to Build More Homes Act, 2024 (Bill 185)*, which provided further amendments to the *DCA* and DC Background Study process. Two of the more notable amendments proposed under Bill 185 include the reversal of certain changes enacted under Bill 23, specifically: (1) the removal of the mandatory rate phase-in; and (2) the re-introduction of growth-related studies as a DC-eligible capital cost.

The removal of the rate phase-in appears to only impact applications approved after the enactment of Bill 185, therefore any applications with rates 'frozen' between June 17, 2022 and Bill 185 enactment will still receive the benefit of the discounted development charge rates. The losses attributed to the rate phase-in will continue to be tracked and reported as part of this annual reserve report.

Other items to be implemented under Bill 185 include:

- Affordable housing exemptions by June 1, 2024;
- Reduction in the timeframe for rate freeze applications from 2 years to 18 months, whereby developers who do not obtain building permits within 18 months from the date their application receives approval will no longer benefit from the DC rate freeze and will be subject to prevailing rates at permit issuance;
- Proposed administrative changes to the by-law and Background Study process including the modernization of notice requirements, and in certain instances, a more efficient by-law amendment process.

Staff will continue to monitor the status of Bill 185 and adjust its processes accordingly to mitigate as far as possible any reduction in DC revenue which could include a review of service levels and exploring other funding sources.

COMPLIANCE WITH THE *DEVELOPMENT CHARGES ACT, 1997*

For the year ended December 31, 2023, the Reserve Balance and Annual Activity Statement is in compliance with the *DCA 1997, as amended*. The City has not imposed additional levies in accordance with Subsection 59.1 (1) of the Act.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED BY:

Joseph Silva
Treasurer

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

- Schedule A – Summary Statement - Balances by Component of the Reserve Fund
- Schedule B – Continuity Statement - Funds Received and Dispersed by Category
- Schedule C – Capital Fund Transfers Addendum
- Schedule D – Summary of Investments - Reg. 74/97 Section 8 of the Municipal Act
- Schedule E – Credit Obligation Summary
- Schedule F – Statement of Change in Year-end Balances

DEVELOPMENT CHARGES RESERVE
Summary Statement Including Accounts Receivable
Balances by Category as at December 31, 2023

SCHEDULE A

	CASH	LETTERS OF CREDIT	RECEIVABLE AT PERMIT STAGE	RESERVE BALANCE	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED RESERVE BALANCE
ADMINISTRATION	\$ (17,708,814)	\$ -	\$ 887,187	\$ (16,821,627)	\$ (1,017,500)	\$ (17,839,127)
FIRE	\$ 3,664,725	\$ -	\$ 1,229,624	\$ 4,894,349	\$ (6,559,826)	\$ (1,665,477)
LIBRARY	\$ 7,658,430	\$ -	\$ 3,330,142	\$ 10,988,572		\$ 10,988,572
PARKLAND	\$ 20,193,456	\$ -	\$ 8,131,055	\$ 28,324,511	\$ (11,912,198)	\$ 16,412,313
RECREATION	\$ (38,699,000)	\$ -	\$ 12,140,369	\$ (26,558,631)		\$ (26,558,631)
PUBLIC WORKS	\$ (5,145,432)	\$ -	\$ 1,053,110	\$ (4,092,322)		\$ (4,092,322)
PARKING	\$ 115,005	\$ -	\$ 54,040	\$ 169,045		\$ 169,045
WASTE MANAGEMENT	\$ 588,038	\$ -	\$ 330,489	\$ 918,527		\$ 918,527
TOTAL CITY WIDE SOFT SERVICES	\$ (29,333,592)	\$ -	\$ 27,156,016	\$ (2,177,576)	\$ (19,489,524)	\$ (21,667,100)
CITY WIDE HARD SERVICES	\$ 107,902,531	\$ 8,472,785	\$ 613,041	\$ 116,988,357	\$ (91,999,198)	\$ 24,989,159
AREA SPECIFIC CHARGES	\$ 3,196,103	\$ 865,524	\$ -	\$ 4,061,627	\$ -	\$ 4,061,627
TOTAL DEVELOPMENT CHARGE RESERVE	\$ 81,765,042	\$ 9,338,309	\$ 27,769,057	\$ 118,872,408	\$ (111,488,722)	\$ 7,383,686

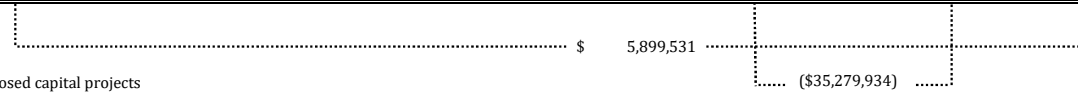
DEVELOPMENT CHARGES RESERVE
Continuity Statement Including Accounts Receivable
Balances by Category as at December 31, 2023

SCHEDULE B

	BALANCE AT JANUARY 1 2023	DEVELOPMENT CHARGES EARNED	INTEREST	DEVELOPER CREDITS / REIMBURSEMENTS IN ACCORDANCE WITH POLICY	SUB TOTAL	TRANSFER TO CAPITAL PROJECTS	TRANSFER FROM CAPITAL PROJECTS ¹	BALANCE AT DECEMBER 31 2023	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED BALANCE AT DECEMBER 31 2023
ADMINISTRATION	\$ (13,611,567)	\$ 892,040	\$ (1,207,741)		\$ (13,927,268)	\$ (3,057,447)	\$ 163,088	\$ (16,821,627)	\$ (1,017,500)	\$ (17,839,127)
FIRE	\$ 5,584,829	\$ 825,596	\$ 316,926		\$ 6,727,351	\$ (1,833,002)	\$ -	\$ 4,894,349	\$ (6,559,826)	\$ (1,665,477)
LIBRARY	\$ 9,165,028	\$ 1,380,120	\$ 443,424		\$ 10,988,572	\$ -	\$ -	\$ 10,988,572	\$ -	\$ 10,988,572
PARKLAND	\$ 34,405,792	\$ 6,128,553	\$ 1,792,113		\$ 42,326,458	\$ (14,475,193)	\$ 473,246	\$ 28,324,511	\$ (11,912,198)	\$ 16,412,313
RECREATION	\$ (35,355,614)	\$ 10,324,224	\$ (3,001,955)		\$ (28,033,345)	\$ (13,153,149)	\$ 14,627,863	\$ (26,558,631)	\$ -	\$ (26,558,631)
PUBLIC WORKS	\$ (3,352,770)	\$ 832,879	\$ (476,151)		\$ (2,996,042)	\$ (1,098,195)	\$ 1,915	\$ (4,092,322)	\$ -	\$ (4,092,322)
PARKING	\$ 162,490	\$ (351)	\$ 6,906		\$ 169,045	\$ -	\$ -	\$ 169,045	\$ -	\$ 169,045
WASTE MANAGEMENT	\$ 805,707	\$ 180,324	\$ 38,596		\$ 1,024,627	\$ (106,100)	\$ -	\$ 918,527	\$ -	\$ 918,527
TOTAL CITY WIDE SOFT SERVICES	\$ (2,196,105)	\$ 20,563,385	\$ (2,087,882)		\$ 16,279,398	\$ (33,723,086)	\$ 15,266,112	\$ (2,177,576)	\$ (19,489,524)	\$ (21,667,100)
CTIY WIDE HARD SERVICES	\$ 109,527,420	\$ 20,095,596	\$ 7,105,184	\$ (2,916,883)	\$ 133,811,317	\$ (21,038,375)	\$ 4,215,415	\$ 116,988,357	\$ (91,999,198)	\$ 24,989,159
AREA SPECIFIC CHARGES	\$ 5,641,562	\$ 6,547,083	\$ 230,447	\$ (8,357,465)	\$ 4,061,627	\$ -	\$ -	\$ 4,061,627	\$ -	\$ 4,061,627
TOTAL	\$ 112,972,877	\$ 47,206,064	\$ 5,247,749	\$ (11,274,348)	\$ 154,152,342	\$ (54,761,461)	\$ 19,481,527	\$ 118,872,408	\$ (111,488,722)	\$ 7,383,686

Note:

1) Relates mainly to funds being returned from closed capital projects



DEVELOPMENT CHARGES RESERVE
Capital Fund Transfers Addendum - Total Project Funding
Balances by Category as at December 31, 2023

SCHEDULE C

PROJECT	PROJECT DESCRIPTION	CITY WIDE SOFT DC FUNDING	NON-DC GROWTH FUNDING¹	CBC FUNDING	OTHER PROJECT FUNDING²	2023 PROJECT FUNDING
11416	Pan Am - Toronto 2015 Pan/Parapan American Games	\$ 54,895	\$ -	\$ -	\$ 40,018	\$ 94,913
13318	Pan Am - Markham Pan Am Centre - Construction (Year 1 of 2)	\$ 13,058,301	\$ 671,792	\$ -	\$ 779,130	\$ 14,509,224
13868	Pan Am - 2 Year Countdown Event	\$ 2,748	\$ -	\$ -	\$ 305	\$ 3,053
14476	Pan Am Grand Opening Expenses	\$ 37,205	\$ -	\$ -	\$ 4,134	\$ 41,339
16033	Markham Centre Rouge Valley Drive West N. P. - Design	\$ 15,730	\$ -	\$ -	\$ 1,748	\$ 17,478
19027	Cornell Park Maintenance Building - Construction	\$ 42,197	\$ -	\$ -	\$ 4,689	\$ 46,886
21021	Celebration Park - Construction	\$ 9,501,223	\$ -	\$ -	\$ 0	\$ 9,501,223
22174	New Fleet - Survey & Utility	\$ 11,168	\$ -	\$ -	\$ -	\$ 11,168
22341	MFES Auxiliary Vehicles - Drago	\$ 1,611,000	\$ -	\$ -	\$ -	\$ 1,611,000
23066	Housing Strategy - Implementation	\$ 95,670	\$ -	\$ -	\$ -	\$ 95,670
23067	Planning & Design Staff Salary Recovery	\$ 866,400	\$ -	\$ -	\$ 10,630	\$ 877,030
23069	Berczy Glen Northwest Parkette Design and Construction	\$ 208,700	\$ -	\$ -	\$ -	\$ 208,700
23070	Berczy Glen West Parkette Design and Construction	\$ 780,300	\$ -	\$ -	\$ -	\$ 780,300
23072	Frisbee Golf - Mildred Temple Park	\$ 61,100	\$ -	\$ -	\$ -	\$ 61,100
23073	Hughson Park	\$ 47,213	\$ -	\$ -	\$ -	\$ 47,213
23074	Off-Leash Dog Area Policy & Implementation Plan	\$ 118,923	\$ -	\$ -	\$ -	\$ 118,923
23075	Paddock Park/Flowervale CC	\$ 132,800	\$ -	\$ -	\$ -	\$ 132,800
23076	Park Redevelopment Strategy & Implementation Plan	\$ 161,136	\$ 43,382	\$ -	\$ 50,400	\$ 254,918
23077	Parks Salary Recovery	\$ 498,100	\$ -	\$ -	\$ -	\$ 498,100
23078	Planner Salary Recovery	\$ 118,400	\$ -	\$ -	\$ -	\$ 118,400
23083	Russell Carter Tefft Pedestrian Bridge D&C	\$ 506,545	\$ 136,377	\$ -	\$ -	\$ 642,922
23085	Urban Parks Strategy	\$ 181,400	\$ -	\$ -	\$ -	\$ 181,400
23087	Ward 2 - Off Leash Area - Design	\$ 44,700	\$ -	\$ -	\$ -	\$ 44,700
23088	Ward 3 Off-Leash Dog Area - Design and Construction	\$ 584,800	\$ -	\$ -	\$ -	\$ 584,800
23089	Ward 4 - Off Leash Area - Design	\$ 44,700	\$ -	\$ -	\$ -	\$ 44,700
23090	Ward 6 Off-Leash Dog Area - Design and Construction	\$ 584,800	\$ -	\$ -	\$ -	\$ 584,800
23091	Ward 8 - Off Leash Area - Design and Construction	\$ 584,800	\$ -	\$ -	\$ -	\$ 584,800
23112	Traffic Operational Improvements	\$ 39,177	\$ 17,823	\$ -	\$ -	\$ 57,000
23119	Burn Prop-Second Floor Configuration	\$ 63,900	\$ -	\$ -	\$ -	\$ 63,900
23122	Dudley Avenue Firefighter Equipment	\$ 158,101	\$ -	\$ -	\$ -	\$ 158,101
23133	GPS/AVL Replacement	\$ 458,700	\$ -	\$ -	\$ -	\$ 458,700
23137	Internal Project Management	\$ 987,800	\$ -	\$ -	\$ -	\$ 987,800
23211	Incremental Growth Related Winter Maintenance Vehicles	\$ 477,400	\$ -	\$ -	\$ -	\$ 477,400
23228	Corporate Fleet Growth	\$ 10,200	\$ -	\$ -	\$ -	\$ 10,200
23233	New Fleet - Community Parks	\$ 141,717	\$ -	\$ -	\$ -	\$ 141,717
23234	New Fleet - Parks	\$ 226,900	\$ -	\$ -	\$ -	\$ 226,900
23235	New Fleet - Recreation	\$ 129,411	\$ -	\$ -	\$ -	\$ 129,411
23236	New Fleet - Utility Locates (Bill 93 AMPs)	\$ 101,400	\$ -	\$ -	\$ -	\$ 101,400
23257	Incremental Growth Related Waste Management Vehicles	\$ 106,100	\$ -	\$ -	\$ -	\$ 106,100
23303	2023 Pop-up Off-Leash Dog Area Pilot Program	\$ 257,625	\$ -	\$ -	\$ -	\$ 257,625
23450	Employment and Commercial Land Study	\$ 305,300	\$ -	\$ -	\$ -	\$ 305,300
23451	Planning for Urban Boundary Expansion Lands	\$ 254,400	\$ -	\$ -	\$ -	\$ 254,400
23454	York Region Employment Survey	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
		\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDED CITY-WIDE SOFT		\$ 33,723,086	\$ 869,374	\$ -	\$ 891,054	\$ 35,483,514

Notes:

¹ Non-DC Growth Funding may not equal 10% of total funding for the year due to timing of project funding. Negative amounts reflect returns.

² Other Project Funding includes sources such as grants, life cycle, developer funding and taxes

PROJECT	PROJECT DESCRIPTION	CITY WIDE HARD DC FUNDING	NON-DC GROWTH FUNDING ¹	CBC FUNDING	OTHER PROJECT FUNDING ²	2023 PROJECT FUNDING
11416	Pan Am - Toronto 2015 Pan/Parapan American Games	\$ 36,175	\$ -	\$ -	\$ 58,738	\$ 94,913
13881	Engineering Capital Contingency	\$ 70,289	\$ -	\$ -	\$ -	\$ 70,289
19023	Secondary Plans	\$ 25,501	\$ -	\$ -	\$ 50,926	\$ 76,427
19033	Elgin Mills Road Municipal Class Environmental Assessment	\$ 28,819	\$ -	\$ -	\$ -	\$ 28,819
19036	Intersection Improvements (Construction)	\$ 53,420	\$ 99,209	\$ -	\$ -	\$ 152,629
19037	John Street Multi-Use Pathway (MUP) (Construction)	\$ 1,234,825	\$ -	\$ -	\$ 75,781	\$ 1,310,606
19048	Streetlight Program (Construction)	\$ 28,606	\$ -	\$ -	\$ -	\$ 28,606
21042	Hwy 404 Collector Road (Design)	\$ 1,558,400	\$ -	\$ -	\$ -	\$ 1,558,400
21181	Elgin Mills -Victoria Sq. Blvd to McCowan Road (Design)	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
22014	Yonge Corridor Secondary Plan Ph 2 of 2	\$ 1,261,143	\$ -	\$ -	\$ 8,136	\$ 1,269,279
22030	Hwy 404 MBC, N of 16th Avenue (Utility Relocation)	\$ 897,542	\$ -	\$ -	\$ -	\$ 897,542
22048	Traffic Assets Replacement	\$ 4,300	\$ -	\$ -	\$ 679,981	\$ 684,281
22338	Main St Unionville Reconstruction	\$ 23,790	\$ -	\$ -	\$ 421,418	\$ 445,208
22345	High Frequency Rail Project - Markham Station	\$ 10,176	\$ -	\$ -	\$ -	\$ 10,176
23093	Centurian/Frontenac Intersection and Sidewalk	\$ 607,880	\$ 305,711	\$ -	\$ -	\$ 913,591
23094	Cycling and Pedestrian Advisory Committee (CPAC)	\$ 18,200	\$ 4,900	\$ -	\$ -	\$ 23,100
23095	Downstream Improvements Program (Construction)	\$ 1,228,345	\$ -	\$ -	\$ 661,455	\$ 1,889,800
23096	Downstream Improvements Program (Design)	\$ 744,835	\$ -	\$ -	\$ 401,065	\$ 1,145,900
23097	Engineering Staff Salary Recovery	\$ 433,700	\$ -	\$ -	\$ -	\$ 433,700
23098	Establish Design Standards for Underground SWM Tanks	\$ 138,835	\$ -	\$ -	\$ -	\$ 138,835
23099	Highway 404 MBC, N of 16th Avenue (Construction)	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
23100	Indigenous Community Consultation (Capital Projects)	\$ 60,900	\$ -	\$ -	\$ -	\$ 60,900
23101	Installation of Wayfinding Signs at Rouge Valley Trail	\$ 315,576	\$ 169,925	\$ -	\$ -	\$ 485,500
23102	Markham Centre Trails Phase 3 - Construction	\$ 595,920	\$ 160,440	\$ -	\$ -	\$ 756,360
23103	Markham Cycles	\$ 9,750	\$ 2,625	\$ 2,625	\$ -	\$ 15,000
23104	Markham Cycling Day	\$ 7,280	\$ 1,960	\$ -	\$ 11,250	\$ 20,490
23105	Markham Transportation Strategic Plan (MTSP) Update	\$ 974,700	\$ -	\$ -	\$ -	\$ 974,700
23106	New Traffic Signals (Design)	\$ 121,800	\$ -	\$ -	\$ -	\$ 121,800
23107	Pedestrian Cross-Over (PXO) Design & Construction	\$ 257,400	\$ 69,300	\$ -	\$ -	\$ 326,700
23108	RVT Extension - Under Hwy 7 & Bullock (Design)	\$ 221,375	\$ 59,601	\$ -	\$ -	\$ 280,975
23109	Smart Commute Markham-Richmond Hill	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
23111	Traffic Calming of Main Street Markham & Carlton Road	\$ 118,820	\$ 31,990	\$ -	\$ -	\$ 150,810
23113	Victoria Square Boulevard - Phase 1 Construction	\$ 4,000,000	\$ -	\$ -	\$ 704,300	\$ 4,704,300
23248	Erosion Restoration Program	\$ 619,700	\$ -	\$ -	\$ 333,700	\$ 953,400
23455	ATMP - 5 Location Design and Contract Administration	\$ 371,344	\$ 99,978	\$ 99,978	\$ -	\$ 571,300
23456	Downstream Improvements - CA&SI (Rouge River-RES-45)	\$ 264,030	\$ -	\$ -	\$ 142,170	\$ 406,200
23460	Erosion Restoration at Mills Street and Other Sites	\$ 520,000	\$ -	\$ -	\$ 280,000	\$ 800,000
TOTAL FUNDED CITY-WIDE HARD		\$ 21,038,375	\$ 1,005,638	\$ 102,603	\$ 3,828,921	\$ 25,975,537

DEVELOPMENT CHARGES RESERVE

SCHEDULE D

Summary of Investments

Balances by Category as at December 31, 2023

ISSUER	YIELD	DATE BOUGHT	MATURITY DATE	COST	MATURITY VALUE	INTEREST
				Internal Borrowing Interest	\$	-
				Bank Interest/Other	\$	5,247,749
				TOTAL DCA INTEREST	\$	5,247,749

DEVELOPMENT CHARGES RESERVE
Credit Obligation Summary
Balances by Category as at December 31, 2023

SCHEDULE E

	BALANCE AT JANUARY 1 2023	ADJUSTMENTS TO CREDITS	CREDITS / REIMBURSEMENTS ISSUED	BALANCE AT DECEMBER 31 2023
AREA-SPECIFIC RESERVES				
AREA 1B - YONGE STEELES CORRIDOR 1691126 Ontario Inc. (Liberty Development)	\$ 2,518,058	\$ 5,158	\$ 2,523,216	\$ -
AREA 5 - ARMADALE Armadale Developers' Group	\$ 171,719	\$ 495,085	\$ 666,804	\$ -
AREA 7 - ARMADALE NE Armadale Developers' Group	\$ -	\$ 463,127	\$ 463,127	\$ -
AREAS 9, 42B.6, 42B.8 Markham Avenue 7 Developers Group	\$ 10,758,448		\$ 4,176,579	\$ 6,581,869
AREAS 9, 42B.6, 42B.8 North Markham Avenue 7 Developers Group	\$ 1,285,104			\$ 1,285,104
AREA 9 - PD 1-7 North Markham Avenue 7 Developers Group	\$ 131,785			\$ 131,785
AREA 23 - Mount Joy Wismer Commons Developers Group Inc.	\$ 816,354			\$ 816,354
AREA 42A-1 HELEN AVENUE Abidien Inc.	\$ 343,373	\$ (51,506)	\$ 291,867	\$ 0
AREA 42B - MARKHAM CENTRE Ruland Properties Inc.		\$ 235,872	\$ 235,872	\$ -
AREA 42B.6 - MARKHAM CENTRE S. HWY 7 1826918 Ontario Ltd.	\$ 526,893			\$ 526,893
AREA 46 - CATHEDRAL Woodbine Cachet West Inc.	\$ 109,150			\$ 109,150
CITY WIDE HARD RESERVES				
Ruland Properties Inc.		\$ 3,785,791	\$ 2,767,576	\$ 1,018,215
Angus Glen Village Limited	\$ 149,307		\$ 149,307	\$ -
Forest Bay Homes Ltd.	\$ 1,294,393			\$ 1,294,393
Forest Bay Homes Ltd.	\$ 143,750			\$ 143,750
TOTAL CREDIT OBLIGATIONS	\$ 18,248,334	\$ 4,933,527	\$ 11,274,348	\$ 11,907,513

DEVELOPMENT CHARGES RESERVE
Statement of Change in Year-End Balances
Balances by Category as at December 31, 2023

SCHEDULE F

	2021		2022		2023	% CHANGE 2021 - 2023
CITY-WIDE SOFT SERVICES						
ADMINISTRATION	\$ (12,427,819)	\$	(13,611,567)	\$	(16,821,627)	
FIRE	\$ 5,771,058	\$	5,584,829	\$	4,894,349	
LIBRARY	\$ 7,469,634	\$	9,165,028	\$	10,988,572	
PARKS DEVELOPMENT	\$ 37,010,452	\$	34,405,792	\$	28,324,511	
RECREATION	\$ (39,765,298)	\$	(35,355,614)	\$	(26,558,631)	
PUBLIC WORKS	\$ (1,705,285)	\$	(3,352,770)	\$	(4,092,322)	
PARKING	\$ 335,929	\$	162,489	\$	169,045	
WASTE MANAGEMENT	\$ 734,631	\$	805,707	\$	918,527	
CITY-WIDE SOFT SERVICES	\$ (2,576,698)	\$	(2,196,106)	\$	(2,177,576)	15%
CTIY WIDE HARD SERVICES	\$ 106,233,021	\$	109,527,420	\$	116,988,357	10%
AREA SPECIFIC CHARGES	\$ 7,721,207	\$	5,641,563	\$	4,061,627	-47%
TOTAL DEVELOPMENT CHARGE RESERVE	\$ 111,377,530	\$	112,972,877	\$	118,872,408	7%