Development Charges – Treasurer's Annual Statement as of December 31, 2025

Presented To:	City Council
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Type:	Correspondence for Information Only
Prepared by:	Apryl Lukezic Financial Support & Budgeting
Recommended by:	Chief Financial Officer

Report Summary

This report provides information regarding the Treasurer's Report on Development Charges in accordance with section 43 of the Development Charges Act (DCA), which includes a financial statement for development charges collected during 2025 along with reserve fund transactions and balances.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

Financial Implications

There are no financial implications associated with this report.

Background

Section 43 of the DCA requires the treasurer report to be presented to Council by June 30th of each year and be submitted to the Ministry of Municipal Affairs and Housing (MMAH) by July 15th.

What are Development Charges
In accordance with the Development Charges Act, the City of Greater Sudbury collects a development charge (DC) at the building permit stage to recover for growth related capital needs. Development charges are charges imposed by municipalities on developers/landowners of new development, re-development and expansions for residential and non-residential buildings, to pay for increased capital costs related to growth. Development charges provide municipalities with a tool to help fund the infrastructure needed to serve new growth. They help finance the growth-related capital costs of providing important services like roads, water and wastewater services, police, fire and transit.

How Development Charges Are Recorded
Development charges collected into an obligatory reserve fund by service area as outlined in the 2024 DC background studies. At the end of each year, staff reviews the spending on growth related projects as identified in the background study and transfers the DCs collected to the respective growth related projects.

This creates a project surplus which is transferred to the respective Capital Financing Reserve Fund. These reserve funds can then be used towards future capital projects.

Currently, DCs are not shown as a funding source in the annual Capital Budget as the funding amount is unknown until collected at the building stage which is based on the development activity that varies year to year. As well, there are DC instalments where DCs will be collected over five years when certain types of buildings are first occupied, as well as exemptions from the DC Act and DC By-Law 2024-105.

Treasurer's Annual Statement
The Development Charges Act, section 43(1) states that "The treasurer of a municipality shall each year on or before June 30 of the year, give the council a financial statement relating to development charge by-laws and reserve funds established under section 33." In addition, Paragraphs 12 and 13 of Ontario Regulation 82/98 indicate the information to be included in the report.

Appendix A provides a summary of the development charges collected during 2025 including reserve fund transactions and balances. Appendix B provides a list of growth related capital projects that have received contributions from the development charges reserve funds in 2025. The City prefunds the growth related portion of capital projects until development charges are collected in future years.

A summary of the Development Charges activities and obligatory reserve funds relating to by-law 2024-105 is detailed below:

January 1, 2025 – opening balance	$ 3,137,060
Development Charges collected	4,430,401
Interest earned	188,247
Transfers to capital projects	(4,910,479)
December 31, 2025 – closing balance	$ 2,845,230

The balance in the obligatory reserve funds is made up of the following major categories:

General services	$ 2,845,230
Engineered services	0
Total Development Charge reserve funds	$ 2,845,230

Funds remaining in the Development Charges Reserve Funds are committed for projects as identified in the 2024 Development Charges Background Study. In addition, these funds have been reflected in the 2024 Development Charges Background Study under the column of "Available DC Reserves" which decreases DC eligible costs to be collected in the future as this amount has already been collected for projects not yet started (i.e. new buildings for Fire Services). The funds will be transferred to the capital projects when growth related costs are incurred.

The City is compliant with respect to the following "A municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct to service related to development, except as permitted by this Act or another Act." This statement prohibits municipalities from requesting "voluntary, but mandatory" payments for the 10% discount, ineligible services and post period shares as it relates to the calculation of the DC rates within the DC background study.

Conclusion
Pursuant to Section 43 of the Development Charges Act, the Treasurer shall furnish to Council a financial statement (Schedule A, B and C) relating to the Development Charges By-Law and reserve funds.

Appendices
Appendix A – Development Charges Obligatory Reserve Funds
Appendix B – Annual Development Charges Transfers by Project
Appendix C – Development Charges – Credits Outstanding

Appendix A
Development Charges Obligatory Reserve Funds
Annual Continuity Statement by Service Category
For the Year Ended December 31, 2025

	Balance at January 1, 2025	Development Charges Collected	Interest	Subtotal	Less: Transfers to Capital	Less: Transfers to Operating	Balance at December 31, 2025
General Services							
General Government (Note 1)	-	8,426	98	8,524	8,524	-	0
Library (Buildings)	-	90,584	1,643	92,227	92,227	-	-
Fire (Buildings and Equipment)	1,556,913	21,298	63,396	1,641,607	27,572	-	1,614,034
Police (Buildings and Equipment)	793,438	108,606	33,649	935,693	16,425	-	919,267
Public Safety	-	5,017	105	5,122	5,122	-	0
Parks and Recreation (Facilities & Parkland Development)	-	227,282	2,089	229,371	229,371	-	(0)
Cemetery (Note 1)	-	179	5	185	185	-	-
Public Works (Equipment)	-	-	-	-	-	-	-
Ambulance (Buildings)	473,819	46,056	19,841	539,717	539,717	-	(0)
Transit (Buildings)	312,890	86,897	12,141	411,928	-	100,000	311,928
Emergency Preparedness (Buildings and Equipment)	-	43,823	697	44,520	44,520	-	-
Total General Services	**3,137,060**	**638,168**	**133,665**	**3,908,893**	**963,663**	**100,000**	**2,845,230**
Engineered Services							
Roads and related	0	1,487,818	24,100	1,511,917	1,511,917		0
Water	0	686,540	8,942	695,482	695,482		0
Waste Water	0	1,466,594	19,215	1,485,808	1,485,808		0
Drains	0	151,282	2,326	153,608	153,608		0
Total Engineered Services	**0**	**3,792,233**	**54,583**	**3,846,816**	**3,846,816**	**-**	**0**
Total - January 1, 2025 to December 31, 2025	**3,137,060**	**4,430,401**	**188,247**	**7,755,709**	**4,810,479**	**100,000**	**2,845,230**
Comparative Balances - January 1, 2024 to December 31, 2024	**2,849,659**	**4,782,139**	**254,651**	**7,886,449**	**4,649,390**	**100,000**	**3,137,059**

Note 1 - DC's collected from development charges instalments.

Appendix B

Annual Development Charges Transfers by Project for Growth Related Projects Identified in 2024 Development Charges Background Study

For the Year Ended December 31, 2025

		Net Growth Related Share (Development Charges)					
Project Description	**Cost to December 31, 2025**	Amount Funded by Development Charges Collected During 2025	Amount Funded by Development Charges Collected up to December 2024	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	**Total Funding to December 31, 2025**
General Services							
General Government							
Official Plan Update	302,286		136,029	-		166,258	**302,286**
2019 Development Charges Study	93,066		83,759	0		9,306	**93,066**
2024 Development Charges Study	81,534	8,524	62,002	2,855		8,153	**81,534**
2019 Population Project Forecast	35,879		32,291	-		3,588	**35,879**
2024 Population Project Forecast	55,490		49,941	-		5,549	**55,490**
Land and Planning Software	1,637,410		18,513	13,907		1,604,989	**1,637,410**
Subtotal	2,205,665	8,524	382,535	16,762	-	1,797,843	**2,205,665**
Library (Buildings)							
South Branch Library Expansion	5,713,696	92,227	1,432,501	2,098,897	138,888	1,951,183	**5,713,696**
Circulation Materials	6,941,450			231,265		6,710,184	**6,941,450**
Electronic Materials	1,039,672			35,421		1,004,250	**1,039,672**
Subtotal	13,694,817	92,227	1,432,501	2,365,583	138,888	9,665,617	**13,694,817**
Fire (Buildings and Equipment)							
Station Redevelopment	745,194	27,572	-	-		717,621	**745,194**
Subtotal	745,194	27,572	-	-	-	717,621	**745,194**
Police (Buildings & Equipment)							
Dowling Communication Tower	443,929	16,425	-	-	-	427,503	**443,929**
Communications Infrastructure	12,582,035	5,122	671,575	428,326	304,000	11,173,012	**12,582,035**
Next Generation 911	109,026		1,199	6,364		101,462	**109,026**
Subtotal	13,134,990	21,547	672,774.45	434,690.48	304,000.00	11,701,977.57	**13,134,990**
Parks and Recreation (Facilities & Parkland Development)							
Gerry McCrory Countryside Sports Complex - 2nd Ice Pad	10,375,315	229,371	4,332,442	5,802,302	11,200	0	**10,375,315**
Subtotal	10,375,315	229,371	4,332,442	5,802,302	11,200	0	**10,375,315**
Cemetery							
Civic Cemetery - Interior Niche Expansion	45,792	185	49	1,123		44,435	**45,792**
Subtotal	45,792	185	49	1,123	-	44,435	**45,792**
Transit							
Transit Garage	18,098,787	100,000	1,741,607	2,221,810	8,648,980	5,386,390	**18,098,787**
Major Mobility Hub Detailed Design & Construction	549,150	-	-	9,325	493,285	46,540	**549,150**
Transit Technology Improvements	3,581,562	-	-	94,418	3,005,783	481,361	**3,581,562**
Subtotal	22,229,498	100,000	1,741,607	2,325,553	12,148,048	5,914,291	**22,229,498**
EMS							
Station Development	152,630			5,647		146,983	**152,630**
Vehicle Garage	978,460		33,236	945,224		-	**978,460**
Two Ambulances	558,111	539,717		18,394		-	**558,111**
Vehicle Wash System	258,459		9,443	-		249,016	**258,459**
Subtotal	1,947,660	539,717	42,679	969,265	-	395,999	**1,947,660**
Emergency Preparedness (Buildings and Equipment)							
CLELC Phase II	2,284,795	44,520	908,974	331,301	1,000,000	-	**2,284,795**
Garage for Mobile Command Unit	354,042			354,042		-	**354,042**
Subtotal	2,638,837	44,520	908,974	685,343	1,000,000	-	**2,638,837**
Total General Services	**67,017,768**	**1,063,663**	**9,513,563**	**12,600,622**	**13,602,136**	**30,237,784**	**67,017,768**

Project Description	Cost to December 31, 2025	Amount Funded by Development Charges Collected During 2025	Amount Funded by Development Charges Collected up to December 2024	Municipal Contribution to be Repaid by Development Charges Collected in the Future (Note 1)	Grants / Subsidies / Other	Municipal Contribution (Benefit to Existing / 10% Statutory Deduction)	Total Funding to December 31, 2025
Engineered Services							
Roads and related							
Lasalle Notre Dame Intersection Improvements	8,051,462	-	2,003,208	-	38,630	6,009,624	**8,051,462**
Maley Drive	89,443,159		815,547	17,006,033	53,800,000	17,821,580	**89,443,159**
Barry Downe Road from Westmount Road to Kingsway	5,204,407		191,748	-	22,020	4,990,638	**5,204,407**
MR35 from Notre Dame West to Hwy 144	30,674,709	461,858	587,720	-	2,307,746	27,317,386	**30,674,709**
Second Avenue (Sudbury) Donna Drive to Kenwood Drive	6,206,581	1,050,099	1,527,437	1,659,981	152,986	1,816,078	**6,206,581**
Kingsway Realignment	3,988,109	(39)	147,599	39		3,840,510	**3,988,109**
Silver Hills Drive	914,274		914,274	-		-	**914,274**
Montrose Avenue	1,211,553		607,339	-	301,000	303,214	**1,211,553**
Elgin Greenway from Nelson St to Cedar Street	165,520			6,124		159,396	**165,520**
Active Transportation	5,345,447			153,727	1,190,649	4,001,070	**5,345,447**
College Street Bridge	1,125,675			41,650		1,084,025	**1,125,675**
Lasalle Elisabella - Industrial Park Infrastructure	4,316,129			863,226		3,452,903	**4,316,129**
Traffic Signal Improvement System	4,185,326			583,259	3,018,807	583,259	**4,185,326**
Subtotal	160,832,350	1,511,917	6,794,872	20,314,040	60,831,839	71,379,682	**160,832,350**
Water							
New Valley Wells	7,195,923	678,892	994,422	1,924,648		3,597,962	**7,195,923**
Wanapitei Alternate Trunk - Preliminary Design Geotechnical Study	2,396,421		20,500	138,291		2,237,630	**2,396,421**
Maley Drive (Lansing to National)	2,756,785	16,590	166,079	-		2,574,115	**2,756,785**
Lorne Street	377,215			24,995		352,220	**377,215**
Garson Water Servicing	246,448			49,290		197,158	**246,448**
Kelly Lake Road	839,186		21,009	34,597		783,580	**839,186**
Vermillion System Water Treatment Upgrades	1,735,964			115,028		1,620,936	**1,735,964**
Lively Watermain Upgrades	2,610,823		99,628	73,370		2,437,825	**2,610,823**
Lasalle Elisabella - Industrial Park Infrastructure	2,479,014			1,983,211		495,803	**2,479,014**
Subtotal	20,637,779	695,482	1,301,638	4,343,430	-	14,297,228	**20,637,779**
Waste Water							
BioSolids Management Facility	70,049,434			8,202,371	11,475,646	50,371,417	**70,049,434**
Walden WWTP Expansion - Design/Admin/Construction	2,466,344	(238,544)	657,916	-	1,322,814	724,159	**2,466,344**
WWTP Upgrades for Azilda	4,721,803		68,469	375,752		4,277,583	**4,721,803**
Sudbury WWTP Phase II	16,643,201	1,724,353	2,122,352	2,068,249		10,728,248	**16,643,201**
Sudbury WWTP Phase III	7,453,369			439,811		7,013,558	**7,453,369**
Gatchell Outfall Sewer	3,622,038		147,024	38,792		3,436,223	**3,622,038**
Lively Phase 2 - Upgrade Sanitary Sewer Pipes	10,668,341			4,031,012		6,637,329	**10,668,341**
Ramsey Lift Station	132,197			49,944	32,446	49,807	**132,197**
Jacob St Sewer (Lively Phase 1)	375,113		36,967	104,581		233,565	**375,113**
Spruce Lift Station	237,442			192,351	23,884	21,207	**237,442**
Government Road Lift Station	67,060			8,127	9,311	49,622	**67,060**
Lasalle Elisabella - Industrial Park Infrastructure	1,181,109			945,780		235,329	**1,181,109**
Subtotal	117,617,452	1,485,808	3,032,727	16,456,768	12,864,101	83,778,047	**117,617,452**
Drains							
Algonquin Stormwater Conveyance Improvemen	221,883	21,997	63,503	25,441		110,941	**221,883**
Countryside Stormwater Pond and Channel	3,935,828	131,611	244,118	2,280,418	394,299	885,382	**3,935,828**
Lavalee Drain F	26,069	-	13,035	-		13,035	**26,069**
Subtotal	4,183,780	153,608	320,656	2,305,859	394,299	1,009,358	**4,183,780**
Total Engineered Services	**303,271,361**	**3,846,816**	**11,449,893**	**43,420,097**	**74,090,239**	**170,464,316**	**303,271,361**
Total	**370,289,129**	**4,910,479**	**20,963,456**	**56,020,719**	**87,692,375**	**200,702,099**	**370,289,129**

Note - The projects identified above are for projects with development charges collected and transferred during 2025 and/or earlier years.

Note 1 - The amount to be repaid by development charges collected in the future may vary based upon limitations under DC Act, actual growth forecast, exemptions, final costs, growth related portion of these projects and timelines.

Appendix C - Development Charges - Credits Outstanding
For the Year Ended December 31, 2025

The credits outstanding are in accordance with Section 38 of the Development Charges Act, 1997. The project noted below is a growth related project within the 2024 Development Charges Background Study that was constructed by the DC Credit Holder below. This growth related project is partially funded by development charges as noted on Schedule B and DC Credits (DC Credit at time of building permit issuance or cash payments based on negotiated agreement) is provided to the DC Credit Holder as form of payment for the constructed project.

DC Credit Holders	Service Area - Project	Opening Balance, January 1, 2024	Credits Granted	Credits Used / Transferred	Closing Balance, December 31, 2025
1721169 Ontario Inc.	Roads - Silver Hills Drive	772,703	-	(16,085)	756,618
		772,703	-	(16,085)	756,618