

York Region DC deferral policies designed to help get more built

On June 26, York Region Council took steps to support housing delivery by adopting a series of Development Charge deferral policies designed to help get more homes built.

BILD thanks York Region Council and staff for their engagement and continued willingness to work collaboratively with the industry. We look forward to our continued engagement throughout the process to pass the region's 2026 Development Charges By-law.

These adopted policies and recommendations are listed below:

- Council approve details of a new Development Charges Deferral Policy for Ground-Related Residential Buildings, to defer payment of hard services development charges to first building permit issuance, with an in-effect date of April 3, 2025 ([Attachment 1](#)). **Note:** This policy was originally [approved](#) at a special meeting of council on April 3, 2025.
- Council approve revisions to the Development Charges Deferral Policy for High-Rise Residential Buildings, to extend the deferral timeframe to the earlier of 48 months after building permit issuance, or condominium registration, with the first 24 months of the deferral being interest free, and to modernize security requirements, with an in-effect date of April 3, 2025 ([Attachment 2](#)). **Note:** This policy was originally [approved](#) at a special meeting of council on April 3, 2025.
- Council approve a new Development Charges Deferral Policy for Non-Luxury Rental Buildings, until the use changes, with an in-effect date of April 3, 2025 ([Attachment 3](#)), amended to include:
 - Subject to receiving the rental discount under 26.2(1.1), which requires the building to have a minimum of four residential units
 - Available to all non-luxury rentals that achieve building permit issuance prior to, and including, December 31, 2029.
- Council approve the First-Time Homebuyers Development Charges Equivalent Rebate Policy, for all new homes across the region ([Attachment 4](#)), amended to include:
 - Providing a full development charges equivalent rebate up to and including \$1 million, before taxes, and a declining scale development charges equivalent rebate up to \$1.5 million, before taxes;
 - With an in-effect date upon receipt of new, dedicated funding from other levels of government to fully offset associated costs.
- Council approve revisions to the following development charges deferral policies:
 - Large Office Buildings — to add a special provision to defer the development charges payable on qualifying buildings until the use changes, provided terms of the policy are met, and to modernize security requirements ([Attachment 5](#)).

- Rental Buildings (not qualifying as non-luxury) — to provide a one-time deferral timeframe extension of 36 months where construction has not commenced and to modernize security requirements for rental buildings ([Attachment 6](#)).
- Office Buildings (less than 75,000 square feet) — to extend deferral timeframe to 48 months and to modernize security requirements ([Attachment 7](#)).
- Retail Buildings — to modernize security requirements ([Attachment 8](#)).
- Council approve revisions to the following policies:
 - Development Charges Credit Policy, to provide greater financial flexibility ([Attachment 9](#)).
 - Surety Bond Policy, incorporating pay-on-demand surety bonds, including for securing development charges deferral agreements and pre-paid development charges credit agreements ([Attachment 10](#)).
 - Development Charge Interest Policy — Under sections 26.2 and 26.3 of the *Development Charges Act, 1997*, to cap the development charges plus interest at the prevailing development charges rate ([Attachment 11](#)).
- Council, as part of the 2026 Development Charges By-law process, endorse:
 - Revised treatment for redevelopment credits on derelict buildings, using a three-track approach to encourage prompt demolition, and that staff take all necessary steps to give full effect to this change prior to 2026 Development Charges By-law.
 - Development charges exemption or deferral, contingent on local municipal matching, for a new residential dwelling unit for farm workers on agricultural lands, where no prior or existing dwelling units are located, and that staff take all necessary steps to give full effect to this change prior to 2026 Development Charges By-law.

The Commissioner of Finance and the Regional Solicitor and General Counsel have also been delegated authority to enter into prepayment agreements under section 27 of the *Development Charges Act, 1997*, for approved residential development.

In addition to the above policies, York Region Council also endorsed resolutions requesting increased, predictable and direct funding from the federal and provincial governments to support the region's housing challenges, initiatives and incentives, and directed staff to consider all options to mitigate development charges rate increases as part of the 2026 Development Charges By-law.