



Revised General Committee Meeting Agenda

Revised items are indicated by an asterisk ()*

Meeting No. 4 | April 21, 2026 | 9:30 AM | Live streamed

Members of the public have the option to attend either remotely via Zoom or in-person in the Council Chamber at the Civic Centre

Members of the public can participate by:

1. VIEWING THE ONLINE LIVESTREAM:

Council meetings are video and audio streamed at: <https://pub-markham.escribemeetings.com/>

2. EMAILING A WRITTEN SUBMISSION:

Members of the public may submit written deputations by email to clerkspublic@markham.ca.

Written submissions must be received by 5:00 p.m. the day prior to the meeting.

If the deadline for written submission has passed, you may:

Email your written submission directly to [Members of Council](#); or

Make a deputation at the meeting by completing and submitting an online [Request to Speak Form](#)

If the deadline for written submission has passed **and** Council has finished debate on the item at the meeting, you may email your written submission directly to [Members of Council](#).

3. REQUEST TO SPEAK / DEPUTATION:

Members of the public who wish to make a deputation, please register prior to the start of the meeting by:

Completing an online [Request to Speak Form](#), or,

E-mail clerkspublic@markham.ca providing full name, contact information and item they wish to speak on.

If you do not have access to email, contact the Clerk's office at **905-479-7760** on the day of the meeting.

*If Council or Committee has finished debate at the meeting on the item, you may email your written submission directly to [Members of Council](#).

The list of [Members of Council is available online at this link](#).

Alternate formats for this document are available upon request.

Closed captioning during the video stream may be turned on by clicking the [cc] icon located at the lower right corner of the video screen.

Note: As per Section 7.1(h) of the Council Procedural By-Law, Council will take a ten minute recess after two hours have passed since the last break.



General Committee Meeting Revised Agenda

Revised items are identified by an asterisk (*)

Meeting Number: 4
April 21, 2026, 9:30 AM - 4:30 PM
Live streamed

Please bring this General Committee Agenda to the Council meeting on April 28, 2026.

Pages

1. CALL TO ORDER

INDIGENOUS LAND ACKNOWLEDGEMENT

We begin today by acknowledging the traditional territories of Indigenous peoples and their commitment to stewardship of the land. We acknowledge the communities in circle. The North, West, South and Eastern directions, and Haudenosaunee, Huron-Wendat, Anishnabeg, Seneca, Chippewa, and the Mississaugas of the Credit peoples. We share the responsibility with the caretakers of this land to ensure the dish is never empty and to restore relationships that are based on peace, friendship, and trust. We are committed to reconciliation, partnership and enhanced understanding.

2. DISCLOSURE OF PECUNIARY INTEREST

3. APPROVAL OF PREVIOUS MINUTES

3.1 MINUTES OF THE MARCH 10, 2026 GENERAL COMMITTEE (16.0)

10

1. That the minutes of the March 10, 2026 General Committee meeting be confirmed.

4. PRESENTATIONS

4.1 2025 UNITED WAY CAMPAIGN CHEQUE PRESENTATION (12.2.6)

Note: Members of the United Way will be in attendance for the cheque presentation.

5. DEPUTATIONS

6. COMMUNICATIONS

6.1 YORK REGION COMMUNICATIONS (13.4)

Note: Questions regarding Regional correspondence should be directed to Chris Raynor, Regional Clerk.

The following York Region Communications are available on-line only.

1. That the following communications dated March 30, 2026 from York Region be received for information purposes:
 1. 2026 Property Tax Policy
 2. Administration of Water and Wastewater Billing Credits
 3. 2026 Property Tax Rates
 4. Updating Council's Vision
 5. York Region Transit Mobility On-Request Service Delivery

7. CONSENT REPORTS - FINANCE & ADMINISTRATIVE MATTERS

7.1 2026 FIRST QUARTER INVESTMENT PERFORMANCE REVIEW (7.0) 22

M. Visser, ext. 4260

1. That the report dated April 21, 2026 entitled “2026 First Quarter Investment Performance Review”, be received.

7.2 184-R-25 CONSULTING SERVICES FOR A CITY-WIDE WASTEWATER MASTERPLAN UPDATE (7.12) 43

A. Lee, ext. 2414 / M. Kalsi, ext. 3404 / T. Casale, ext. 3190

1. That the report entitled “184-R-25 Consulting Services for a Citywide Wastewater Master Plan Update” be received; and,
2. That the contract for 184-R-25 Consulting Services for a Citywide Wastewater Master Plan Update be awarded to the highest ranked / lowest priced Bidder, Arcadis Professional Services (Canada) Inc. in the amount of \$463,339.89 inclusive of HST; and,
3. That provisional allowances in the amount of \$26,350.75, inclusive of HST, be established for two presentations/Public Information Centre Meeting and one meeting with other government agencies to fulfill EA Act requirements; and,
4. That a 10% contingency in the amount of \$48,969.06 inclusive of HST, be established to cover any additional consulting requirements and that authorization to approve expenditures of the contingency amount up to the specified limit be in accordance with the Expenditure Control

Policy; and,

5. That the Engineering Department Capital Administration fee in the amount of \$48,479.37 be transferred to revenue account 640-998-8871 (Capital Administration Fee); and,
6. That the contract award in the amount of \$587,139.07 (\$463,339.89 + \$26,350.75 + \$48,969.06 + \$48,479.37) be funded from account 640-101-5699-21183 “City Wide Water and Wastewater Servicing Update” with an available budget of \$249,352.00 for the City-Wide Wastewater Servicing Update component; and,
7. That the budget shortfall of \$337,787.07 be funded from the Development Charges Reserve (City Wide Hard); and further,
8. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

7.3 047-S-24 ANIMAL SERVICES SHELTERING CONTRACT EXTENSION (2.8, 7.12)

47

C. Lehman, ext. 2131 / J. Brown, ext. 2388

1. That the report entitled “ Animal Services Sheltering Contract Extension” be received; and,
2. That the contract for Animal Services Sheltering be extended with Ontario SPCA for three additional years in the annual amount of \$263,293.00 with a two year optional renewal extension as per follows:
 - a. Year 1 (April 1, 2026 – March 2027) - \$263,293.00
 - b. Year 2 (April 1, 2027 – March 2028) - \$263,293.00*
 - c. Year 3 (April 1, 2028 – March 2029) - \$263,293.00*
 - d. Year 4 (April 1, 2029 – March 2030) - \$263,293.00*
 - e. Year 5 (April 1, 2030 – March 2031) - \$263,293.00

**Years 2 – 5 are subject to an increased based on consumer price index (CPI); and,

3. That the contract be funded from Operating account 310-320-5370 (Animal Services – Canine Control) with an annual operating budget of \$275,000.00; and,
4. That the Commissioner, Corporate Services be authorized to extend the contract for renewal Years 4 & 5 (2029 – 2031) based on the Consumer Price Index and subject to satisfactory performance; and,
5. That the tendering process be waived when in accordance with

Procurement By-Law 2017-8, Part II, Section 11. Non-Competitive Procurement, items 11.1 (b) “where there is only one source of supply for the goods to be purchased”; and further,

6. That staff be authorized and directed to do all things necessary to give effect to this resolution.

7.4 MINUTES OF THE MARCH 6, OCTOBER 17, AND NOVEMBER 21, 2024 MARKHAM VILLAGE BUSINESS IMPROVEMENT AREA BOARD MEETING (16.0) 52

1. That the minutes of the March 6, October 17 and November 21, 2024 Markham Village Business Improvement Area Committee meeting be received for information purposes.

8. CONSENT REPORTS - LAND, BUILDING & PARKS CONSTRUCTION MATTERS

8.1 MEMORANDUM, REQUEST FOR DELEGATED AUTHORITY TO ENTER INTO A CONSTRUCTION AGREEMENT FOR NORTH BOULEVARD WITH CONDOR PROPERTIES LTD. OR ITS DESIGNATE ("CONDOR") (10.19) 58

S. Ho, ext. 2372 / K. Chawla, ext. 2623 / D. Fleischer, ext. 3138 / S. Kalali, ext. 2360 / E. Chan, ext. 2408

1. That the memorandum entitled, “Request for Delegated Authority to Enter into a Construction Agreement for North Boulevard with Condor Properties Ltd. or its designate (“Condor”)”, be received; and,
2. That the Mayor and Clerk be authorized to execute a Construction Agreement between Condor and the City for the construction of North Boulevard on terms satisfactory to the Director of Engineering and the City Solicitor, or their respective delegates; and,
3. That Council waive the requirement in the Development Charge Credit and Reimbursement Policy for Council approval of development charge credits in advance of construction of North Boulevard commencing; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

9. REGULAR REPORTS - FINANCE & ADMINISTRATIVE MATTERS

9.1 BUILDING MARKHAM'S FUTURE TOGETHER (BMFT) 2020-2026 STRATEGIC PLAN UPDATE (16.23) 65

B. Frois, ext. 3792

1. That the report entitled Building Markham’s Future Together (BMFT)

2020 – 2026 Strategic Plan Update be received; and,

2. That Staff initiate preparations for the development of the next Strategic Plan 2027-2030; and further,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

9.2 CELEBRATE MARKHAM GRANT PROGRAM (10.16)

136

V. Sharda, ext. 4871

1. That the report titled, “Celebrate Markham Grant Program 2026-2027 – May 1, 2026 – March 31, 2027 – Funding Approvals” be received; and,
2. That Council approve the recommendations of the Interdepartmental Staff Review Committee in Attachment 1, which includes 95 Celebrate Markham applicants for community-led events and programs, totaling \$327,000; and,
3. That Council approve \$105,500 for City-led events and programs; and,
4. That Council approve \$30,000 for the Markham Arts Council annual programs and activities; and,
5. That the unallocated funding from Seniors Clubs, Sports Events and Major Community Festivals totaling \$36,500, be transferred to the Culture Events and Programs funding stream; and,
6. That Council authorize delegated authority for the Director of Economic Development, Culture and Entrepreneurship and President, DMC, in consultation with the City Treasurer, to reallocate the funding envelope annually to better align resources with current demand and program uptake; and,
7. That the Celebrate Markham Guidelines be updated to allow only the City of Markham Business Improvement Area (BIA) to submit multiple applications across all funding programs within the annual funding cycle, and that all other organizations be eligible for only one grant application per funding cycle; and,
8. That funding disbursed under Celebrate Markham is conditional on recipients’ adherence to all program requirements contained in the Celebrate Markham Guidelines, including financial reporting, due diligence and relevant supporting documents as required by the City; and further,
9. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

9.3 REGULATION OF SHORT-TERM RENTALS (STRS) IN THE CITY OF MARKHAM (2.0)

167

M. Francisco, ext. 2132 / K. Kitteringham, ext. 4729 / M. Pettit, ext. 8220

1. That the report entitled “Regulation of Short-Term Rentals in the City of Markham” be received; and,
2. That Development Services Commission staff be requested to prepare for consideration by the Development Services Committee, a proposed City-wide amendment to the City’s Comprehensive Zoning By-law and other applicable Zoning By-laws to permit short-term rentals; and,
3. That Council approve the establishment of a regulatory framework for short-term rentals operating in the City of Markham as outlined in this report; and,
4. That once the necessary amendment to Markham’s Comprehensive Zoning By-law has been completed, Legislative Services staff bring forward to Council a Short-Term Rental Business Licensing By-law to regulate short term rental platforms operating within the City of Markham; and further,
5. That staff be authorized and directed to do all things necessary to give effect to this resolution.

*9.4 2025 CONSOLIDATED FINANCIAL STATEMENTS (7.1)

196

K. Soneji, ext. 2681

1. That the presentation titled “2025 Consolidated Financial Statements” be received; and,
2. That the report titled “2025 Consolidated Financial Statements” be received; and,
3. That Council approve the draft Consolidated Financial Statements of The Corporation of the City of Markham (the City), including Community Boards, Business Improvement Areas (BIAs), Destination Markham Corporation and Investment in Markham Enterprises Corporation (MEC), for the fiscal year ended December 31, 2025; and,
4. That Council authorize Staff to publish the final audited Statements for the fiscal year ended December 31, 2025 upon receiving the Independent Auditor’s Report; and,
5. That the KPMG LLP Audit Findings Report for the year ended December 31, 2025 be received; and further,
6. That Staff be authorized and directed to do all things necessary to give

effect to this resolution.

***9.5 DEVELOPMENT CHARGES DEFERRAL – 8636 REESOR ROAD (7.11)**

302

K. Ross, ext. 2126

1. That the report entitled “Development Charges Deferral – 8636 Reesor Road” be received; and,
2. That Council authorize staff to extend the current Development Charge Deferral for Varlese Brothers Limited for a farmworker accommodation building located at 8636 Reesor Road for an additional two-year period under the same terms and conditions, to expire on April 22, 2028; and,
3. That Council authorize the Mayor and City Clerk to execute an amendment to the existing agreement with Varlese Brothers Limited, pursuant to Section 27 of the Development Charges Act, 1997, as amended, to authorize the extension of the current Development Charge Deferral for two years, all to the satisfaction of the Treasurer and the City Solicitor, or their delegates; and,
4. That in the event that Provincial legislation is amended in the future to exempt farmworker accommodations while this development charge deferral is in effect, such exemption will be applied retroactively to the farmworker accommodation located at 8636 Reesor Road, provided that the premises comply with all provisions of the legislative amendment; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

10. MOTIONS

11. NOTICES OF MOTION

12. NEW/OTHER BUSINESS

*As per Section 2 of the Council Procedural By-Law, "New/Other Business would generally apply to an item that is to be added to the **Agenda** due to an urgent statutory time requirement, or an emergency, or time sensitivity".*

13. ANNOUNCEMENTS

14. CONFIDENTIAL ITEMS

That, in accordance with Section 239 (2) of the Municipal Act, General Committee resolve into a confidential session to discuss the following matters:

14.1 FINANCE & ADMINISTRATIVE MATTERS

**14.1.1 GENERAL COMMITTEE CONFIDENTIAL MINUTES-
JANUARY 27, 2026 (16.0) [Municipal Act, 2001, Section 239
(2) (E)]**

**14.1.2 THE SECURITY OF THE PROPERTY OF THE CITY OF LOCAL
BOARD (WARD 1) (8.0)**

[MUNICIPAL ACT, 2001, Section 239 (2) (A)]

15. ADJOURNMENT

Information Page

General Committee Members: All Members of Council

General Committee

Chair: Councillor Keith Irish
Vice Chair: Deputy Mayor Michael Chan

Finance & Administrative Matters

Chair: Councillor Keith Irish
Vice Chair: Deputy Mayor Michael Chan

Community Services Matters

Chair: Councillor Isa Lee
Vice Chair: Councillor Nimisha Patel

Environment & Sustainability Matters

Chair: Councillor Amanda Collucci
Vice Chair: Councillor Ritch Lau

Land, Building & Parks Construction Matters

Chair: Councillor Andrew Keyes
Vice Chair: Councillor Keith Irish

General Committee meetings are audio and video streamed live at the City of Markham's website.

Alternate formats for this document are available upon request.

Consent Items: All matters listed under the consent agenda are considered to be routine and are recommended for approval by the department. They may be enacted on one motion, or any item may be discussed if a member so requests.

Please Note: The times listed on this agenda are approximate and may vary; Council may, at its discretion, alter the order of the agenda items.

**General Committee is scheduled to recess for lunch from approximately 12:00
PM to 1:00 PM**

**Note: As per the Council Procedural By-Law, Section 7.1 (h)
General Committee will take a 10-minute recess after two hours have passed
since the last break.**



General Committee Meeting Minutes

Meeting Number: 3
March 10, 2026, 9:30 AM - 4:30 PM
Live streamed

| | | |
|-----------|---|--|
| Roll Call | Deputy Mayor Michael Chan Regional Councillor Jim Jones Regional Councillor Joe Li Regional Councillor Alan Ho Councillor Keith Irish Councillor Ritch Lau | Councillor Reid McAlpine Councillor Karen Rea Councillor Andrew Keyes Councillor Amanda Collucci Councillor Nimisha Patel Councillor Isa Lee |
| Regrets | Mayor Frank Scarpitti | |
| Staff | Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner, Corporate Services Morgan Jones, Commissioner, Community Services Claudia Storto, City Solicitor and Director of Human Resources Chris Nearing, Fire Chief Bryan Frois, Senior Manager, Executive Operations & Strategic Initiatives Sumon Acharjee, Chief Information Officer Joseph Silva, Treasurer | Hristina Giantsopoulos, Election/Council & Committee Coordinator Iyana Mundo, Assistant to Council/Committee Alice Wong, Director, Operations Ned Sirry, Senior Manager, ITS Operations & Project Delivery Frank Clarizio, Director, Engineering Alex Moore, Manager of Purchasing & Accounts Payable Eddy Wu, Director, Environmental Services John Wong, Technology Support Coordinator |

1. CALL TO ORDER

INDIGENOUS LAND ACKNOWLEDGEMENT

We begin today by acknowledging the traditional territories of Indigenous peoples and their commitment to stewardship of the land. We acknowledge the communities in circle.

The North, West, South and Eastern directions, and Haudenosaunee, Huron- Wendat, Anishnabeg, Seneca, Chippewa, and the Mississaugas of the Credit peoples. We share the responsibility with the caretakers of this land to ensure the dish is never empty and to restore relationships that are based on peace, friendship, and trust. We are committed to reconciliation, partnership and enhanced understanding.

General Committee initially convened at 9:37 AM, with Councillor Keith Irish presiding as Chair. Due to a technical issue with the livestream, the meeting went into recess at 9:40 AM and reconvened at 9:53 AM once the problem was resolved.

2. DISCLOSURE OF PECUNIARY INTEREST

There were no disclosures of pecuniary interest.

3. APPROVAL OF PREVIOUS MINUTES

3.1 MINUTES OF THE FEBRUARY 3, 2026 GENERAL COMMITTEE (16.0)

Moved by Councillor Ritch Lau

Seconded by Councillor Karen Rea

1. That the minutes of the February 3, 2026 General Committee meeting be confirmed.

Carried

4. PRESENTATIONS

There were no presentations.

5. DEPUTATIONS

The Committee heard a deputation from Chun Yip (Jospeh) Liu, in relation to item 7.6.

Chun Yip Liu expressed concerns regarding the use of smart technologies and suggested that a holistic approach be taken to consider the impacts on employees, the environment, and consumers as these technologies become more widely used.

Moved by Councillor Amanda Collucci

Seconded by Councillor Andrew Keyes

That the deputation from Chun Yi (Joseph) Liu be received.

Carried

6. COMMUNICATIONS

There were no communications.

7. CONSENT REPORTS - FINANCE & ADMINISTRATIVE MATTERS

7.1 2025 SUMMARY OF REMUNERATION AND EXPENSES FOR COUNCILLORS AND APPOINTEES TO BOARDS (7.0)

Moved by Regional Councillor Jim Jones
Seconded by Deputy Mayor Michael Chan

1. That the report entitled “2025 Summary of Remuneration and Expenses for Councillors and Appointees to Boards” be received; and further,
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.2 2025 YEAR-END RESULTS OF OPERATIONS (7.0)

The Committee inquired about the reallocation of surplus funds to reserve funds, including the purpose and use of the Environmental Land Reserve Fund.

Staff provided information in response to the inquiries.

Moved by Councillor Reid McAlpine
Seconded by Councillor Karen Rea

1. That the report titled “2025 Year-End Results of Operations” be received; and,
2. That the City’s 2025 operations net favourable variance of \$7.37M be transferred to the Life Cycle Capital Replacement and Capital Reserve Fund, as per the approved Financial Planning and Budgeting Policy; and further,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.3 ONTARIO TRANSFER PAYMENT AGREEMENT FOR THE HOUSING-ENABLING WATER SYSTEMS FUND (HEWSF) AND THE CITY'S ENTERPRISE STORMWATER PUMPING STATION UPGRADE PROJECT (5.3, 7.0)

The Committee inquired about the source of the City's financial contribution toward this initiative and whether it could be funded through development charges rather than the Life Cycle Replacement and Capital Reserve funds.

Moved by Councillor Karen Rea

Seconded by Regional Councillor Alan Ho

1. That the report entitled "Ontario Transfer Payment Agreement for the Housing-Enabling Water Systems Fund (HEWSF) and the City's Enterprise Stormwater Pumping Station Upgrade Project" be received; and,
2. That Council authorize The Corporation of The City of Markham (the "City") to enter into the Transfer Payment Agreement (TPA) Housing-Enabling Water Systems Fund (the "Agreement") with the Province of Ontario (Minister of Infrastructure) (the "Province"); and,
3. That the Mayor and City Clerk be authorized to execute the TPA (and any related agreements), in a form satisfactory to the City Solicitor, and that the Commissioner, Community Services (or designate) be authorized to act as an authorized signing officer for the City under the TPA (including for the purpose of submitting required reports and confirmations); and,
4. That Council approve a new in-year 2026 capital project to facilitate the City's Enterprise Stormwater Pumping Station Upgrade project, as described in the report; and,
5. That the total funding requirement for the capital project of \$6,758,547 be funded from the HEWSF grant of \$4,848,406 (equivalent to 72% of the total funding requirement) and that the remaining 28% be funded from the Life Cycle Replacement and Capital Reserve in the amount of \$1,910,141; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.4 082-T-23 NEW INFILL RESIDENTIAL SERVICE CONNECTIONS AT VARIOUS LOCATIONS (7.12)

There was a brief discussion regarding whether the City's fees associated with infill residential service connections are cost competitive.

Staff indicated that the City operates on a full cost-recovery basis in this regard and that the engineering criteria are based on benchmarking.

Moved by Councillor Karen Rea

Seconded by Councillor Nimisha Patel

1. That the report entitled “082-T-23 New Infill Residential Service Connections at Various Locations” be received; and,
2. That the contract for infill residential service connections be extended for one year (January 1, 2026 – December 31, 2026) to Rabcon Contractors Ltd. in the estimated amount of \$1,052,722.12 incl. of HST with an option to extend the contract for one additional year (January 1, 2027 – December 31, 2027); and,
3. That the Director of Engineering and Senior Manager of Procurement & Accounts Payable be authorized to extend the contract for one additional year based on the Consumer Price Index for All Items Ontario for a twelve-month period ending October 31 in the applicable year up to a maximum of 4% and subject to satisfactory performance by the Contractor; and,
4. That the contract be funded from account 083-5350-26039-005 “Residential Water Service Connections” in the amount of \$1,052,722.12 that is fully funded by homeowners; and,
5. That the tendering process be waived in accordance with Procurement By-Law 2017-8, Part II, Section 11. Non-Competitive Procurement, items 11.1 (c) and (g), which state:(c) when the extension of an existing Contract would prove more cost-effective or beneficial; and,(d) Where a project is privately funded but is administered by the City; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.5 SCHOOL CROSSING GUARD PROGRAM CONTRACT EXTENSION (7.0)

Moved by Councillor Nimisha Patel

Seconded by Councillor Amanda Collucci

1. That the report entitled “School Crossing Guard Program Contract Extension” be received; and,

2. That the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11. Non-Competitive Procurement, items 11.1 (c) and (g), which state:(c) when the extension of an existing Contract would prove more cost-effective or beneficial; and(g) Where it is in the City's best interest not to solicit a competitive bid; and,
3. That the contract for the school crossing guard program be extended with Staffing Services Inc. for 4 years (September 2026 to June 2030) in the estimated amount of \$3,449,256.96 (Incl. of HST) with an option to extend the contract for an additional 3-year term (September 2030 – June 2033); and,
4. That the award be funded from Operating Budget 740-998-5642 "School Crossing Guards; and,
5. That the Director of Engineering and Senior Manager, Procurement & Accounts Payable be authorized to exercise the option to renew the contract for the 3 -year extension at the same rate subject to Council adoption of the annual operating budget; and,
6. That the 2027 – 2033 operating budgets be adjusted for growth (additional crossing guards) if required through the annual budget process; and further,
7. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.6 AWARDS OF PROPOSAL 183-R-24 CONSULTING SERVICES, IMPLEMENTATION AND ONGOING SUPPORT MICROSOFT DYNAMICS 365 CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SOLUTION (7.0)

The Committee inquired about the four-year timeline for the project, associated costs, and when the system will be operational. Questions were also raised regarding whether Members of Council will have access to the Customer Relationship Management (CRM) system to help manage interactions with residents.

Staff advised that the previous vendor was unable to deliver a system that integrated effectively with the City's existing platforms or provide the required level of service. As a result, the City decided to move forward with a different

solution that better integrates with the Microsoft platform and provides a more modern and innovative system to meet operational needs.

Moved by Regional Councillor Jim Jones

Seconded by Councillor Karen Rea

1. That the report entitled “Award of Proposal 183-R-24, Consulting Services for Implementation, Integration, Ongoing Support and Maintenance of Microsoft Dynamics 365 Customer Relationship Management (CRM) Solution” be received; and,
2. That the contract 183-R-24 Consulting Services for Implementation, Integration, Ongoing Support and Maintenance of Microsoft Dynamics 365 Customer Relationship Management (CRM) Solution (One time - implementation and training costs) (Recurring - ongoing support and maintenance) be awarded to the highest ranked/second lowest priced bidder, MNP Digital Inc. (MNP) in the amount of \$2,142,952.99 inclusive of HST; and,
3. That a contingency in the amount of \$214,295.30 inclusive of HST be established to cover any additional project costs be approved, and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy; and,
4. That the capital costs be funded from capital project GL account 400-101-5399-24076 - ITS - Corporate CRM Systems Implementation, with an available budget of \$1,970,085.00; and,
5. That the capital shortfall of \$387,163.29 ($\$1,970,085.00 - (\$2,142,952.99 + \$214,295.30)$) be funded from the 2022 Capital Project 22060 – ITS Strategic Plan Implementation (GL account 049-615022060005), with an available budget of \$545,845.15, and,
6. That the contract for ongoing support and maintenance costs for 9 years be awarded to MNP Digital Inc. (MNP) in the amount of \$2,169,030.91, inclusive of HST (\$839,680.08 fee for 4 years + \$1,329,350.83 fee for the 5 renewal options) to be funded from 400-400-5361, and subject to adoption of the annual operating budget from 2028 to 2035, in the amounts of:

Year 2 (2028) - \$ 209,920.03

Year 3 (2029) - \$ 209,920.03

Year 4 (2030) - \$ 209,920.03

Year 5 (2031) - \$ 209,920.03
 Year 6 (2032) - \$ 245,434.22*
 Year 7 (2033) - \$ 255,251.57 *
 Year 8 (2034) - \$ 265,461.64 *
 Year 9 (2034) - \$ 276,080.10 *
 Year 10 (2035) - \$ 287,123.30*
 Total - \$2,169,030.91

* Optional Year Renewal

7. That any operating budget shortfall in Years 2 through 10 be addressed as part of the 2028 and future operating budget processes, subject to Council approval of the 2028 to 2035 operating budgets; and,
8. That MNP Digital Inc. (MNP) be designated as the preferred vendor for the City's Microsoft Dynamics 365 Customer Relationship Management (CRM) Implementation, Integration, Ongoing Support and Maintenance needs at the City's sole discretion for the term of this contract; and,
9. That the City Treasurer and Chief Information Officer , be authorized to approve any new purchases related to this contract needed due to growth and/or future CRM upgrades due to change in technology or system integration with other applications related to the project during the term of this contract, subject to the Expenditure Control Policy and budget approval, in a form satisfactory to the City Solicitor and at the sole discretion of the City; and further,
10. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.7 019-T-26 SUPPLY AND DELIVERY OF FOUR COMPACT TRACTORS (7.12)

The Committee inquired about the impact on current service levels due to the reduction in the number of compact tractors and the expected delivery timeline for the new units.

Staff advised that service levels will remain unchanged, as consolidating the equipment to four units will allow for year-round use.

Moved by Councillor Isa Lee

Seconded by Regional Councillor Joe Li

1. That the report entitled “019-T-26 Supply & Delivery of Four Compact Tractors” be received; and,
2. That the contract for the supply and delivery of four compact tractors be awarded to the lowest compliant bidder, BE Larkin Equipment, in the amount of \$675,874.66 inclusive of HST; and,
3. That the award be funded from project #24418 Corporate Fleet Replacement – Non-Fire (account #057-6150-24418-005) with available budget of \$195,100.00; and,
4. That future-provisioned funding in the Life Cycle Reserve for additional units of \$184,600.00 be pulled forward to 2026, and the incremental budget requirement of \$296,174.66 (\$675,874.66 - \$195,100.00 - \$184,600.00) be funded from and added to the Life Cycle Replacement and Capital Reserve Fund as part of the annual Reserve update; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.8 002-T-26 FLATO MARKHAM THEATRE STAGE FLOOR REPLACEMENT (7.12)

Moved by Regional Councillor Jim Jones

Seconded by Deputy Mayor Michael Chan

1. That the report entitled “002-T-26 Flato Markham Theatre Stage Floor Replacement” be received; and,
2. That the contract for the stage floor replacement be awarded to the lowest priced bidder, BrightCore Inc., in the amount of \$464,025.60 inclusive of HST; and,
3. That a 10% contingency in the amount of \$46,402.56 inclusive of HST, be established to cover any additional consulting requirements and that

authorization to approve expenditures of the contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and,

4. That the contract award in the amount of \$510,428.16 (\$464,025.60 + \$46,402.56) be funded from account 074-6150-26006-005 “Theatre-Stage Floor Replacement” with an available budget of \$392,700; and,
5. That the budget shortfall of \$117,728.16 be funded from the Life Cycle Replacement and Capital Reserve Fund; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

7.9 REVISIONS TO THE PURCHASING BY-LAW 2017-8 (7.0)

Moved by Councillor Reid McAlpine

Seconded by Councillor Andrew Keyes

1. The report entitled “Revisions to the Purchasing By-Law 2017-8” be received;
2. That Council approve the proposed revisions to the Purchasing By-Law 2017-8 to modernize practices, streamline processes, enhance efficiency, and align with current municipal practices while ensuring the continued application of appropriate fiscal controls; and,
3. That the City of Markham By-Law 2017-8 be repealed in its entirety and be replaced in accordance with this report; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

8. CONSENT REPORTS - COMMUNITY SERVICES MATTERS

8.1 TRANSFER OF KENNEDY MAIN STREET UNIONVILLE WATERMAIN ON CARLTON ROAD FROM THE REGION OF YORK (5.3)

Moved by Regional Councillor Jim Jones

Seconded by Councillor Reid McAlpine

1. That the report titled “Transfer of Kennedy Main Street Unionville Watermain on Carlton Road from the Region of York” be received; and,

2. That Staff be authorized to assume the ownership of the Kennedy Main Street Unionville Watermain on Carlton Road from the Regional Municipality of York (63 meters of 400 mm PVC watermain and two valve chambers, as described in Attachment A); and,
3. That the Director of Environmental Services be authorized to execute any documents in a form satisfactory to the City Solicitor and Commissioner of Community Services related to the transfer of the Kennedy Main Street Unionville Watermain on Carlton Road; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

9. CONSENT REPORTS - ENVIRONMENT & SUSTAINABILITY MATTERS

9.1 ANNUAL WATER QUALITY REPORT (JANUARY - DECEMBER 2025) (5.3)

The Committee inquired about the increase in water usage in 2024 compared to 2025 and whether the City can continue with infrastructure replacements to prevent future incidents.

Staff noted that the increase in water usage was due to two capital projects and highlighted that lessons learned from these projects include ensuring water mains are only connected to the City once construction is complete as well as designing new subdivisions without dead ends.

Moved by Councillor Karen Rea

Seconded by Deputy Mayor Michael Chan

1. That the report titled “Annual Water Quality Report (January-December 2025)” as required by Schedule 22 of Ontario Regulation 170/03, under the Safe Drinking Water Act, 2002, enclosed herein be received; and,
2. That the Annual 2025 Regulatory Water Quality Report (Attachment “A”), containing information for the Ministry of the Environment, Conservation and Parks (MECP) on water supply and quality as required by Section 11 of Ontario Regulation 170/03, under the Safe Drinking Water Act, 2002, be received; and,
3. That Council acknowledge that staff posted the Annual 2025 Detailed Regulatory Water Quality Report on the City’s website and that it has been

made available electronically and in hard copy version by February 28, 2026 as per regulations; and further,

4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Carried

10. MOTIONS

There were no motions.

11. NOTICES OF MOTION

11.1 MORATORIUM ON RESIDENTIAL BIKE LANES

Councillor Rea introduced a notice of motion, which will be placed on the April 21, 2026, Development Services Committee (DSC) agenda for consideration. This item was brought forward at General Committee due to timing and the Committee's monthly meeting schedule.

12. NEW/OTHER BUSINESS

There was no new or other business.

13. ANNOUNCEMENTS

There were no announcements.

14. ADJOURNMENT

Moved by Regional Councillor Alan Ho

Seconded by Regional Councillor Joe Li

That General Committee adjourn at 10:54 AM.

Carried



Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: 2026 First Quarter Investment Performance Review
PREPARED BY: Mark Visser, Senior Manager of Financial Strategy & Investments, x4260

RECOMMENDATION:

- 1) THAT the report dated April 21, 2026 entitled “2026 First Quarter Investment Performance Review” be received.

EXECUTIVE SUMMARY:

Not Applicable

PURPOSE:

Pursuant to Regulation 438/97 Section 8, the Municipal Act requires the Treasurer to “prepare and provide to the Council, each year or more frequently as specified by Council, an investment report”.

The investment report shall contain,

- (a) a statement about the performance of the portfolio of investments of the municipality during the period covered by the report;
- (b) a description of the estimated portion of the total investments of a municipality that are invested in its own long-term and short-term securities to the total investment of the municipality and a description of the change, if any, in that estimated proportion since the previous year’s report;
- (c) a statement by the Treasurer as to whether or not, in his opinion, all investments were made in accordance with the investment policies and goals adopted by the municipality;
- (d) a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security;
- (e) such other information that the Council may require or that, in the opinion of the Treasurer, should be included.

BACKGROUND:

Not Applicable

OPTIONS/ DISCUSSION:

Not Applicable

FINANCIAL CONSIDERATIONS:

The 2026 budget for Income Earned on Investments is \$26.979 million (an increase of \$4.000 million from the 2025 budget). The \$26.979 million budget is based on a forecasted \$675.0 million average balance invested at an average rate of 4.00%.

The following table shows the budgeted investment income by quarter.

| Period | Avg. Balance | Avg. Rate | Forecast |
|--------------------|-----------------|--------------|---------------------|
| Q1 | \$675.0m | 4.00% | \$6,652,356 |
| Q2 | \$675.0m | 4.00% | \$6,726,272 |
| Q3 | \$675.0m | 4.00% | \$6,800,186 |
| Q4 | \$675.0m | 4.00% | \$6,800,186 |
| 2026 Budget | \$675.0m | 4.00% | \$26,979,000 |

The Q1 2026 forecast assumes an average general fund portfolio balance of \$675.0 million to be invested at an average rate of return of 4.00%.

For the three months ending March 31, 2026, the City of Markham's Income Earned on Investments was \$23.396 million, compared to a budget of \$6.652 million, representing a \$16.744 million favourable variance to budget.

Interest Rate

The Bank of Canada prime rate was stable at 4.45% for all of the first quarter. Long term rates were also relatively stable.

The City's general portfolio investments (including interest charged to reserves with negative balances) had an average interest rate of 4.08%; 8 basis points higher than forecast. Additionally, through the sale of investments in Q1, the City earned \$17.123 million of capital gains, thereby increasing the rate of return to 15.21%.

The difference in the rate of return accounts for a favourable variance of \$17.248 million.

Portfolio Balance

The forecasted average portfolio balance for Q1 2026 was \$675.0 million. The actual average general fund portfolio balance (including cash balances) for the first quarter of 2026 was \$623.9 million. The lower portfolio balance accounts for an unfavourable variance of \$0.504 million.

Variance Summary

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-----------------------------------|---------------|---------------|-------------------|
| Portfolio Balance | \$675.0m | \$623.9m | (\$51.1m) |
| Interest Rate | 4.00% | 15.21% | 11.21% |
| Investment Income | \$6.652m | \$23.396m | \$16.744m |
| Portfolio Balance Variance Impact | | | \$17.248m |
| Interest Rate Variance Impact | | | (\$0.504m) |

Portfolio Composition

All investments made in the first quarter of 2026 adhered to the City of Markham investment policy. At March 31, 2026, 43% of the City's portfolio (not including bank balances) was comprised of government issued securities. The remaining 57% of the portfolio was made up of instruments issued by Schedule 1 Banks (Exhibit 1). All of these levels are within the targets established in the City's Investment Policy.

The March 31, 2026 investment portfolio (not including bank balances) was comprised of the following instruments: Bonds 54%, Principal Protected Notes (PPNs) 34%, and GICs 12% (Exhibit 2).

At March 31, 2026, the City's general portfolio balance (all funds excluding DCA) was \$661.4 million (including bank balances). The City's portfolio (all funds excluding DCA) was broken down into the following investment terms (Exhibit 3):

| | |
|-----------------------------------|--------------|
| Under 1 month | 42.4% |
| 1 month to 3 months | 0.0% |
| 3 months to 1 year | 8.1% |
| Over 1 year | 49.5% |
| Weighted average investment term | 1,777.0 days |
| Weighted average days to maturity | 1,319.0 days |

Money Market Performance

The City of Markham uses the 3-month T-bill rates to gauge the performance of investments in the money market. The average 3-month T-bill rate for the first quarter of 2026 was 2.21% (source: Bank of Canada). Money market investments (including bank balances) held by the City of Markham during the first quarter of 2026 had an average return of 3.00%. Therefore, the City's money market investments outperformed 3-month T-Bills by 79 basis points. See Exhibit 4 for all Money Market securities held by the City of Markham in the first quarter of 2026.

Bond Market Performance

The 2026 YTD highlights of Markham's bond portfolio are as follows:

- 4 Bonds/Principal Protected Note (PPNs) purchased with a face value of \$27.0 million
- 0 bonds matured
- 7 Principal Protected Notes (PPNs)/Bonds sold with a face value of \$31.0 million
- \$17.123 million of capital gains earned

See Exhibit 5 for all Bonds held by the City of Markham in the first quarter of 2026.

Outlook

Interest rates are expected to be relatively stable for the rest of 2026. Equity markets will likely see some volatility given the global environment. The City will continue to monitor movements in the market and look at reducing its PPN holdings.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not Applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Not Applicable

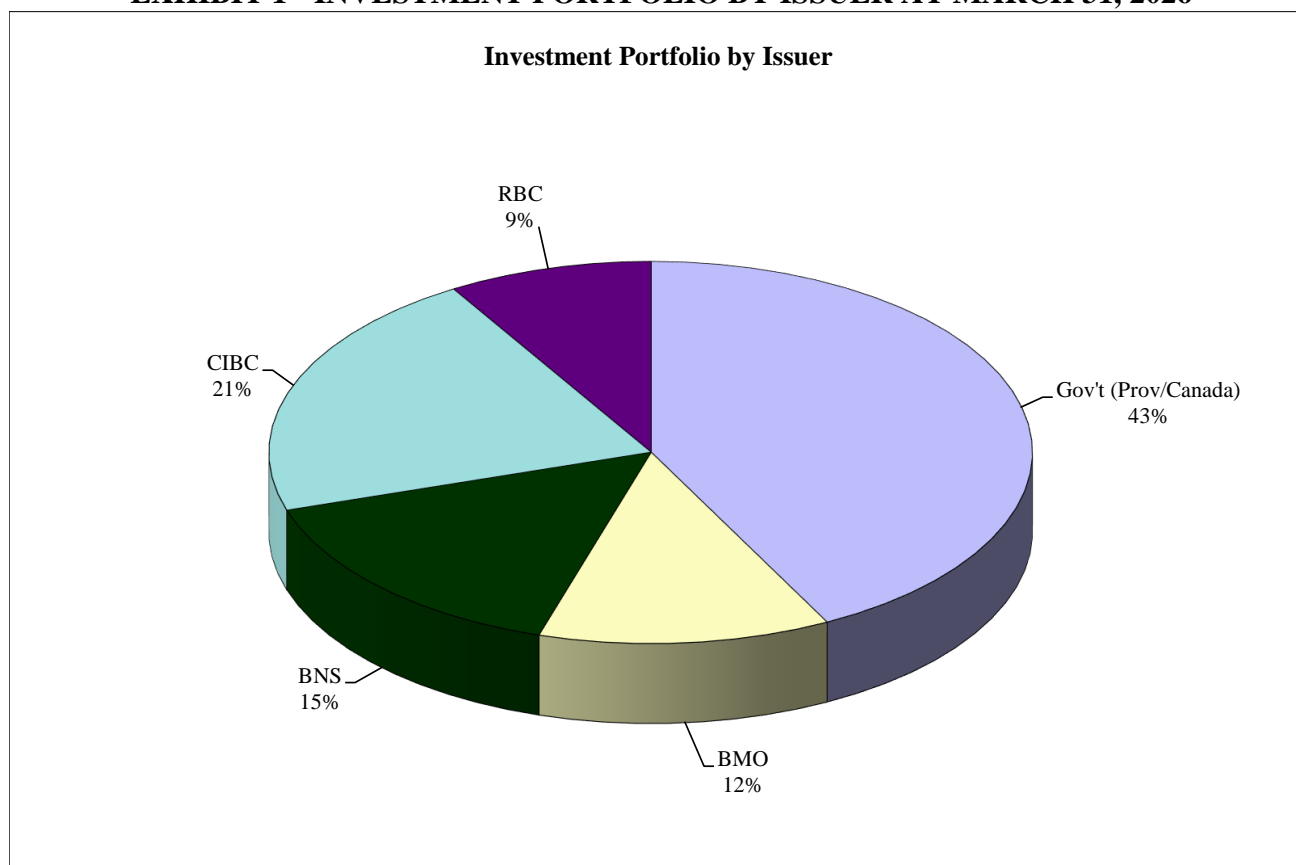
RECOMMENDED BY:

Joseph Silva, Treasurer

Trinela Cane, Commissioner,
Corporate Services

ATTACHMENTS:

- Exhibit 1 – Investment Portfolio by Issuer
- Exhibit 2 – Investment Portfolio by Instrument
- Exhibit 3 – Investment Terms
- Exhibit 4 – 2026 Q1 Money Market Investments
- Exhibit 5 – 2026 Q1 Bond Market Investments
- Exhibit 6 – 2026 Q1 DCA Fund Investments

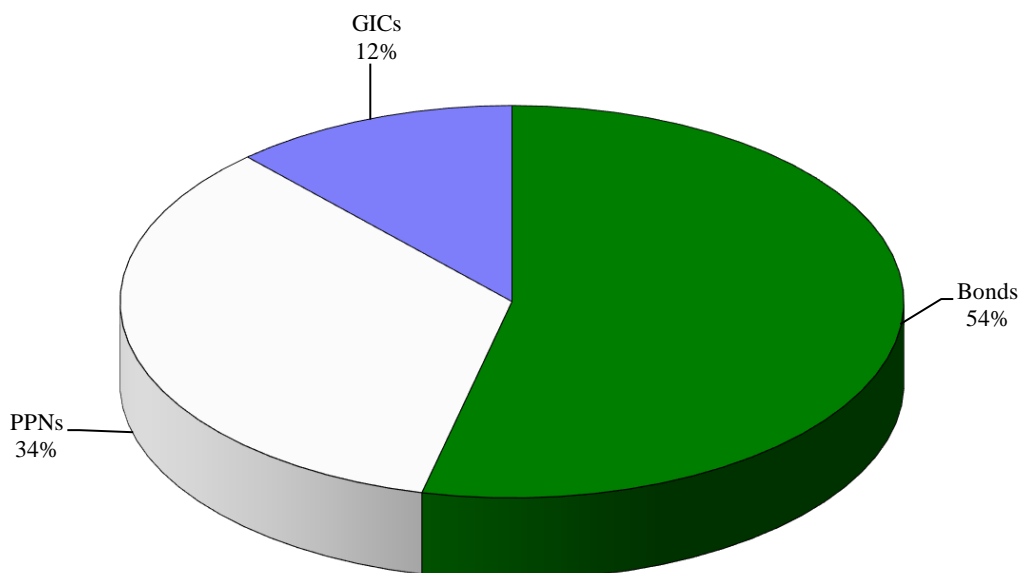
EXHIBIT 1 - INVESTMENT PORTFOLIO BY ISSUER AT MARCH 31, 2026

Quarter-End Portfolio Balance (All Funds; excluding bank balances): \$381.1m

| | <u>Investment Policy Targets</u> | <u>Portfolio at Mar 31/26</u> |
|---------------------------------|--------------------------------------|-----------------------------------|
| Government (Federal/Provincial) | >40%, no max | 43% |
| Government (Municipal) | max 30% | 0% |
| Schedule I Banks: | | |
| Bank of Nova Scotia | max 20% | 15% |
| Bank of Montreal | max 20% | 12% |
| CIBC | max 20% | 21% * |
| Royal Bank of Canada | max 20% | 9% |
| Toronto Dominion | max 20% | 0% |
| Schedule I Banks Total | max 60% | <u>57%</u> |
| Schedule II Banks: | | |
| Hong Kong Bank | max 15% | 0% |
| | | <u><u>100%</u></u> |

* The City's Investment Policy allows for deviations of +/- 5% in order to take advantage of market conditions

EXHIBIT 2 - INVESTMENT PORTFOLIO BY INSTRUMENT AT MARCH 31, 2026



Quarter-End Portfolio Balance (All Funds, excluding cash balances): \$381.1m

EXHIBIT 3 - INVESTMENT TERMS (All Funds excluding DCA)

| INSTRUMENT | ISSUER | INT. RATE | DATE_BGT | DATE_SOLD | BOUGHT | MATURITY VALUE | LENGTH | DAYS to MAT |
|--------------|--------|-----------|-------------|-----------------------------------|----------------|----------------|--------|-------------|
| BANK ACCOUNT | | 2.95 | 31-Mar-2026 | 01-Apr-2026 | 280,269,440.29 | 280,271,705.48 | 1 | 1 |
| | | | | Less than 1 month | 280,269,440 | 42.4% | | |
| | | | | Between 1 and 3 months | - | 0.0% | | |
| ACC | ONT | 2.13 | 18-Oct-2019 | 02-Dec-2026 | 3,442,000.00 | 4,000,000.00 | 2,602 | 246 |
| GIC | CIBC | 3.40 | 06-Jan-2026 | 06-Jan-2027 | 30,000,000.00 | 31,020,000.00 | 365 | 281 |
| GIC | CIBC | 3.40 | 12-Jan-2026 | 12-Jan-2027 | 15,000,000.00 | 15,510,000.00 | 365 | 287 |
| BOND | RBC | 5.30 | 28-Mar-2024 | 28-Mar-2028 | 5,000,000.00 | 5,000,000.00 | 1,461 | 728 |
| | | | | Between three months and one year | 53,442,000 | 8.1% | | |
| ACC | ONT | 2.81 | 27-Apr-2016 | 02-Jun-2028 | 4,291,440.00 | 6,000,000.00 | 4,419 | 794 |
| ACC | ONT | 2.63 | 13-Dec-2017 | 02-Jun-2028 | 7,620,000.00 | 10,000,000.00 | 3,824 | 794 |
| PPN | BMO | 0.00 | 16-May-2023 | 16-Nov-2028 | 3,000,000.00 | 3,000,000.00 | 2,011 | 961 |
| ACC | ONT | 3.06 | 21-Dec-2016 | 02-Dec-2028 | 6,959,700.00 | 10,000,000.00 | 4,364 | 977 |
| ACC | ONT | 2.93 | 13-Jan-2017 | 02-Dec-2028 | 4,965,800.00 | 7,000,000.00 | 4,341 | 977 |
| PPN | BNS | 3.00 | 29-Dec-2023 | 29-Dec-2028 | 3,000,000.00 | 3,000,000.00 | 1,827 | 1,004 |
| ACC | ONT | 3.10 | 11-Sep-2024 | 02-Jun-2029 | 8,656,960.00 | 10,000,000.00 | 1,725 | 1,159 |
| PPN | BNS | 1.00 | 19-Feb-2020 | 19-Feb-2030 | 3,500,000.00 | 3,500,000.00 | 3,653 | 1,421 |
| PPN | BMO | 0.00 | 22-Mar-2023 | 22-Mar-2030 | 5,000,000.00 | 5,000,000.00 | 2,557 | 1,452 |
| PPN | BMO | 0.00 | 24-Jun-2023 | 24-Jun-2030 | 4,000,000.00 | 4,000,000.00 | 2,557 | 1,546 |
| BOND | BNS | 3.33 | 29-Jun-2024 | 29-Jun-2030 | 4,000,000.00 | 4,000,000.00 | 2,191 | 1,551 |
| PPN | BMO | 0.00 | 07-Oct-2025 | 07-Oct-2030 | 7,000,000.00 | 7,000,000.00 | 1,826 | 1,651 |
| PPN | CIBC | 4.49 | 16-Oct-2023 | 16-Oct-2030 | 4,000,000.00 | 4,000,000.00 | 2,557 | 1,660 |
| PPN | BNS | 1.50 | 27-Jan-2024 | 27-Jan-2031 | 3,000,000.00 | 3,000,000.00 | 2,557 | 1,763 |
| PPN | BNS | 3.00 | 18-Feb-2024 | 18-Feb-2031 | 5,000,000.00 | 5,000,000.00 | 2,557 | 1,785 |
| PPN | BMO | 0.00 | 05-Mar-2021 | 05-Mar-2031 | 6,000,000.00 | 6,000,000.00 | 3,652 | 1,800 |
| PPN | CIBC | 0.00 | 06-Mar-2024 | 06-Mar-2031 | 4,000,000.00 | 4,000,000.00 | 2,556 | 1,801 |
| BOND | CIBC | 2.52 | 09-Mar-2025 | 09-Mar-2031 | 4,000,000.00 | 4,000,000.00 | 2,191 | 1,804 |
| PPN | BMO | 0.00 | 28-Mar-2024 | 28-Mar-2031 | 5,000,000.00 | 5,000,000.00 | 2,556 | 1,823 |
| ACC | ONT | 1.47 | 28-Sep-2020 | 02-Jun-2031 | 4,277,500.00 | 5,000,000.00 | 3,899 | 1,889 |
| PPN | BNS | 3.00 | 06-Jun-2024 | 06-Jun-2031 | 3,000,000.00 | 3,000,000.00 | 2,556 | 1,893 |
| PPN | BNS | 2.00 | 06-Jun-2024 | 06-Jun-2031 | 3,000,000.00 | 3,000,000.00 | 2,556 | 1,893 |
| PPN | BMO | 0.00 | 02-Jul-2024 | 02-Jul-2031 | 4,000,000.00 | 4,000,000.00 | 2,556 | 1,919 |
| PPN | CIBC | 3.59 | 03-Jul-2024 | 03-Jul-2031 | 5,000,000.00 | 6,400,000.00 | 2,556 | 1,920 |
| PPN | BMO | 3.00 | 26-Jul-2024 | 26-Jul-2031 | 5,000,000.00 | 5,000,000.00 | 2,556 | 1,943 |
| PPN | BMO | 0.00 | 22-Sep-2024 | 22-Sep-2031 | 4,000,000.00 | 4,000,000.00 | 2,556 | 2,001 |
| PPN | BNS | 0.00 | 17-Nov-2021 | 17-Nov-2031 | 4,000,000.00 | 4,000,000.00 | 3,652 | 2,057 |
| PPN | RBC | 2.00 | 27-Nov-2024 | 27-Nov-2031 | 4,000,000.00 | 4,000,000.00 | 2,556 | 2,067 |
| ACC | ONT | 2.20 | 01-Mar-2021 | 02-Dec-2031 | 3,165,268.00 | 4,000,000.00 | 3,928 | 2,072 |
| ACC | ONT | 2.30 | 17-May-2021 | 02-Dec-2031 | 2,359,680.00 | 3,000,000.00 | 3,851 | 2,072 |
| PPN | RBC | 0.00 | 29-Nov-2024 | 09-Dec-2031 | 4,000,000.00 | 4,000,000.00 | 2,566 | 2,079 |
| PPN | CIBC | 0.00 | 21-Aug-2025 | 21-Aug-2032 | 5,000,000.00 | 5,000,000.00 | 2,557 | 2,335 |
| PPN | BMO | 0.00 | 16-Oct-2025 | 16-Oct-2032 | 4,000,000.00 | 4,000,000.00 | 2,557 | 2,391 |
| ACC | ONT | 1.81 | 24-Feb-2021 | 02-Dec-2032 | 2,429,940.00 | 3,000,000.00 | 4,299 | 2,438 |
| ACC | ONT | 2.01 | 15-Sep-2021 | 02-Dec-2032 | 4,000,000.00 | 5,000,000.00 | 4,096 | 2,438 |
| PPN | CIBC | 0.00 | 08-Dec-2025 | 08-Dec-2032 | 5,000,000.00 | 5,000,000.00 | 2,557 | 2,444 |
| PPN | RBC | 0.00 | 10-Dec-2025 | 10-Dec-2032 | 8,000,000.00 | 8,000,000.00 | 2,557 | 2,446 |
| PPN | BNS | 0.00 | 22-Jan-2026 | 22-Jan-2033 | 6,000,000.00 | 6,000,000.00 | 2,557 | 2,489 |
| ACC | BC | 2.51 | 03-Mar-2022 | 18-Jun-2033 | 3,777,300.00 | 5,000,000.00 | 4,125 | 2,636 |
| PPN | BNS | 0.00 | 11-Jul-2023 | 11-Jul-2033 | 3,000,000.00 | 3,000,000.00 | 3,653 | 2,659 |
| BOND | CIBC | 2.52 | 22-Sep-2021 | 22-Sep-2033 | 4,000,000.00 | 5,209,600.00 | 4,383 | 2,732 |
| ACC | ONT | 2.84 | 17-Feb-2022 | 02-Dec-2033 | 5,752,480.00 | 8,000,000.00 | 4,306 | 2,803 |
| ACC | ONT | 3.19 | 23-Mar-2022 | 02-Dec-2033 | 6,929,700.00 | 10,000,000.00 | 4,272 | 2,803 |
| ACC | BC | 3.60 | 28-Apr-2022 | 18-Dec-2033 | 4,638,340.00 | 7,000,000.00 | 4,252 | 2,819 |
| BOND | RBC | 4.88 | 08-Feb-2024 | 08-Feb-2034 | 6,000,000.00 | 6,000,000.00 | 3,653 | 2,871 |
| ACC | ONT | 4.48 | 16-Apr-2024 | 03-Nov-2034 | 6,298,800.00 | 10,000,000.00 | 3,853 | 3,139 |
| ACC | ONT | 4.39 | 23-May-2024 | 03-Nov-2034 | 3,829,800.00 | 6,000,000.00 | 3,816 | 3,139 |
| ACC | ONT | 4.17 | 19-Jul-2024 | 03-Nov-2034 | 6,567,700.00 | 10,000,000.00 | 3,759 | 3,139 |
| ACC | ONT | 4.25 | 07-Feb-2024 | 02-Dec-2034 | 4,462,416.00 | 7,000,000.00 | 3,951 | 3,168 |
| PPN | BNS | 0.00 | 27-May-2025 | 27-May-2035 | 6,000,000.00 | 6,000,000.00 | 3,652 | 3,344 |
| ACC | ONT | 4.71 | 03-Oct-2023 | 02-Jun-2035 | 4,645,200.00 | 8,000,000.00 | 4,260 | 3,350 |
| ACC | ONT | 4.20 | 05-Mar-2024 | 02-Jun-2035 | 2,518,560.00 | 4,000,000.00 | 4,106 | 3,350 |
| ACC | ONT | 4.12 | 26-Nov-2024 | 02-Jun-2035 | 3,269,150.00 | 5,000,000.00 | 3,840 | 3,350 |
| ACC | ALB | 4.05 | 09-Jan-2025 | 01-Dec-2035 | 2,205,920.00 | 3,400,000.00 | 3,978 | 3,532 |
| ACC | ONT | 4.28 | 01-Feb-2024 | 02-Dec-2035 | 6,701,640.00 | 11,000,000.00 | 4,322 | 3,533 |
| PPN | RBC | 0.00 | 30-Jan-2026 | 30-Jan-2036 | 6,000,000.00 | 6,000,000.00 | 3,652 | 3,592 |
| ACC | ONT | 4.07 | 09-Jan-2025 | 02-Jun-2036 | 3,173,470.00 | 5,000,000.00 | 4,162 | 3,716 |
| ACC | ONT | 4.21 | 14-Apr-2025 | 02-Jun-2037 | 6,062,840.00 | 10,000,000.00 | 4,432 | 4,081 |
| ACC | ONT | 4.20 | 10-Jul-2025 | 02-Jun-2037 | 6,129,700.00 | 10,000,000.00 | 4,345 | 4,081 |
| ACC | ONT | 4.13 | 22-Jan-2026 | 02-Jun-2037 | 3,156,350.00 | 5,000,000.00 | 4,149 | 4,081 |
| BOND | CIBC | 4.37 | 12-Jun-2025 | 12-Jun-2037 | 5,000,000.00 | 5,000,000.00 | 4,383 | 4,091 |
| ACC | MAN | 4.24 | 22-Jan-2026 | 05-Sep-2037 | 6,170,000.00 | 10,000,000.00 | 4,244 | 4,176 |
| BOND | BNS | 4.22 | 24-Oct-2025 | 24-Oct-2037 | 5,000,000.00 | 5,000,000.00 | 4,383 | 4,225 |
| BOND | BNS | 5.50 | 28-Nov-2025 | 28-Nov-2037 | 10,000,000.00 | 10,000,000.00 | 4,383 | 4,260 |
| ACC | ONT | 4.25 | 13-Aug-2025 | 02-Dec-2037 | 5,992,450.00 | 10,000,000.00 | 4,494 | 4,264 |
| ACC | ONT | 4.08 | 12-Sep-2025 | 02-Dec-2037 | 4,909,560.00 | 8,000,000.00 | 4,464 | 4,264 |
| ACC | ONT | 4.21 | 09-Dec-2025 | 02-Dec-2037 | 9,148,500.00 | 15,000,000.00 | 4,376 | 4,264 |
| ACC | ONT | 4.17 | 13-Mar-2026 | 02-Dec-2037 | 3,096,935.00 | 5,000,000.00 | 4,282 | 4,264 |
| | | | | Over 1 year | 327,663,099 | 49.5% | | |

Bonds/PPNs **336,105,099**
Money Market **325,269,440**

Portfolio Balance Mar 31, 2026 **661,374,539**
General Fund and Other Reserves
(not including DCA)

Average Length of Investment (days)

Weighted Average Days to Maturity

EXHIBIT 4 - 2026 Q1 MONEY MARKET INVESTMENTS (All Funds excluding DCA)

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|---------------|-----------------|--------------------|------------------|----------------|----------------|
| BANK BALANCE | 2.95 | 31-Mar-26 | 1-Apr-26 | 280,269,440.29 | 280,271,705.48 |

BONDS/PPNs THAT MATURED IN 2026:

| ISSUER | COUPON RATE | YIELD | PURCHASE DATE | MATURITY DATE | COST | FACE VALUE |
|--------|-------------|-------|---------------|---------------|------|------------|
| | | | | | | |

BONDS/PPNs SOLD IN 2026:

| ISSUER | PARTICIPATION RATE | YIELD | PURCHASE DATE | DATE SOLD | COST | FACE VALUE | SALE PROCEEDS | CAPITAL GAIN/(LOSS) |
|----------|--------------------|-------|---------------|-------------|--------------|--------------|---------------|----------------------|
| BNS PPN | 100% | 1.55 | 08-Aug-2019 | 12-Jan-2026 | 2,000,000.00 | 2,000,000.00 | 3,837,665.75 | 1,837,665.75 |
| BNS PPN | 265% | 1.00 | 19-Feb-2020 | 12-Jan-2026 | 3,000,000.00 | 3,000,000.00 | 8,857,923.29 | 5,857,923.29 |
| ONT ACC | | 3.11 | 17-Apr-2018 | 22-Jun-2026 | 4,900,700.00 | 7,000,000.00 | 6,230,000.00 | 144,663.96 |
| ONT ACC | | 3.05 | 18-Jun-2018 | 22-Jun-2026 | 4,253,700.00 | 6,000,000.00 | 5,340,000.00 | 99,936.89 |
| BNS PPN | 100% | 0.00 | 23-Sep-2024 | 22-Jan-2026 | 6,000,000.00 | 6,000,000.00 | 7,206,000.00 | 1,206,000.00 |
| CIBC PPN | 100% | 0.00 | 28-Jul-2025 | 02-Mar-2026 | 3,000,000.00 | 3,000,000.00 | 3,213,600.00 | 213,600.00 |
| BNS PPN | 265% | 1.00 | 19-Feb-2020 | 16-Mar-2026 | 4,000,000.00 | 4,000,000.00 | 11,763,660.27 | 7,763,660.27 |
| | | | | | | | | 17,123,450.16 |

BOLD HOLDINGS at MARCH 31, 2026:

| ISSUER | COUPON RATE | YIELD | PURCHASE DATE | MATURITY DATE | COST | FACE VALUE |
|--------|-------------|-------|---------------|---------------|-----------------------|-----------------------|
| ONT | | 2.130 | 18-Oct-2019 | 02-Dec-2026 | 3,442,000.00 | 4,000,000.00 |
| RBC | 5.300 | 5.300 | 28-Mar-2024 | 28-Mar-2028 | 5,000,000.00 | 5,000,000.00 |
| ONT | | 2.809 | 27-Apr-2016 | 02-Jun-2028 | 4,291,440.00 | 6,000,000.00 |
| ONT | | 2.630 | 13-Dec-2017 | 02-Jun-2028 | 7,620,000.00 | 10,000,000.00 |
| ONT | | 3.060 | 21-Dec-2016 | 02-Dec-2028 | 6,959,700.00 | 10,000,000.00 |
| ONT | | 2.930 | 13-Jan-2017 | 02-Dec-2028 | 4,965,800.00 | 7,000,000.00 |
| ONT | | 3.100 | 11-Sep-2024 | 02-Jun-2029 | 8,656,960.00 | 10,000,000.00 |
| BNS | 3.300 | 3.328 | 29-Jun-2024 | 29-Jun-2030 | 4,000,000.00 | 4,000,000.00 |
| CIBC | 2.520 | 2.520 | 09-Mar-2025 | 09-Mar-2031 | 4,000,000.00 | 4,000,000.00 |
| ONT | | 1.472 | 28-Sep-2020 | 02-Jun-2031 | 4,277,500.00 | 5,000,000.00 |
| ONT | | 2.200 | 01-Mar-2021 | 02-Dec-2031 | 3,165,268.00 | 4,000,000.00 |
| ONT | | 2.300 | 17-May-2021 | 02-Dec-2031 | 2,359,680.00 | 3,000,000.00 |
| ONT | | 1.810 | 24-Feb-2021 | 02-Dec-2032 | 2,429,940.00 | 3,000,000.00 |
| ONT | | 2.010 | 15-Sep-2021 | 02-Dec-2032 | 4,000,000.00 | 5,000,000.00 |
| BC | | 2.510 | 03-Mar-2022 | 18-Jun-2033 | 3,777,300.00 | 5,000,000.00 |
| CIBC | 2.520 | 2.520 | 22-Sep-2021 | 22-Sep-2033 | 4,000,000.00 | 5,209,600.00 |
| ONT | | 2.840 | 17-Feb-2022 | 02-Dec-2033 | 5,752,480.00 | 8,000,000.00 |
| ONT | | 3.190 | 23-Mar-2022 | 02-Dec-2033 | 6,929,700.00 | 10,000,000.00 |
| BC | | 3.600 | 28-Apr-2022 | 18-Dec-2033 | 4,638,340.00 | 7,000,000.00 |
| RBC | 4.880 | 4.880 | 08-Feb-2024 | 08-Feb-2034 | 6,000,000.00 | 6,000,000.00 |
| ONT | | 4.480 | 16-Apr-2024 | 03-Nov-2034 | 6,298,800.00 | 10,000,000.00 |
| ONT | | 4.390 | 23-May-2024 | 03-Nov-2034 | 3,829,800.00 | 6,000,000.00 |
| ONT | | 4.170 | 19-Jul-2024 | 03-Nov-2034 | 6,567,700.00 | 10,000,000.00 |
| ONT | | 4.250 | 07-Feb-2024 | 02-Dec-2034 | 4,462,416.00 | 7,000,000.00 |
| ONT | | 4.710 | 03-Oct-2023 | 02-Jun-2035 | 4,645,200.00 | 8,000,000.00 |
| ONT | | 4.201 | 05-Mar-2024 | 02-Jun-2035 | 2,518,560.00 | 4,000,000.00 |
| ONT | | 4.120 | 26-Nov-2024 | 02-Jun-2035 | 3,269,150.00 | 5,000,000.00 |
| ALB | | 4.050 | 09-Jan-2025 | 01-Dec-2035 | 2,205,920.00 | 3,400,000.00 |
| ONT | | 4.276 | 01-Feb-2024 | 02-Dec-2035 | 6,701,640.00 | 11,000,000.00 |
| ONT | | 4.070 | 09-Jan-2025 | 02-Jun-2036 | 3,173,470.00 | 5,000,000.00 |
| ONT | | 4.210 | 14-Apr-2025 | 02-Jun-2037 | 6,062,840.00 | 10,000,000.00 |
| ONT | | 4.200 | 10-Jul-2025 | 02-Jun-2037 | 6,129,700.00 | 10,000,000.00 |
| ONT | | 4.132 | 22-Jan-2026 | 02-Jun-2037 | 3,156,350.00 | 5,000,000.00 |
| CIBC | 4.370 | 4.370 | 12-Jun-2025 | 12-Jun-2037 | 5,000,000.00 | 5,000,000.00 |
| MAN | | 4.244 | 22-Jan-2026 | 05-Sep-2037 | 6,170,000.00 | 10,000,000.00 |
| BNS | 4.220 | 4.220 | 24-Oct-2025 | 24-Oct-2037 | 5,000,000.00 | 5,000,000.00 |
| BNS | 5.500 | 5.500 | 28-Nov-2025 | 28-Nov-2037 | 10,000,000.00 | 10,000,000.00 |
| ONT | | 4.250 | 13-Aug-2025 | 02-Dec-2037 | 5,992,450.00 | 10,000,000.00 |
| ONT | | 4.076 | 12-Sep-2025 | 02-Dec-2037 | 4,909,560.00 | 8,000,000.00 |
| ONT | | 4.213 | 09-Dec-2025 | 02-Dec-2037 | 9,148,500.00 | 15,000,000.00 |
| ONT | | 4.171 | 13-Mar-2026 | 02-Dec-2037 | 3,096,935.00 | 5,000,000.00 |
| | | | | | 204,605,099.00 | 283,609,600.00 |

PPN HOLDINGS at MARCH 31, 2026:

| ISSUER | COUPON RATE | PARTICIPATION RATE | PURCHASE DATE | MATURITY DATE | COST | FACE VALUE |
|--------|-------------|--------------------|---------------|---------------|-----------------------|-----------------------|
| BNS | 1.000 | 265% | 19-Feb-2020 | 19-Feb-2030 | 3,500,000.00 | 3,500,000.00 |
| BMO | | 245% | 05-Mar-2021 | 05-Mar-2031 | 6,000,000.00 | 6,000,000.00 |
| BNS | | 100% | 17-Nov-2021 | 17-Nov-2031 | 4,000,000.00 | 4,000,000.00 |
| BMO | | 330% | 22-Mar-2023 | 22-Mar-2030 | 5,000,000.00 | 5,000,000.00 |
| BMO | | 245% | 16-May-2023 | 16-Nov-2028 | 3,000,000.00 | 3,000,000.00 |
| BMO | | 380% | 24-Jun-2023 | 24-Jun-2030 | 4,000,000.00 | 4,000,000.00 |
| BNS | | 625% | 11-Jul-2023 | 11-Jul-2033 | 3,000,000.00 | 3,000,000.00 |
| CIBC | 4.490 | 180% | 16-Oct-2023 | 16-Oct-2030 | 4,000,000.00 | 4,000,000.00 |
| BNS | 3.000 | 65% | 29-Dec-2023 | 29-Dec-2028 | 3,000,000.00 | 3,000,000.00 |
| BNS | 1.500 | 220% | 27-Jan-2024 | 27-Jan-2031 | 3,000,000.00 | 3,000,000.00 |
| BNS | 3.000 | 115% | 18-Feb-2024 | 18-Feb-2031 | 5,000,000.00 | 5,000,000.00 |
| CIBC | | 575% | 06-Mar-2024 | 06-Mar-2031 | 4,000,000.00 | 4,000,000.00 |
| BMO | | 800% | 28-Mar-2024 | 28-Mar-2031 | 5,000,000.00 | 5,000,000.00 |
| BNS | 3.000 | 110% | 06-Jun-2024 | 06-Jun-2031 | 3,000,000.00 | 3,000,000.00 |
| BNS | 2.000 | 195% | 06-Jun-2024 | 06-Jun-2031 | 3,000,000.00 | 3,000,000.00 |
| BMO | | 500% | 02-Jul-2024 | 02-Jul-2031 | 4,000,000.00 | 4,000,000.00 |
| CIBC | 3.590 | 100% | 03-Jul-2024 | 03-Jul-2031 | 5,000,000.00 | 6,400,000.00 |
| BMO | 3.000 | 115% | 26-Jul-2024 | 26-Jul-2031 | 5,000,000.00 | 5,000,000.00 |
| BMO | | 455% | 22-Sep-2024 | 22-Sep-2031 | 4,000,000.00 | 4,000,000.00 |
| RBC | 2.000 | 151% | 27-Nov-2024 | 27-Nov-2031 | 4,000,000.00 | 4,000,000.00 |
| RBC | | 357% | 29-Nov-2024 | 09-Dec-2031 | 4,000,000.00 | 4,000,000.00 |
| BNS | | 570% | 27-May-2025 | 27-May-2035 | 6,000,000.00 | 6,000,000.00 |
| CIBC | | 100% | 21-Aug-2025 | 21-Aug-2032 | 5,000,000.00 | 5,000,000.00 |
| BMO | | 230% | 07-Oct-2025 | 07-Oct-2030 | 7,000,000.00 | 7,000,000.00 |
| BMO | | 100% | 16-Oct-2025 | 16-Oct-2032 | 4,000,000.00 | 4,000,000.00 |
| CIBC | | 100% | 08-Dec-2025 | 08-Dec-2032 | 5,000,000.00 | 5,000,000.00 |
| RBC | | 100% | 10-Dec-2025 | 10-Dec-2032 | 8,000,000.00 | 8,000,000.00 |
| BNS | | 100% | 22-Jan-2026 | 22-Jan-2033 | 6,000,000.00 | 6,000,000.00 |
| RBC | | 100% | 30-Jan-2026 | 30-Jan-2036 | 6,000,000.00 | 6,000,000.00 |
| | | | | | 131,500,000.00 | 132,900,000.00 |

TOTAL BONDS AND PPNs

| | |
|-----------------------|-----------------------|
| 336,105,099.00 | 416,509,600.00 |
|-----------------------|-----------------------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|---------------|-----------------|--------------------|------------------|---------------|-------------|
|---------------|-----------------|--------------------|------------------|---------------|-------------|

Current Holdings:

| | | | | | |
|--------------|------|-----------|----------|-----------------------|----------------|
| BANK BALANCE | 2.95 | 31-Mar-26 | 1-Apr-26 | 182,914,954.66 | 182,929,738.20 |
| | | | | 182,914,954.66 | |

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|

EXHIBIT 6 - 2026 Q1 DCA FUND INVESTMENTS

| ISSUER | INT RATE | DATE BOUGHT | DATE SOLD | BOUGHT | SOLD |
|--------|----------|-------------|-----------|--------|------|
|--------|----------|-------------|-----------|--------|------|



Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: 184-R-25 Consulting Services for a Citywide Wastewater Master Plan Update

PREPARED BY: Alex Lee, Sr. Manager, Engineering Review, Ext. 2414
 Manpreet Kalsi, Development Engineer, Ext. 3404
 Tony Casale, Senior Construction Buyer, Ext. 3190

RECOMMENDATION:

- 1) That the report entitled “184-R-25 Consulting Services for a Citywide Wastewater Master Plan Update” be received;
- 2) That the contract for 184-R-25 Consulting Services for a Citywide Wastewater Master Plan Update be awarded to the highest ranked / lowest priced Bidder, Arcadis Professional Services (Canada) Inc. in the amount of \$463,339.89 inclusive of HST; and
- 3) That provisional allowances in the amount of \$26,350.75, inclusive of HST, be established for two presentations/Public Information Centre Meeting and one meeting with other government agencies to fulfill EA Act requirements; and
- 4) That a 10% contingency in the amount of \$48,969.06 inclusive of HST, be established to cover any additional consulting requirements and that authorization to approve expenditures of the contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and
- 5) That the Engineering Department Capital Administration fee in the amount of \$48,479.37 be transferred to revenue account 640-998-8871 (Capital Administration Fee); and
- 6) That the contract award in the amount of \$587,139.07 (\$463,339.89 + \$26,350.75 + \$48,969.06 + \$48,479.37) be funded from account 640-101-5699-21183 “City Wide Water and Wastewater Servicing Update” with an available budget of \$249,352.00 for the City-Wide Wastewater Servicing Update component; and
- 7) That the budget shortfall of \$337,787.07 be funded from the Development Charges Reserve (City Wide Hard); and
- 8) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain Council approval to award the contract for consulting services to prepare a city-wide wastewater servicing update

BACKGROUND:

The City of Markham (City) requires the provision of professional engineering services from a qualified and experienced consultant (“Proponent”) for the development of a Citywide Wastewater Master Plan (Project), including but not limited to, data analysis, field monitoring, model calibration and validation, consolidate MESP’s & Secondary Plan studies/models into a Master Plan model, develop a wastewater servicing strategy for expanded new Urban Areas, identify existing system upgrades requirements, evaluate system upgrades alternatives and recommend preferred alternatives. Furthermore, the consultant shall provide cost estimations of the preferred alternatives, develop a wastewater capital program with phasing at a 10-year interval to support the planned and future growth forecasts identified in the current City of Markham Official Plan, on-going Official Plan Review updates and York Region Official Plan (YROP), 2022.

The Master Plan will be the long-term plan for addressing wastewater sewage system improvements to meet servicing demands to year 2051 growth horizon. The last study was completed in 2017. The results of the study will provide input to the DC Background Study Update.

It is anticipated that the project will be completed by October 2027.

Bid Information (184-R-25):

| | |
|------------------------------------|------------------|
| Bids closed on | January 30, 2026 |
| Number picking up the Bid document | 11 |
| Number responding to the Bid | 5 |

Proposal Evaluation:

The Evaluation Team was comprised of staff from the Engineering Department and Environmental Services Department, facilitated by staff from the Procurement Division. The city released this RFP utilizing a two-stage evaluation process.

Stage One (1) – Mandatory and Technical Evaluation

Under Stage One, proponents were required to demonstrate their experience based on the following mandatory requirement:

- Corporate experience with city-wide wastewater modelling projects completed in the past 10 years with similar size and complexity.

The mandatory evaluation criteria ensured that Proponents had the relevant experience to carry out the assignment. All five proponents met the mandatory evaluation criteria and were further evaluated under the Technical Evaluation.

Under the Technical Evaluation, Bidders were assessed based on pre-established evaluation criteria as outlined in the Request for Proposal; 20% corporate experience, project team and structure, 30% project understanding and approach, 20% project resources

and workplan and 5% proposal structure and quality. Bidders that did not achieve a technical score of 56.25 points out of 75 (75%) would not proceed any further and their financial Proposal would remain sealed in the bidding system. Five bidders were evaluated in Stage 1, and two bidders achieved the minimum technical score to proceed to Stage 2 - price evaluation.

Stage Two (2) – Financial Evaluation

Under Stage 2 – Financial Evaluation, Bidders which achieved a total technical score of 56.25 points or greater out of 75 were assessed based on their Bid Price exclusive of HST. The highest ranked bidder was determined by adding the points awarded under Stage 1 – Technical Evaluation and Stage 2 – Price Evaluation.

| Bidder | Total Score (out of 100) | Rank Results |
|---|---------------------------------|---------------------|
| Arcadis Professional Services (Canada) Inc. | 96.00 | 1 |

* Bid prices ranged from \$463,339 to \$524,588 inclusive of HST.

FINANCIAL CONSIDERATIONS:

| | | |
|-----------------------------------|--|--|
| Recommended Proponent | Arcadis Professional Services (Canada) Inc (Highest ranked/ lowest priced proponent) | |
| Current Budget Available | \$249,352.00 | 640-101-5699-21183 City Wide Water and Wastewater Servicing Update |
| Less cost of award | \$463,339.89 | Consulting Services (Incl. of HST) |
| | <u>\$ 26,350.75</u> | Provisional Allowances* |
| | \$489,690.64 | Sub Total |
| | <u>\$ 48,969.06</u> | Contingency @ 10% |
| | \$538,659.70 | Cost of award (Incl. of HST) |
| | <u>\$ 48,479.37</u> | Internal Management Fees |
| | \$587,139.07 | Total Cost |
| Budget Remaining after this award | (\$337,787.07) | ** |

*The provisional allowances are for presentation / Public Information Centre Meeting to fulfill EA Act requirements and one meeting with other government agencies to fulfill EA Act requirements.

**The budget shortfall of \$337,787.07 will be funded from the Development Charges Reserve (City Wide Hard).

The budget shortfall was anticipated and is primarily due to initial budget underestimation, combined with inflationary and professional services cost increases since the 2020 estimate. Although the required budget exceeds available funding, the awarded price remains lower than comparable municipal wastewater master plans, demonstrating that the City is achieving strong value despite prevailing market conditions.

The City anticipated consulting costs in the range of \$610,500, based on comparable municipal wastewater master plan studies. The final awarded amount of \$587,139.07 is below this estimate and aligns with current market conditions.

For comparison, a neighbouring municipality awarded its Wastewater Master Plan Study in June 2025 at a value of \$495,437.73, while a northern Ontario municipality awarded a similar study in 2023 at a significantly higher value of \$971,250.00. Collectively, these recent municipal awards demonstrate that the City's awarded amount is competitive and, in some cases, lower than prevailing market expectations.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

OPERATING BUDGET AND LIFE CYCLE IMPACT:

The requested award has no incremental impact on the Operating Budget or Life Cycle Reserve Study. The contract will be funded from Project 21183 (funded by Development Charges).

ALIGNMENT WITH STRATEGIC PRIORITIES:

The proposed work is required to continue to accommodate growth and improve safety in the City of Markham. The program aligns with the City's Strategic Plan goals of "Safe & Sustainable Community."

BUSINESS UNITS CONSULTED AND AFFECTED:

The Environmental Services department has been consulted during the preparation of this report. Finance has reviewed and approved the report.

RECOMMENDED BY:

Frank Clarizio,
Director, Engineering

Trinela Cane, Commissioner,
Development Services



Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: 047-S-24 Animal Services Sheltering Contract Extension
PREPARED BY: Christy Lehman, Animal Services Supervisor. Ext, 2131
 Jessica Brown, Procurement Specialist. Ext, 2388

RECOMMENDATION:

1. That the report entitled “ Animal Services Sheltering Contract Extension” be received; and
2. That the contract for Animal Services Sheltering be extended with Ontario SPCA for three additional years in the annual amount of \$263,293.00 with a two year optional renewal extension as per follows:
 - a. Year 1 (April 1, 2026 – March 2027) - \$263,293.00
 - b. Year 2 (April 1, 2027 – March 2028) - \$263,293.00*
 - c. Year 3 (April 1, 2028 – March 2029) - \$263,293.00*
 - d. Year 4 (April 1, 2029 – March 2030) - \$263,293.00*
 - e. Year 5 (April 1, 2030 – March 2031) - \$263,293.00*

*Years 2 – 5 are subject to an increased based on consumer price index (CPI).

3. That the contract be funded from Operating account 310-320-5370 (Animal Services – Canine Control) with an annual operating budget of \$275,000.00; and
4. That the Commissioner, Corporate Services be authorized to extend the contract for renewal Years 4 & 5 (2029 – 2031) based on the Consumer Price Index and subject to satisfactory performance;
5. That the tendering process be waived when in accordance with Procurement By-Law 2017-8, Part II, Section 11. Non-Competitive Procurement, items 11.1 (b) “where there is only one source of supply for the goods to be purchased”;
6. That staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval to extend the contract for the continued provision of animal sheltering and related services for a five-year term, consisting of an initial three-year agreement with a two-year optional extension.

BACKGROUND:

Animal sheltering services are required to support the City's legislative obligations related to the management and care of animals found within the City of Markham. Municipalities are responsible for ensuring that animals that are stray, abandoned, or otherwise in need of care can be safely and humanely housed. Maintaining a contractual relationship with a qualified sheltering provider capable of delivering these services is therefore necessary for the City to fulfill these obligations.

The City has maintained a service relationship with the Ontario SPCA for more than twenty years for the provision of animal sheltering and care services. Throughout this period, the Ontario SPCA has consistently delivered high-quality, professional services that align with the City's expectations for humane treatment, animal welfare, and veterinary care.

The organization has demonstrated strong operational capacity, housing an average of 400 City of Markham animals per year, supported by experienced staff and well-established animal care programs. Most notably, its comprehensive approach to animal welfare—including robust adoption, foster, rehabilitation, and veterinary care programs—has contributed to the lowest euthanasia rates experienced by the City over the course of this partnership.

The longstanding relationship has also enabled strong coordination between municipal staff and Ontario SPCA personnel, resulting in efficient processes for animal intake, care, adoption, and reunification with owners. This continuity of service, combined with a shared commitment to animal welfare, has supported consistent service delivery and positive outcomes for both animals and residents.

OPTIONS/ DISCUSSION:**Market Availability and Sole Source Justification**

A review of available service providers indicates that there are currently no viable alternative service providers capable of delivering the required level of animal sheltering services within the City's service area.

Municipal animal shelters in neighbouring jurisdictions are currently operating at or near capacity and are therefore unable to assume responsibility for an additional service contract at this time. While there may be future opportunities should some municipalities expand their shelter infrastructure, such expansion projects would involve planning, capital investment, and construction timelines that would likely exceed the proposed five-year contract term. Animal Services staff will continue to monitor these potential partnerships regularly and explore any opportunities in the future.

Additionally, there are currently no private sector organizations operating within the region that offer comprehensive animal sheltering services of the type required by the City. The specialized nature of the service—including intake, sheltering, medical care, adoption services, and humane animal welfare practices—limits the availability of qualified providers.

Given these constraints, the Ontario SPCA remains the only organization currently capable of delivering the full scope of required services.

Strategic Alignment and Service Value

The services provided by the Ontario SPCA strongly align with the City's strategic priorities related to animal welfare, responsible pet ownership, and humane community services.

Their programs emphasize rehabilitation, adoption, and community engagement, which contribute to positive outcomes for animals and support public expectations for humane treatment. The organization's commitment to maintaining low euthanasia rates and prioritizing adoption and recovery efforts reflects best practices in modern animal welfare service delivery.

Maintaining this partnership ensures continuity of service, preserves the quality of care currently provided, and supports Markham's commitment to responsible and humane animal management.

Overview

Animal sheltering services are required for Markham to meet its legislative responsibilities related to animals found within Markham. In the absence of City shelter, a contract with a qualified provider is necessary to ensure animals are housed and cared for in a safe and humane manner.

Based on the Ontario SPCA's proven track record, the absence of viable alternative service providers, and the strong alignment of services with City strategic priorities, it is recommended that Markham enter into a sole source agreement with the Ontario SPCA for a five-year term (three years plus a two-year optional extension).

This approach will ensure continued high-quality animal sheltering services while maintaining the humane standards and positive outcomes that have been achieved through this longstanding partnership.

The Markham Animal Adoption and Education Centre, formerly known as the Cat Adoption Centre, is included within the scope of this contract. Operations have been structured around a monthly large-scale weekend adoption event model, supporting improved operational efficiency and financial accountability. The current approach consolidates these events into a single day per month, contributing to additional cost savings. This model reflects observed adoption patterns, with the majority of adoptions occurring on the first day and reduced demand thereafter, resulting in a more efficient use of resources.

FINANCIAL CONSIDERATIONS**Operating Costs****PART I: 3-Year Extension (Years 1-3):****Year 1** (April 1, 2026 – March 31, 2027) - \$263,293.00**Year 2** (April 1, 2027 – March 31, 2028) - \$263,293.00***Year 3** (April 1, 2028 – March 31, 2029) - \$263,293.00*

Total Cost Over 3-Year Extension Term - \$789,879.00*

The Ontario SPCA is contracted to ensure continuous capacity and readiness, not to provide a discrete, unit-priced service per animal. The flat fee pays for:

- staffing levels (veterinary, shelter, enforcement, administration),
- facility availability,
- on-call and statutory coverage,
- compliance with provincial animal welfare standards.

PART II: 2-Year Optional Renewal (Years 4-5):**Year 4** (April 1, 2029 – March 2030) - \$263,293.00***Year 5** (April 1, 2030 – March 2031) - \$263,293.00*

Total Cost Over 2-Year Optional Renewal Term - \$526,586.00*

*Years 2 – 5 are subject to an increase based on CPI (All-Items Ontario) for the twelve-month period ending February of each year. February CPI represents the most recently published and finalized index available prior to the April 1 contract start date. This approach provided price certainty at the time of contract renewal and aligns with standard procurement and audit practices

**Years 1 through 5 of the contract be funded from Operating account 310-320-5370 (Animal Services – Canine Control). The existing annual Animal Services Sheltering Contract budget for this account is \$275,000.00, which is subject to annual increase based on CPI (All-Items Ontario) for the twelve-month period ending February each year for Years 2 through 5, and is subject to the corresponding annual budget adoption for each of those specified years. The favourable variance will be reported as part of the 2026 year-end result of operations, and the budget for future years will be adjusted accordingly, subject to budget adoption for 2027 to 2031.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

| Goal | Examples – How the Solution can Help Achieve the Goal |
|---|--|
| Exceptional Services by Exceptional People | Animal sheltering services are required to support the City's legislative obligations related to the management and care of animals found within the City of Markham. Maintaining this partnership ensures continuity of service, preserves the quality of care currently provided, and supports Markham's commitment to responsible and humane animal management. |
| Stewardship of Money and Resources | The operating efficiencies implemented pertaining to operating hours/days have resulted in net operating cost savings, while maintaining optimal service levels. |

BUSINESS UNITS CONSULTED AND AFFECTED:

Finance has been consulted in preparation of this report.

RECOMMENDED BY:

Kimberley Kitteringham
City Clerk & Director, Legislative Services

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Not applicable

Markham Village BIA**2024 Annual General Meeting****March 6, 2024 6:00 PM- Markham Village Community Centre****Present:** Paul Cicchini, Brian Roswell, Councillor Karen Rea, Michelle McDermott, Tony Paul**Staff:** Heather**Guests:** Mary Pan and Michael Cha

1. **Call to Order:** Meeting called to order at 6:15 PM by Chairman Paul Cicchini

2. **Declaration of Tax and Environmental Obligations**

The board was advised by the Chair that, to the best of his knowledge and abilities, the BIA is meeting all taxation and environmental obligations.

3. **Disclosure of Pecuniary Interest**

The chair requested that Board Members advise of any conflicts if they arise throughout the meeting.

4. **Indigenous Land Acknowledgement**

5. **Adoption of the Minutes**

The chair advised that the minutes of the MVBIA 2023 AGM, held on March 6th, 2023 have been distributed and asked for a motion to have the minutes adopted. Motion by Michelle McDermott, seconded by Councillor Rea, to approve the minutes of the 2023 Annual General Meeting. Carried.

6. **Financial Report & 2024 Budget**

The Chair asked Phil Howes to provide the financial report for the meeting and provide information on the 2024 budget.

a) **2022 Audited Financial Statements:** The 2022 Audited Statements, as prepared by KPMG were presented and discussed. Motion by Brian Roswell, seconded by Tony to approve the 2022 Audited Financial Statements. Carried.

b) **2023 Interim Financial Results and 2024 Budget:** An unaudited Interim Financial Report of operations for the year ended to December 31, 2023 was presented indicating a surplus on operations of \$34,299 on the year, increasing the reserve fund surplus to \$191,001. Motion to receive the interim financial report – moved by Councillor Karen Rea, seconded by Tony Paul, Carried.

c) **2024 Budget**

The 2024 Operating Budget was presented to the members for approval. Brian advised that the budget was approved by the Board of Management at the February 22, 2024. The proposed budget leaves the BIA levy \$239,640, which is the same level as 2023, projects a deficit on operations \$23,000 for the year which will be transferred from the reserve fund. The reserve fund balance at the end of 2024 will reduce to \$157,117. Motion to approve the 2024 budget by Tony Paul, seconded by Ali Daya. Carried.

7. **Managers Report**

Heather provided an overview on the BIA's accomplishments over the past year, highlighting key initiatives and events. She also outlined plans to establish sub-committees to solicit different ideas and perspectives to enhance visitor experience on the street. It was noted that unfortunately, Science Rendezvous will not be taking place this year.

8. **Chair's Report**

Paul expressed his appreciation to the Board, Councillor Karen Rea, and City staff for their collaboration and support in navigating regulations to ensure the BIA's events are successful.

He also thanked the guests in attendance for participating and being part of the process.

9. **Delegations**

Michael was welcomed to the meeting, having recently taken over operations of the laundromat and convenience store. He expressed concerns regarding by-law restrictions.

Councillor Karen Rea clarified that although the business is not located directly on Main Street, the building is still situated within the Heritage District and must comply with the area's special sign By-law. Under the current heritage guidelines, LED and fluorescent/backlit signage is not permitted.

She advised that the BIA office has OPEN/CLOSED signs available for businesses along the street and that Michael is welcome to have one for his location.

It was noted that this is a longer discussion which could take place sometime in the future. There are plans for Heritage Planning to review the Markham Village Heritage District Plan at a future date but at this time, unsure if it would include signage. The primary objective remains the preservation of the historic character of the area and maintaining the district as a destination while respecting its heritage context.

10. Members of the board and guests invited to stay for some light refreshments and socialize as the AGM has concluded.

Motion to Adjourn at 7.30 pm by Michelle, seconded by Tony – Carried

MARKHAM VILLAGE BUSINESS IMPROVEMENT AREA

October 17, 2024 – 9:00 a.m.

Via Zoom Videoconference

1. Call to Order

The meeting was called to order at 9:08 a.m. by Chair Paul Cicchini.

2. Attendance

• Paul Cicchini (Chair) • Brian Rowsell (Secretary) • Daniel Imbrogno • Councillor Karen Rea • Aly Daya • Tony Paul • Michelle Brady

Staff: • Heather Cook

Regrets: • Phil Howes

Guests: • Savindi Jinasena

3. Declaration of Tax and Environmental Obligations

The Chair advised that, to the best of his knowledge and ability, the BIA is compliant with all taxation and environmental obligations.

4. Disclosure of Pecuniary Interest

The Chair requested that Board Members disclose any pecuniary interests as they arise during the meeting. No disclosures were made.

5. Adoption of Previous Minutes

Moved by Daniel Imbrogno

Seconded by Tony Paul

That the minutes of the May 2024 Board Meeting be adopted as presented.

Carried.

6. Event Updates (Heather Cook)

Halloween Event:

- Event scheduled for the week following the meeting.
- Candy will be distributed to participating merchants.
- Pick-up at the BIA office preferred; delivery available upon request

Festival of Lights:

- Planning well underway.
- Coordination with City staff (Koby Yung), OTS, road closure contractor and YRP.
- Volunteer required for lower Main Street during event as the distance North to South is too much for one individual to cover.
- Returning features include wagon rides, train, carolers, performers and fireworks.

Shop Local Christmas Contest:

- 'Spend on Main Street' contest being planned.
- Customers receive entry with qualifying purchase.
- Further details forthcoming.

8. Communications & Member Services

New Business Welcome Package – A welcome letter to new businesses is being considered to provide information regarding heritage compliance, permit requirements, business responsibilities and any other related information.

- Available online and in hard copy for landlords and potential new businesses.

Website Needs Updating:

- Memberleap remains in use for membership database.
- Reached out to the Administrator who will be looking at methods to update the template while maintaining proprietary data.

Social Media & Digital Marketing:

- Heather requested a person that could help part-time with Social Media and Digital Marketing to ensure we are getting the Main Street Brand out.

9. Financial Report

Phil Howes reported no irregularities in the financial statements ending September 30, 2024.

10. Other Business

None.

11. Adjournment

The meeting adjourned at 9:55 a.m.

MARKHAM VILLAGE B.I.A.
REGULAR BOARD MEETING MINUTES
NOVEMBER 21 , 2024 9:00 AM
Via ZOOM Videoconference

Page | 1

Present:

Paul Cicchini (Chair) Brian Rowsell (Secretary)

Daniel Imbrogno, Councillor Karen Rea, Aly Daya, Tony Paul,

Staff: Heather Cook, Phill Howes Regrets: Michelle Brady

Guests: Savindi Jinasena

1. CALL TO ORDER

The meeting was called to order at 9:10 a.m. by Chairman Paul Cicchini.

2. DECLARATION OF TAX AND ENVIRONMENTAL OBLIGATIONS

The board was advised by the Chair that to the best of his knowledge and abilities the BIA meets all taxation and environmental obligations.

3. DISCLOSURE OF PECUNIARY INTEREST

The Chair requested that Board Members advise of any conflicts of interest as they arise throughout the meeting.

4. Heather provided us with an event updates starting with Festival of Lights. All preparations are in order. YRP Paid Duty is once again a problem getting paid. Karen will address the issue and investigate the problem. Santa will be at Cyclebar, Don from Salvation Army has designated several merchants as Gift Drop Off locations. Road closure signage will be up Monday and Social Media postings will become a daily event updating the Festival.

5. Shop Local has started, a BIA contest. Spend \$20 on Main Street and forward your receipt to the BIA. Prizes donated by our merchants are to be given out by the Merchant after the close of the contest December 24th.

6. The BIA Subcommittee has met for their first meeting. Positive results, looking at a number of specialized firms or individuals to shepherd the program. Further information to follow

7. FINANCIALS - Phil reported that there were no irregularities in the current financial statement ending October 30, 2024. He noted that all expenses may not be in. There may be a small surplus at year end as our expenses are down, Staffing, Advertising and other expenses are lower.

7. OTHER BUSINESS - Karen suggested an automatic In Camera Session following each BIA Board Meeting as a routine. A follow upon the 404 Highway sign should be undertaken, Heather agreed to follow up

8. MEETING ADJOURNED AT 9:59



MEMORANDUM

To: Mayor and Members of Council

From: Frank Clarizio, Director of Engineering, Development Services

Prepared by: Simon Ho, Capital Works Engineer
Kant Chawla, Program Manager - YNSE
David Fleischer, Senior Planner, Planning and Urban Design
Salia Kalali, Senior Manager, Infrastructure and Capital Projects
Eric Chan, Senior Manager, Transportation

Date: April 21, 2026

Re: **Request for Delegated Authority to Enter into a Construction Agreement for North Boulevard with Condor Properties Ltd. or its designate (“Condor”)**

RECOMMENDATION:

- 1) THAT the memorandum entitled, “Request for Delegated Authority to Enter into a Construction Agreement for North Boulevard with Condor Properties Ltd. or its designate (“Condor”)”, be received;
- 2) THAT the Mayor and Clerk be authorized to execute a Construction Agreement between Condor and the City for the construction of North Boulevard on terms satisfactory to the Director of Engineering and the City Solicitor, or their respective delegates;
- 3) THAT Council waive the requirement in the Development Charge Credit and Reimbursement Policy for Council approval of development charge credits in advance of construction of North Boulevard commencing;
- 4) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to provide the background into the North Boulevard project (the “Project”) and to obtain delegated authority to enter into a Construction Agreement with Condor for the construction of North Boulevard.

BACKGROUND:**Construction Project and Area Context:**

The Subject Lands (“North Boulevard”) are located within the Bridge Transit-Oriented Community / Langstaff Gateway Secondary Plan Area, east of Yonge Street and south of Highway 407. North Boulevard will replace a portion of the existing Langstaff Road East right-of-way between Cedar Avenue and just east of Yonge Street. North Boulevard will generally run parallel to the existing Langstaff Road East right-of-way and replaces the existing at-grade crossing of the CN tracks with a grade-separated structure over the existing CN tracks and future Yonge North Subway Extension (YNSE) tracks, as shown in Attachment A.

Works As Described in the Construction Agreement:

The Construction Agreement Works for the Project consist of the North Boulevard right-of-way and all its associated utility infrastructure, the grade-separated crossing over the existing CN tracks and future YNSE tracks, the retaining wall structure on both approaches to the crossing, and the Cedar Avenue/Langstaff/North Boulevard intersection. North Boulevard will run from future Creek Street (just east of Yonge Street) up to and including the Cedar Avenue intersection. The extent of the Project is shown within the bold dashed boundary line in Attachment A.

Project History:

The Project area is located within the Langstaff Gateway Secondary Plan area, which is intended to be a major Urban Growth Centre in the City of Markham. However, significant changes were introduced by the Province of Ontario in 2022:

- A revised alignment to the YNSE shifted from Yonge Street to an at-grade section adjacent to the existing CN Rail right-of-way. The previously planned Longbridge Station was replaced by a new Bridge Station, including a regional bus terminal, located in the north-centre part of the area; and
- The Province enacted an Enhanced Minister’s Zoning Order via O. Reg 345/22 for the TOC, based on an agreement with Condor, who owns most of the lands south of the 407 between Yonge Street and the CN right-of-way, that introduced significant new density to the area around Bridge Station and included a new road network.

North Boulevard will be an east-west major collector road through the future Bridge Transit-Oriented Community (TOC) that will provide access to the future Bridge Station on the YNSE. Although the construction of the road is not part of the YNSE, the future Bridge Station is planned to be located on North Boulevard, with the main entrance into the station situated on the elevated portion of the North Boulevard overpass. Therefore, the construction of North Boulevard is being extensively coordinated with the planned construction of Bridge Station. There is no current planning application associated with this construction of the Bridge Station, which could be constructed concurrently with the construction of the Project.

Previous Council Approvals:

In May 2023, Council approved Red Line Revisions to Condor’s Draft Plan of Subdivision for Phase 1A of the Bridge TOC, which is located west of the subject lands as shown in Attachment B.

In June 2023, Council approved a motion authorizing staff to permit the closure of Langstaff Road East within the approximate boundaries of the Project site in order to facilitate the subway construction. Pre-construction and enabling works are currently under way.

As YNSE construction is anticipated to begin imminently, and as the North Boulevard is required to facilitate construction of YNSE Bridge Station, staff have been actively engaging with Metrolinx, Infrastructure Ontario (IO) and Condor for the coordination of all aspects of the Project, such as design, staging and construction. Staff will be working with Condor on a Construction Agreement that would allow the Project to be constructed by Condor concurrent with the delivery of the YNSE's Bridge Station.

DISCUSSION

Condor is developing and finalizing the design and construction cost estimates for the Project and staff will review these in accordance with City standards, specifications and requirements. The negotiated terms and conditions for construction agreement between the parties will be subject to approval of the Director of Engineering and the City Solicitor. Authority for the execution of the construction agreement is being sought at this time in order as construction is anticipated to commence imminently. Terms and provisions of a future Development Charges Credit Agreement between per the following section will be the subject of a separate report to Council.

The City's Development Charge Credit and Reimbursement Policy requires that Council approve development charge credits, if available, prior to the commencement of construction of municipal infrastructure. In this case, it is in the City's interests to have construction commence this year, however, the amount of any development charge credits is not yet determined. Accordingly, staff request Council approval to waive the requirement in the policy for the development charge credit to be approved prior to commencement of construction. It is acknowledged that the risk of proceeding without a determination of the credits available is borne by Condor.

OTHER FUTURE AGREEMENTS FOR NORTH BOULEVARD

Tri-Party Operations and Maintenance Agreement – Metrolinx, City of Markham, CN Rail

A Tri-Party Agreement on the ownership, operation, and maintenance of the North Boulevard overpass structure, will be required and details about that agreement will be brought to Council at a future date.

Development Charge Credit Agreement – Condor and City of Markham

Development Charge Credits for the relevant construction costs as identified in Markham's Development Charge Background Study will be determined and authority for a separate Development Charge Credit Agreement will be brought to Council at a future date.

FINANCIAL CONSIDERATIONS

Financial considerations will be determined in a separate Cost-Sharing Agreement as discussed in the preceding section.

OPERATIONS AND MAINTENANCE COST FOR MUNICIPAL INFRASTRUCTURE

Operations and Maintenance costs will be finalized upon the completion of the design, when all assets will be identified, and the impacts of these assets will be assessed.

BUSINESS UNITS CONSULTED AND AFFECTED

In the development of this Memo, the following Business Units were consulted: Legal, Finance, and Engineering.

ALIGNMENT WITH STRATEGIC GOALS

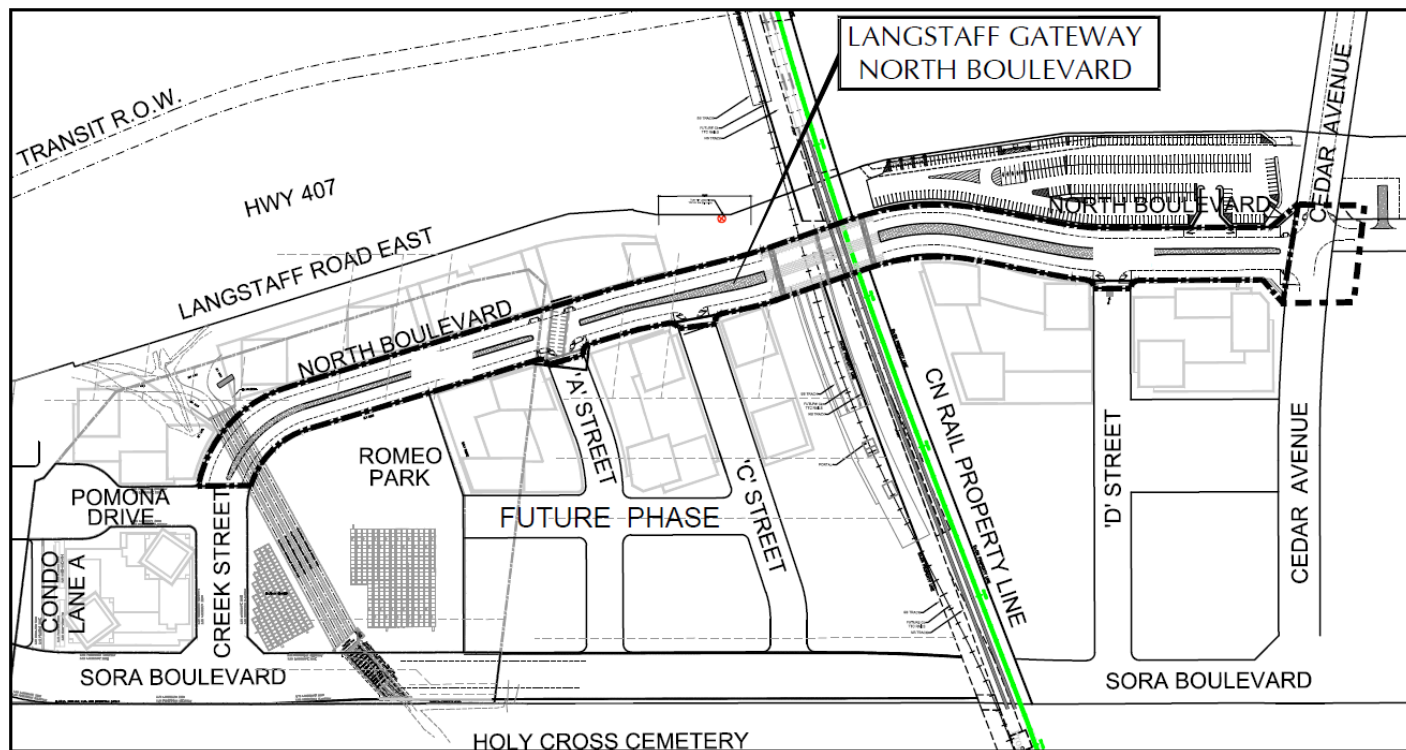
The Construction of the Project is in alignment with several of the City of Markham's Strategic Goals. The construction of the Project will service a Transit-Oriented Community, bringing ease of access to the subway station complete with cycling and e-mobility lanes promotes our Strategic Goal of an Engaged, Diverse, Thriving and Vibrant City as well as a Safe, Sustainable and Complete Community. Lastly, in our development of the final design and cost estimate, this project will support Strategic Goal 4 of Stewardship of Money and Resources.

Frank Clarizio
Director of Engineering

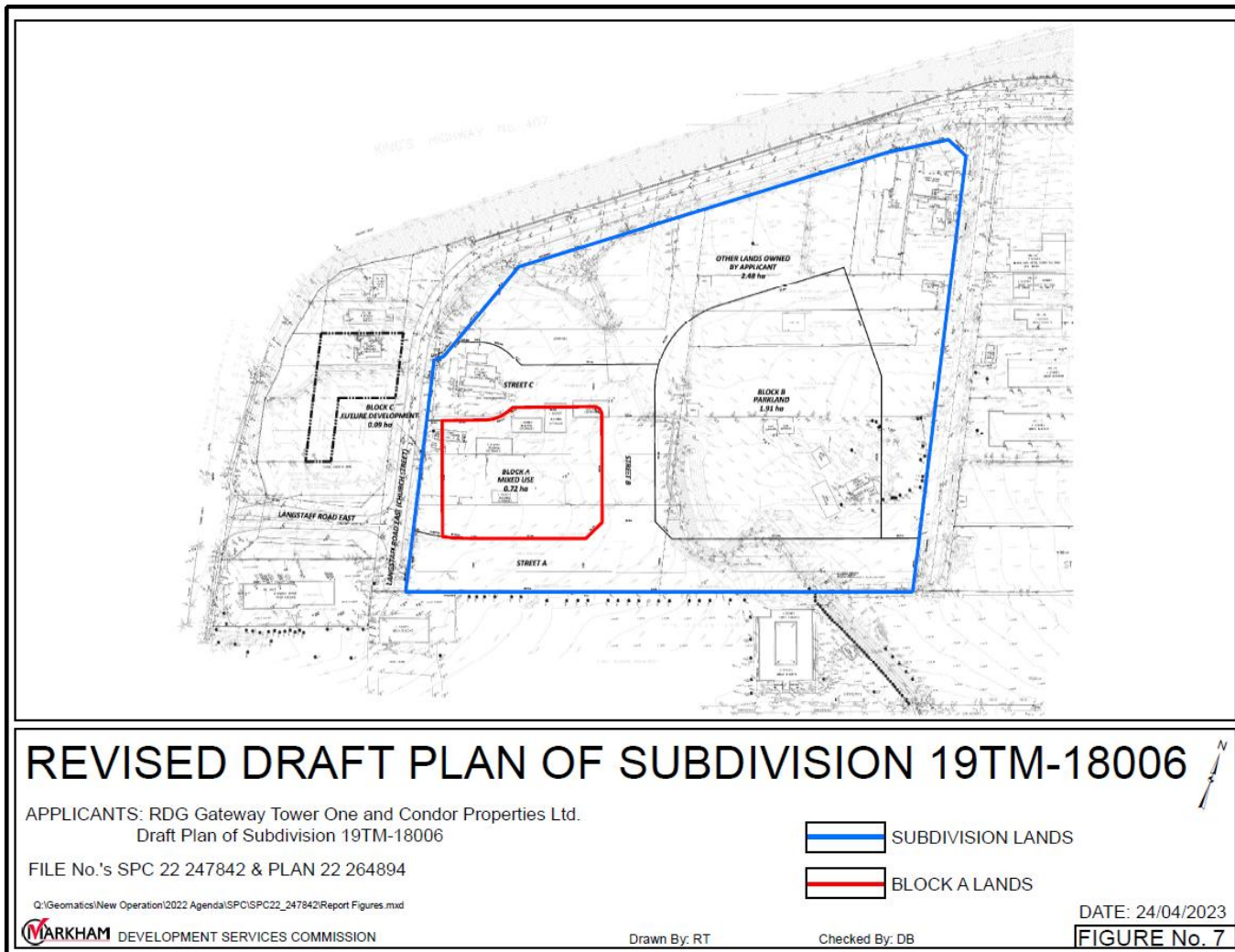
Trinela Cane
Commissioner of Development Services

ATTACHMENTS

Attachment A: Location Plan – North Boulevard



Attachment B: Draft Plan of Subdivision





Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: Building Markham’s Future Together (BMFT) 2020 – 2026
Strategic Plan Update

PREPARED BY: Bryan Frois ext. 3792

RECOMMENDATION:

1. THAT the report entitled Building Markham’s Future Together (BMFT) 2020 – 2026 Strategic Plan Update be received;
2. THAT Staff initiate preparations for the development of the next Strategic Plan 2027-2030; and
3. THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

In 2025, the City of Markham made significant progress on achieving key actions identified in the 2020-2026 Strategic Plan. Through the efforts of staff and Members of Council, the City of Markham is well underway in accomplishing objectives and key actions identified in the current strategic plan. This document is intended to provide a summary of the previous year’s accomplishments, while aligning those accomplishments within the current strategic plan.

In 2025, the City of Markham demonstrated strong leadership, innovation, and community commitment through the achievements highlighted in this report and accompanying appendices. Guided by Markham’s strategic plan, the City advanced digital modernization with new online services, an AI chatbot, and enhanced ePlan processes, while investing over \$112 million to date in flood mitigation, as well as transportation upgrades and critical infrastructure renewal to support growth and public safety. The City completed sustainability retrofits at four community facilities, planted over 30,000 trees and shrubs, created new wetland habitats to enhance biodiversity, and maintained a waste diversion rate exceeding 80 percent—demonstrating measurable progress toward environmental resilience and long-term climate responsibility. The City also celebrated significant community milestones and cultural achievements, hosted major festivals and events, secured a multi-year agreement to host the Ontario Honda Dealers Indy at Markham beginning in 2026, and earned provincial, national, and international recognition for excellence in sustainability, innovation, and public service. Together, these accomplishments reflect Markham’s continued focus on service excellence, fiscal responsibility, community vibrancy, and building a resilient future for residents.

Recently, the City implemented a new cloud-based project tracking and reporting system to improve planning, performance measurement, and decision-making. The strategic plan

is the first initiative using the tool. The City will provide regular updates and post results online to ensure transparency and accountability.

The City's current strategic plan concludes when the final report is presented in Spring 2027. Preparations for the next strategic plan (2027-2030) will commence in 2026 and consultations will commence late 2026. It is anticipated that the City's new strategic plan will be presented for consideration and adoption by mid 2027. The current strategic plan, Building Markham's Future Together 2020-2026 will expire once the new strategic plan is adopted.

PURPOSE:

The purpose of this report is to provide the 2025 progress update on Building Markham's Future Together (BMFT) 2020 – 2026 Strategic Plan.

BACKGROUND:

Public and private sector organizations regularly use a strategic plan to serve as a blueprint for priority actions to guide decision makers in achieving desired outcomes as identified by their stakeholders.

It is customary at the start of each new Council term for Markham Council and Staff to revisit the strategic plan to confirm the City's goals and objectives and identify key priorities for the term.

Building Markham's Future Together establishes the City's vision, mission and values as the framework for both Council decision-making and day-to-day employee focus and ensures that resources are allocated to support the strategies and initiatives that help the City achieve its desired outcomes.

On January 28, 2020, Council approved its 2020—2023 Council Strategic Plan (Appendix A). The revised 2020-2026 Strategic Plan was approved on May 1, 2024. The following four goals are contained in the strategic plan to guide decision-making for this term of Council:

- Goal 1 – Exceptional Services by Exceptional People
- Goal 2 - Engaged, Diverse, Thriving and Vibrant City
- Goal 3 – Safe, Sustainable and Complete Community
- Goal 4 – Stewardship of Money and Resources

In April 2023, Markham staff recommended that the current strategic plan be extended by three years owing to an unexpected pandemic response that shifted council and staff priorities in 2020-2022, addition of new BMFT-aligned policy documents, as well as uncertainty in relation to provincial decisions on local and regional governance. Members of Council endorsed an extension and staff began planning a consultation period to commence in Fall 2023. Workshops with Members of Council and City staff were conducted at the end of 2023, as well as a public information meeting and launch of the public survey. The revised strategic plan was adopted by Markham Council in May 2024.

The current strategic plan, Building Markham's Future Together 2020–2026, will expire once the new strategic plan (2027–2030) is adopted. Consultations with Members of Council and City staff on the new strategic plan are expected to begin in late 2026 and continue into 2027. While the new strategic plan is being developed, Markham staff will continue advancing the objectives and actions identified in the current 2020–2026 strategic plan.

The following is the anticipated schedule for future strategic plans:

- City of Markham Strategic Plan 2027–2030
- City of Markham Strategic Plan 2031–2034
- City of Markham Strategic Plan 2035–2038

The City of Markham's current and future strategic plans align with the four-year Council cycle. This approach ensures that Members of Council have the opportunity to participate in the development of the strategic plan during their term of office.

In 2025, the City undertook a review of its project tracking and reporting capabilities. The City purchased a new cloud-based project tracking and reporting system designed specifically for municipal governments. This new tool brings planning, performance tracking, capital projects, and reporting together in one place. It helps staff set clear goals, track progress, measure results, and make better decisions using up-to-date information. The City is now better positioned to set clear strategic direction, establish measurable key performance indicators (KPIs), align team workplans, and make informed, data-driven decisions.

The first initiative to utilize this new resource is the City's strategic plan. The platform enables structured performance tracking against strategic objectives, providing leadership and Council with timely insights into progress and results. The first strategic plan progress report generated using this tool will be released later this year. This initial report will highlight key outcomes and demonstrate the enhanced clarity and accountability the system provides.

The City is committed to transparency and continuous improvement. Reporting will be updated regularly, and results will be published on the City's website to ensure residents and stakeholders have clear, ongoing visibility into progress toward strategic goals.

OPTIONS/ DISCUSSION:

The City of Markham made good progress in 2025 by accomplishing key actions outlined in the 2020-2026 Building Markham's Future Together strategic plan. Related metrics are included in Appendix C.

Listed below are the four BMFT goals. Accomplishments from the year 2025 are indicated within their respective BMFT goal. Additional accomplishments are listed in Appendix B. The list is developed with input from all commissions at the City of Markham.

Goal 1: Exceptional Services by Exceptional People

Goal Statement: *We embrace a bold and innovative culture that empowers and inspires excellent services within a collaborative and healthy work environment.*

| Strategic Objective: | Key Actions: | 2025 Accomplishments |
|--|--|---|
| <p>1.1. Deepen our understanding of what our community and stakeholder's value and need to inform municipal leadership and continuous improvement of our services.</p> | <p>1.1.1. Implement effective mechanisms for ongoing stakeholder feedback and engagement (i.e. regular customer surveys, focus groups).</p> <p>1.1.2. Leverage technology and non-digital methods for direct two-way communications to effectively gather feedback on services and push information out to stakeholders.</p> | <ul style="list-style-type: none"> • Undertook ten (10) customer service surveys. 85% overall average customer satisfaction rate. • Council presentation of results of 2024 Citizen Satisfaction Survey. • Added 25 new digital information screens in City facilities. • 114,000 visits to YourVoiceMarkham. • 25 million views on social media and 8.7 million website visits. • 190 million impressions of City's advertising/messaging on digital street billboards. • 52% year-to-date growth for MarkhamNOW eNewsletter. • Launch of City's leading-edge AI Chatbot 3.0. Smarter tool & enhanced customer experience. • Hosted Ontario Big City Mayors' AGM. |
| <p>1.2. Leverage leading technologies to enable city building and evolution / transformation of our services.</p> | <p>1.2.1 Implement new technology to enhance business operations.</p> <p>1.2.2 Streamline the development process to support the creation of complete communities and the building of more housing.</p> <p>1.2.3 Advance Digital Markham:</p> <ul style="list-style-type: none"> • Pilot test digital city technology. • Expand digital access and literacy programs. • Continue to embrace innovation and relevant technologies in delivery of service. • Leverage "Smart City" technologies to enhance and extend infrastructure lifecycle and improve efficiencies. • Accelerate City's web portal modernization to create a better user experience. | <ul style="list-style-type: none"> • Awarded platinum certification from World Council on City Data (WCCD) for sixth consecutive year. • Optimization of ePlan to improve efficiencies and speed up permit processing. • Launch of Phase 1 of online facility rental tool. • First outdoor public Wi-Fi piloted on Main Street Unionville. • Modernized Automated Vehicle Locator (AVL) systems on all fleet vehicles. • Transition of intraweb Checkmark to Microsoft platform. • Update and expansion of City's use of PowerBI. • Microsoft365 Office productivity tool implementation. • Modernization of Markham Library Digital Media Labs. • Environmental Services SCADA system upgrade. • Leveraged GTECHNA to begin AMPS-based enforcement of non-parking violations including Business Licensing, Animal Services, Fire Prevention, By-Law and Environmental Services. |

| | | |
|--|--|--|
| <p>1.3. Attract and retain the right talent and invest in and empower our people to drive innovation and service excellence.</p> | <p>1.3.1 Empower employees to continue to take risks and pursue innovation:</p> <ul style="list-style-type: none"> • Reduce barriers / bureaucracy. • Clarify roles, accountabilities (including for Centres of Expertise) and authorities. <p>1.3.2 Continue to implement the People Plan (attraction, retention, succession planning, formalized knowledge transfer, mentoring, and learning opportunities).</p> <p>1.3.3 Provide staff access to technologies to improve service delivery.</p> <p>1.3.4 Continue to invest in staff training.</p> | <ul style="list-style-type: none"> • Markham recognized as one of Canada's best employers by Forbes for fifth consecutive year. • Improved health and safety training modules to ensure compliance and safeguard staff. • Proactive health screening services for Markham Fire and Emergency Services suppression staff. • Planning, Engineering & Building Standard Internship programs. • Launched upgrade to internal Markham Learning Centre for easier user experience. • Creation of 2026 Learning Catalog including Managing at Markham and Emerging Talent. • Exceptional Services by Exceptional People Culture and Business Transformation. |
|--|--|--|

Goal 2: Engaged, Diverse, Thriving and Vibrant City

Goal Statement: *We are an inclusive city, engaging everyone in building a livable, caring and culturally vibrant community while respecting our past.*

We enable a strong economy; we proactively work to attract investment in our community; and we effectively manage change to meet future needs.

| Strategic Objectives: | Key Actions: | 2025 Accomplishments |
|--|---|---|
| <p>2.1 Enhance community cohesion and inclusion by creating strong neighbourhoods that are connected to the broader community.</p> | <p>2.1.1 Explore opportunities to support community and neighbourhood initiatives.</p> <p>2.1.2 Expand community hub concept (currently at Aaniin CC) across the City.</p> <p>2.1.3 Celebrate and explore Markham's past and diverse communities.</p> <p>2.1.4 Support the growth and sustainability of community events across the city to bring residents and visitors together.</p> <p>2.1.5 Plan for a major civic square with cultural amenities.</p> <p>2.1.6 Advance partnerships, historical and cultural understanding of Indigenous peoples and fulfill Municipal Calls to Action from the Truth and Reconciliation Commission.</p> | <ul style="list-style-type: none"> • Supported and delivered 150+ community events, including City-delivered events such as Canada Day, Applefest, Scaryfest, and the Children's Festival. • 45,000+ attendees at annual Canada Day and Markham-Milliken Children's Festival events. • Everyday Superheroes Exhibition launched at Markham Museum celebrating 132 local individuals and groups. Museum set single-year attendance record. • Delivered 84 City-organized community events. • Varley Art Gallery mounted 8 exhibitions. • Completed WW1 & WW2 monument and flag display at Veteran's Square, in collaboration with Markham District Veterans Association. • Seniors Roundtable in June to solicit feedback to improve resident experience. • Attendees and program participants at the Markham Museum, Markham Flato Theatre and Varley Art Gallery reached more than 190,000 people, with Varley Garley seeing highest record attendance in its history. • Renewed partnership agreement between City of Markham and Eabametoong First Nation for 2025-2030. Collaborated with Eabametoong on the third application intake for the federal government's Green and Inclusive Community Buildings (GICB) program. |

| | | |
|--|---|---|
| <p>2.2 Support arts, culture, recreation and sport to enrich the fabric of our communities.</p> | <p>2.2.1 Implement Public Arts Master Plan.</p> <p>2.2.2 Continue to implement the Public Realm strategy across all parts of the City.</p> <p>2.2.3 Enhance the Volunteer program and opportunities across the City.</p> <p>2.2.4 Implement Diversity Action Plan, Eliminating Anti-Black Racism Action Plan and accessibility initiatives.</p> | <ul style="list-style-type: none"> • 10.7 acres of future parkland acquired. • Replaced or Refurbished 8 playgrounds, 17 shade structures, 1 backstop/ outfield fence and 13 tennis/ basketball facilities in existing parks. • Completion of City's Accessibility Audit. • Met Diversity Action Plan, Eliminating Anti-Black Racism Plan, and Accessibility Plan commitments as outlined in 2025 work plans. • Markham Fire hosted Camp Molly, introducing 44 young women to firefighting and emergency services. • 4.5 million library items borrowed. Expansion of Markham Public Library fine-free policy to include all customers. |
| <p>2.3 Build Markham as the best place to live, invest, work, and experience rich diversity.</p> | <p>2.3.1 Strengthen the City's brand strategy with a strong value proposition.</p> <p>2.3.2 Implement the Economic Development and Culture Strategy.</p> <p>2.3.3 Implement the Destination Markham Tourism Master Plan.</p> | <ul style="list-style-type: none"> • Markham Pan Am Centre hosted 88 international, national, provincial & invitational events. • 629 Economic Growth & Entrepreneurship engagements to support company growth and expansion. • Celebrate Markham provided \$369,300 in grant funding to 97 applicants. • 8 projects successfully piloted as part of OVIN Demonstration Zone. • Multi-year hosting rights for Ontario Honda Dealers Indy. First race in August 2026 & will be largest sporting event ever hosted in York Region. |

Goal 3: Safe, Sustainable and Complete Community

Goal Statement: *We strive to achieve complete communities with an excellent quality of life. We ensure community safety and enhance the natural environment and built form through sustainable integrated planning, infrastructure management, and services.*

| Strategic Objective: | Key Actions: | 2025 Accomplishments |
|---|--|--|
| <p>3.1 Accelerate delivery of an enhanced comprehensive transportation network in partnership with other levels of government / private sector.</p> | <p>3.1.1 Support implementation of the Yonge North Subway Extension and advocate for improved higher order transit such as BRT along Highway 7, GO Train improvements and 407 Transitway, while also planning for integrated comprehensive transit solutions with improved service levels.</p> <p>3.1.2 Continue to implement policy framework to support livable communities, densities and related infrastructure that is supportive of rapid transit.</p> <p>3.1.3 Identify and develop a plan to eliminate gaps in transportation network and leverage technology.</p> <p>3.1.4 Finalize and implement Active Transportation Master Plan and first/last mile solutions.</p> <p>3.1.5 Prepare a road safety plan and establish an annual program that includes road and trail safety education.</p> <p>3.1.6 Revise Markham Transportation Master Plan, including: <ul style="list-style-type: none"> • Citywide Complete Street Design Guidelines and Strategy • Micro-Mobility Strategy (eBikes, Scooters) </p> | <ul style="list-style-type: none"> • Continued working with Metrolinx and York Region on the implementation of the YNSE project. • Provided detailed design reviews for multiple YNSE packages including North Boulevard. • Led and contributed to the negotiations for the Main Agreement with Metrolinx. • Work alongside other departments on Traffic Management Plans, Permits, agreements and all other aspects of the YNSE. • Developed Road Safety Plan with \$326K federal grant, regional alignment, public engagement, and completion of a technical report and 5-year countermeasures plan. • Completed Active Transportation Master Plan design and construction at 7 locations, delivering ~10.4 km of roadway upgrades with new bike lanes & safety improvements. • Automated Speed Enforcement (ASE) Feasibility Review. • Secured \$40K federal funding to launch the National School Streets Initiative, with implementations planned for 2026. • Markham School Zone Safety Guide: Developed a comprehensive framework of engineering measures, education, and programs to improve school zone safety. • Substantial completion of Main Street Unionville Restoration. |

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| | | <ul style="list-style-type: none"> • Markham Transportation Master Plan: Completed key technical deliverables, including Background Study & Micromobility Strategy. |
| 3.2 Build complete communities that offer a range of housing and employment opportunities, transportation options and outstanding community amenities. | <p>3.2.1 Prioritize the implementation of the Affordable and Rental Housing Strategy.</p> <p>3.2.2 Develop policy / approval process to ensure net zero-ready sustainable development in support of the Municipal Energy Plan.</p> <p>3.2.3 Continue to advance planning for major transit station areas and plan for infrastructure and development of employment zones (along 400 series highways), in particular for the Markham Innovation Exchange (MiX).</p> <p>3.2.4 Implement Integrated Leisure Master Plan for the City of Markham's parks, recreation, culture and libraries and new communities.</p> <p>3.2.5 Establish a City-wide parking strategy.</p> <p>3.2.6 Continue to implement the priority cultural heritage designation program.</p> | <ul style="list-style-type: none"> • Planning & Urban Design advanced Secondary Plan Program: Markham Road-Mount Joy, Milliken Centre, Markville, Yonge Corridor, Cornell Centre. • Implemented 7 Housing Accelerator Fund initiatives, leveraging \$58.8M to support delivery of 1,641 residential units by 2026. • Issued building permits for 2,062 new housing units. • Issued occupancy permits for 1,517 housing units. • Processed 291 development applications, approving 252 applications, including 151,304 m² of non-residential development. • Citywide Parking Strategy: completed implementation and monitoring plan, including multi-year phased plan to support city objectives. • Finalized Study Recommendation Report. • Parking and Transportation Demand Management (TDM) Standards Update. • Commencement and Advancement of Elgin Mills Road Widening Design. • Prepared and distributed the Heritage District News to 1,100 properties in four heritage district. Refurbished the 8 Heritage Planning Display panels and used at various community events throughout the year, including the Heritage Week display in February. Heritage Markham 50th Anniversary Celebration. |
| 3.3 Ensure business continuity of our services and infrastructure, and enable community resiliency and | <p>3.3.1 Develop a Citwide system to communicate directly to residents during emergency (alert system).</p> <p>3.3.2 Continue to implement the Flood Control Program.</p> <p>3.3.3 Continue to implement strategies to address impacts of extreme weather.</p> | <ul style="list-style-type: none"> • \$128.9M invested to date in flood control remediation across Markham: Markham Village Flood Control Remediation |

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| <p>community safety.</p> | | <ul style="list-style-type: none"> o Phase 1A: Construction 95% complete. o Phase 1B: Construction currently underway. o Phase 1C: Design scheduled for completion by Q1 2026. Don Mills Channel Improvements. o Culverts #1 & #2: Design work ongoing. o Flood Control Facility: Construction in progress, with completion anticipated by Q1 2026 West Thornhill Flood Control Remediation. o Phases 4C & 4D: Design finalized in alignment with the Yonge Corridor Secondary Plan. • Secured \$4.8 million from Province to upgrade the Enterprise Stormwater Pumping Station to enable building of more housing. • Advanced Woodbine Avenue Watermain Design. |
| <p>3.3 Protect and enhance our natural environment and built form.</p> | <p>3.4.1 Develop a wildlife and biodiversity strategy.</p> <p>3.4.2 Increase our tree canopy to mitigate climate change and add resiliency that support net-zero initiatives.</p> <p>3.4.3 Promote retrofits to existing buildings and homes to reduce energy consumption and expand the use of renewable energy sources in order to achieve our target of Net Zero Emissions by 2050.</p> <p>3.4.4 Update waste diversion plan (Best-of-the-Best Strategy Phase 2).</p> <p>3.4.5 Complete the Markham Centre Rouge River trail system.</p> <p>3.4.6 Develop an urban parks strategy to support the Official Plan’s intensification strategy and look for new opportunities to offset the lack of parkland as prescribed by provincial legislation.</p> | <ul style="list-style-type: none"> • Parks Forestry completed Year 6 of 8 Block Tree Pruning. • Planted over 30,000+ trees and shrubs to create 14. ha of forested area, supporting the City’s objective to increase the size of our woodland and urban tree canopy cover. • Created 1.4 hectares of new wetland habitat at Milne Dam Conservation Park. • Awarded \$175,000 from FCM-administered Green Municipal Fund for an innovative home energy retrofit feasibility study. • Over 65% in greenhouse gas (GHG) emissions and up to 35% in energy consumption following retrofits at Thornhill Community Centre, Clatworthy Arena, and Mount Joy Community Centre. • Achieved 80.4% gross waste diversion rate from Markham |

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| | | <p>households and municipal recycling depots.</p> <ul style="list-style-type: none">• Successful Blue Box transition.• Completed Rouge Valley Trail Highway 7 Underpass and Bullock Extension Design and Construction.• Completed Markham Centre Trail Phase 3 south of Rouge River from Wardenview Park to Verclaire Gate.• Completed Rouge Valley Trail Phase 4B Design.• Water quality enhancement efforts at Swan Lake. |
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Goal 4: Stewardship of Money and Resources

Goal Statement: *We demonstrate exceptional leadership using sound, transparent and responsible fiscal & resource management and policy development to mitigate risks while enabling efficient and effective service delivery.*

| Strategic Objective: | Key Actions: | 2025 Accomplishments |
|---|--|--|
| <p>4.1 Align the short- and long-term financial strategy with BMFT and changes in the business environment to ensure the ongoing viability of the City.</p> | <p>4.1.1 Funding Strategy: Support development and delivery of strategic plan priorities and longer-term financial strategies while adapting to legislative and other business conditions.</p> <p>4.1.2 Revenue strategy:</p> <ul style="list-style-type: none"> • Advocate to other levels of government for enhanced revenue tools. • Consider alternate sources of revenue. | <ul style="list-style-type: none"> • Procurement achieved \$1 million in negotiated savings and \$1.1 million in negotiated cost avoidance • Hosted Ontario Big City Mayors Meeting Annual General Meeting in March. • Provincial and federal advocacy: Advocacy for City-identified infrastructure priorities and additional revenue tools by Members of Council, City staff and through Federation of Canadian Municipalities (FCM) and Association of Municipalities of Ontario (AMO). • \$37.2M cumulative savings and revenue enhancements through Excellence Through Efficiency and Effectiveness (E3) with property tax avoidance of 29%. • 12% increase in City’s advertising revenue, 37 % in sponsorship revenue. |
| <p>4.2 Proactively manage our assets to maximize the return (financial, social, environmental & cultural) on taxpayer investment.</p> | <p>4.2.1 Continue to implement Asset Management Plan and ensure climate adaptation is integrated while also achieving Net Zero strategies for the City’s own assets.</p> <p>4.2.2 Develop a comprehensive risk management framework.</p> <p>4.2.3 Leverage “Smart City” technologies to enhance and extend infrastructure lifecycle and improve efficiencies.</p> | <ul style="list-style-type: none"> • 90% of City’s assets are in a good state of performance. • City’s assets have a combined current replacement value of \$17.5B. • City-wide erosion site inventory and prioritization completed. • Completed 2025 Tax-funded and Water-rate Lifecycle Reserve Study update. • Completed 3 major retrofit projects (Thornhill CC, Clatworthy Arena & Mount Joy CC) totaling nearly \$8.6M, achieving over 65% GHG reductions and up to 35% energy savings. |

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| <p>4.3 Increase transparency and accountability of our stewardship of services, policies, processes, money and resources.</p> | <p>4.3.1 Establish public reporting aligned to BMFT, including key metrics.</p> <p>4.3.2 Implement a plan to communicate and make key City policies available and up to date on City website.</p> | <ul style="list-style-type: none"> • Prepared and delivered annual progress report update on BMFT for General Committee, reporting on progress on BMFT goals, objectives and key actions. • Continued remediation of online City documents to meet accessibility requirements. • Top 5 amongst large Canadian cities for municipal fiscal transparency from C.D. Howe Institute. |
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Metrics identified for the four BMFT Goal Areas to show achievements towards goal area

High-level strategic metrics were identified for each of the four Goal areas. Please see Appendix C for detailed measures of success. The City of Markham has earned platinum status from the World Council on City Data (WCCD) for sixth consecutive years and Appendix C includes 2024 associated metrics relating to BMFT goals and actions. Appendix C also includes additional metrics collected from the Citizen Satisfaction Survey conducted at the end of 2024.

Engaging our Customers

The City of Markham is known as a municipal leader in providing high quality services. Service is a core value for staff and at the heart of the work we do within our own departments and for the community. Markham's quest for organizational excellence formally began in the late 1990's to ensure service excellence across the organization. Using Excellence Canada's excellence framework as a guide, a strong focus on customer/client satisfaction has been the cornerstone of our efforts and success to date.

Engagement & Evaluation Tools used by City Staff to interact and gather feedback from customers

- **Annual Customer Satisfaction Surveys:** every year each department identifies services to measuring using the corporate survey process. The overall satisfaction rate for services surveyed in 2025 was 85%. In the 2024 Citizen Satisfaction Survey, 80% agreed that the City is good at delivering services to residents and 88% agree that the City is a great place for both residents and businesses.
- **Post-Program/Project Evaluation:** these assessments are completed by clients following programs or upon completion of projects in the community.
- **Data Analysis:** Library and Recreation use tools such as *Environics* to gain a better understanding of market data about the Markham community. Research,

benchmarking trends and other data is used to inform decision making and strategy development.

- **Surveys & Polls:** surveys are used throughout the City to collect data about resident experiences, preferences, needs and opinions. *e.g., in-person survey conducted onsite at recycling depots.* Markham conducted a Citizen Satisfaction Survey of residents in 2024. Results of the 2024 Citizen Satisfaction Survey are available in Appendix E. The next Citizen Satisfaction Survey will be conducted in 2026.
- **Public Meetings & Open Houses:** Markham hosts regular public meetings on a variety of topics from planning and development, sustainability, economic growth and entrepreneurship, public art, transportation and important capital projects such as flood protection. Open Houses are also hosted by departments to seek resident and customer feedback while also showcasing designs and concepts.
- **Interviews:** individual, intensive, structured - designed to probe deeply into stakeholder needs and opinions. *e.g. Aaniin Library Post- Occupancy Evaluation to determine how customers are using library space.*
- **Focus Groups & Consultations:** facilitated discussion to collect data from a group of individuals on a specific topic *e.g. Smart City Focus Groups to collect input on community issues that could be addressed through AI-enabled technology.*
- **Community Conversations:** used at MPL as part of their unique Community Development framework, this facilitated discussion focuses on understanding the broad goals and challenges of the community.
- **Online Engagement:** the City of Markham maintains online engagement tools to provide residents with a platform for ongoing input into issues that matter. *E.g., Your Voice Markham, used for service planning.*

FINANCIAL CONSIDERATIONS

Funding for the Building Markham's Future Together 2020–2026 Strategic Plan priorities is identified and approved through the City's annual budget process. Planning and consultation for the 2027–2030 Strategic Plan will be funded through the existing operating budget, with no additional capital investment required.

HUMAN RESOURCES CONSIDERATIONS

Many of the Building Markham's Future Together 2020 – 2026 Strategic Plan priorities focus on supporting our staff and recognizing their contributions as detailed in this report.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Building Markham's Future Together 2020 – 2026 Strategic Plan sets the direction for the Council term.

BUSINESS UNITS CONSULTED AND AFFECTED:

All three Commissions, as well as the Office of the CAO have contributed to the accomplishments of Building Markham's Future Together 2020 – 2026 Strategic Plan.

RECOMMENDED BY:

Andy E. Taylor
Chief Administrative Officer

Trinela Cane
Commissioner, Corporate Services
Interim-Commissioner, Development
Services

Morgan Jones
Commissioner, Community Services

Claudia Storto
City Solicitor and Director of People Services

Chris Nearing
Fire Chief, Markham Fire &
Emergency Services

ATTACHMENTS:

Appendix A Building Markham's Future Together 2020-2026 Strategic Plan
Appendix B Building Markham's Future Together 2020-2026 Strategic Plan –
Additional 2024 Accomplishments
Appendix C Building Markham's Future Together 2020-2025 Strategic Plan –
Measures of Success
Appendix D Building Markham's Future Together – 2025 Highlights

BUILDING MARKHAM'S FUTURE TOGETHER

Appendix A

2020-2026 STRATEGIC PLAN SUMMARY

GOAL 1 - Exceptional Services by Exceptional People

Goal Statement: *We embrace a bold and innovative culture that empowers and inspires excellent services within a collaborative and healthy work environment.*

| Strategic Objectives | Strategic Actions | Goal Metrics |
|--|---|---|
| 1.1. Deepen our understanding of what our community and stakeholders value and need to inform municipal leadership and continuous improvement of our services. | 1.1.1. Implement effective mechanisms for ongoing stakeholder feedback and engagement (i.e. regular customer surveys, focus groups) 1.1.2. Leverage technology and non-digital methods for direct two-way communications to effectively gather feedback on services and push information out to stakeholders. | Overall satisfaction with the delivery of all the services provided within the City of Markham – residents, businesses and other stakeholders (every 2 years) |
| 1.2. Leverage leading technologies to enable city building and evolution / transformation of our services. | 1.2.1 Implement new technology to enhance business operations. 1.2.2 Streamline the development process to support the creation of complete communities and the building of more housing. 1.2.3 Advance Digital Markham: <ul style="list-style-type: none"> • Pilot test digital city technology • Expand digital access and literacy programs • Continue to embrace innovation and relevant technologies in delivery of service • Leverage “Smart City” technologies to enhance and extend infrastructure lifecycle and improve efficiencies • Accelerate City’s web portal modernization to create a better user experience. | % of transactional services that are provided and received on-line Overall customer satisfaction (Internal and External Services) from Department Surveys completed each year (annual) Employee satisfaction with the Organization from Current Staff Satisfaction Survey (every even year) |
| 1.3. Attract and retain the right talent and invest in and empower our people to drive innovation and service excellence. | 1.3.1 Empower employees to continue to take risks and pursue innovation <ul style="list-style-type: none"> • Reduce barriers / bureaucracy • Clarify roles, accountabilities (including for Centres of Expertise) and authorities 1.3.2 Continue to implement the People Plan (attraction, retention, succession planning, formalized knowledge transfer, mentoring, learning and secondment opportunities) 1.3.3 Provide staff access to technologies to improve service delivery 1.3.4 Continue to invest in staff training | |

BUILDING MARKHAM'S FUTURE TOGETHER

Appendix A

GOAL 2 - Engaged, Diverse, Thriving and Vibrant City

Goal Statements: *We are an inclusive city, engaging everyone in building a livable, caring and culturally vibrant community while respecting our past.*

We enable a strong economy; we proactively work to attract investment in our community; and we effectively manage change to meet future needs.

| Strategic Objectives | Strategic Actions | Goal Metrics |
|---|--|---|
| 2.1 Enhance community cohesion and inclusion by creating strong neighbourhoods that are connected to the broader community. | 2.1.1 Explore opportunities to support community and neighbourhood initiatives 2.1.2 Expand community hub concept (currently at Aaniin CC) across the City 2.1.3 Celebrate and explore Markham's past and diverse communities 2.1.4 Support the growth and sustainability of community events across the city to bring residents and visitors together. 2.1.5 Plan for a major civic square with cultural amenities 2.1.6 Advance partnerships, historical and cultural understanding of Indigenous peoples and fulfill Municipal Calls to Action from the Truth and Reconciliation Commission. | Overall quality of life in Markham (every 2 years) City services are accessible (every 2 years) City supports, celebrates and promotes diversity, equity & inclusion (every 2 years) # of visits to our municipal arts, recreation, library, sporting venues |
| 2.2 Support arts, culture, recreation and sport to enrich the fabric of our communities. | 2.2.1 Implement Public Arts Master Plan 2.2.2 Continue to implement the Public Realm strategy across all parts of the City 2.2.3 Enhance the Volunteer program and opportunities across the City 2.2.4 Implement Diversity Action Plan, Eliminating Anti-Black Racism Action Plan and accessibility initiatives. | Number of cultural institutions and sporting facilities per 100K population (ISO data - annual) Gross sq. ft. of office space constructed in Centres, Corridors and Business Parks (annual) |
| 2.3 Build Markham as the best place to live, invest, work, and experience rich diversity. | 2.3.1 Strengthen the City's brand strategy with a strong value proposition 2.3.2 Implement the Economic Development and Culture Strategy 2.3.3 Implement the Destination Markham Tourism Master Plan | Total Employment in Markham (every 2 years) Number of businesses per 100K population (ISO data - annual) |

BUILDING MARKHAM'S FUTURE TOGETHER

Appendix A

GOAL 3 – Safe, Sustainable and Complete Community

Goal Statement: *We strive to achieve complete communities with an excellent quality of life. We ensure community safety and enhance the natural environment and built form through sustainable integrated planning, infrastructure management, and services.*

| Strategic Objectives | Strategic Actions | Goal Metrics |
|--|---|--|
| 3.1 Accelerate delivery of an enhanced comprehensive transportation network in partnership with other levels of government / private sector. | 3.1.1 Support implementation of the Yonge North Subway Extension and advocate for improved higher order transit such as BRT along Highway 7, GO Train improvements and 407 Transitway, while also planning for integrated comprehensive transit solutions with improved service levels. 3.1.2 Continue to implement policy framework to support livable communities, densities and related infrastructure that is supportive of rapid transit. 3.1.3 Identify and develop a plan to eliminate gaps in transportation network and leverage technology. 3.1.4 Finalize and implement Active Transportation Master Plan and first/last mile solutions. 3.1.5 Prepare a road safety plan and establish an annual program that includes road and trail safety education. 3.1.6 Revise Markham Transportation Master Plan, including <ul style="list-style-type: none"> • Citywide Complete Street Design Guidelines and Strategy • Micro-Mobility Strategy (eBikes, Scooters) | Maintain or Increase % of residents that rate Markham as a safe place to live (every 2 years) % of trips by mode of transportation for morning peak period to and from Markham – transit, auto, walk and cycle, other (every 5 years) Waste Diversion Rate (curbside and depots) (annual) |
| 3.2 Build complete communities that offer a range of housing and employment opportunities, transportation options and outstanding community amenities. | 3.2.1 Prioritize the implementation of the Affordable and Rental Housing Strategy. 3.2.2 Develop policy / approval process to ensure net zero-ready sustainable development in support of the Municipal Energy Plan 3.2.3 Continue to advance planning for major transit station areas and plan for infrastructure and development of employment zones (along 400 series highways), in particular for the Markham Innovation Exchange (MiX). 3.2.4 Implement Integrated Leisure Master Plan for the City of Markham's parks, recreation, culture and libraries and new communities. 3.2.5 Establish a City-wide parking strategy. 3.2.6 Continue to implement the priority cultural heritage designation program. | Amount and % of new affordable rental and ownership housing for single-detached, semi-detached, town house, and apartment by bedroom type (annual) % reduction of Citywide GHG emissions (goal net zero by 2050) (2-4 years) % of residents in agreement that Markham is a safe city (every 2 years) |
| 3.3 Ensure business continuity of our services and infrastructure, and enable community resiliency and community safety. | 3.3.1 Develop a Citywide system to communicate directly to residents during emergency (alert system) 3.3.2 Continue to implement the Flood Control Program 3.3.3 Continue to implement strategies to address impacts of extreme weather <ul style="list-style-type: none"> • Emergency preparedness • Proactive infrastructure protection | Average number of public transport trips per capita (ISO data – annual) KM of bicycle paths and lanes per 100K population (ISO data – annual) |
| 3.4 Protect and enhance our natural environment and built form. | 3.4.1 Develop a wildlife and biodiversity strategy. 3.4.2 Increase our tree canopy to mitigate climate change and add resiliency that support net-zero initiatives. | Transportation deaths per 100K population (ISO data – annual) |

BUILDING MARKHAM'S FUTURE TOGETHER

Appendix A

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| | <p>3.4.3 Promote retrofits to existing buildings and homes to reduce energy consumption and expand the use of renewable energy sources in order to achieve our target of Net Zero Emissions by 2050.</p> <p>3.4.4 Update waste diversion plan (Best-of-the-Best Strategy Phase 2)</p> <p>3.4.5 Complete the Markham Centre Rouge River trail system</p> <p>3.4.6 Develop an urban parks strategy to support the Official Plan's intensification strategy and look for new opportunities to offset the lack of parkland as prescribed by provincial legislation.</p> | <p>% of population living within 0.5 KM of public transit running at least every 20 minutes during park periods (ISO data – annual)</p> <p>% of area designated for natural protection (ISO data – annual)</p> <p>Green area (hectares) per 100K population (ISO data – annual)</p> |
|--|---|---|

GOAL 4 - Stewardship of Money and Resources

Goal Statements: *We demonstrate exceptional leadership using sound, transparent and responsible fiscal & resource management, and policy development to mitigate risks while enabling efficient and effective service delivery.*

| Strategic Objectives | Strategic Actions | Goal Metrics |
|---|--|--|
| <p>4.1 Align the short- and long-term financial strategy with BMFT and changes in the business environment to ensure the ongoing viability of the City.</p> | <p>4.1.1 Funding Strategy: Support development and delivery of strategic plan priorities and longer-term financial strategies while adapting to legislative and other business conditions.</p> <p>4.1.2 Revenue strategy:</p> <ul style="list-style-type: none"> • Advocate to other levels of government for enhanced revenue tools • Consider alternate sources of revenue | <p>% of residents rating overall programs and services received as Very Good/Fairly Good value for tax dollar paid (every 2 years)</p> <p>Adequacy of Lifecycle Reserve Funding Strategy to sustain future rehabilitation/Replacement needs (annual)</p> |
| <p>4.2 Proactively manage our assets to maximize the return (financial, social, environmental & cultural) on taxpayer investment.</p> | <p>4.2.1 Continue to implement Asset Management Plan and ensure climate adaptation is integrated while also achieving Net Zero strategies for the City's own assets.</p> <p>4.2.2 Develop a comprehensive risk management framework</p> <p>4.2.3 Leverage "Smart City" technologies to enhance and extend infrastructure lifecycle and improve efficiencies</p> | <p>Net City of Markham Operating Cost per Household (annual)</p> <p>Non-Residential Property taxes (as a % of total property taxes levied)</p> |
| <p>4.3 Increase transparency and accountability of our stewardship of services, policies, processes, money and resources.</p> | <p>4.3.1 Establish public reporting aligned to BMFT, including key metrics</p> <p>4.3.2 Implement a plan to communicate and make key City policies available and up to date on City website.</p> | |

APPENDIX B
BUILDING MARKHAM'S FUTURE TOGETHER 2020-2026 STRATEGIC PLAN
ADDITIONAL 2025 ACCOMPLISHMENTS

Goal 1: Exceptional Services by Exceptional People

Goal Statement: *We embrace a bold and innovative culture that empowers and inspires excellent services within a collaborative and healthy work environment.*

Additional 2025 Accomplishments:

- In coordination with Ontario Big City Mayor's (OBCM), planned and executed Annual General Meeting in Markham.
- In collaboration with the Mayor's Office, strategized and established list of priorities to advocate to the Federal and Provincial Governments. Accomplishments include \$4.85 million provincial Housing Enabling Water Systems Fund. Advocacy on widening of Steeles Ave E, changes to Parkland dedication and Building Faster Fund criteria.
- Through collaboration with OPS and ENG, Environmental Services advocated to the Provincial Government to amend Provincial regulation on the Dedicated Locator (DL) policy. The amendment created a window to exempt municipalities from entering into DL Agreements—for the City, this results in a more efficient and cost-effective process.
- Policy & Planning led the co-ordination and preparation of staff reports and letters to the Province providing City of Markham comments on new provincial legislation, regulations, and guidelines:
 - Bill 5 (Protect Ontario by Unleashing Our Economy Act)
 - Bill 17 (Protect Ontario by Building Faster and Smarter Act)
 - Proposed Updates to the Projection Methodology Guideline to Support Implementation of Provincial Policy Statement, 2024
 - Bill 60 (Fighting Delays, Building Faster Act)
 - Bill 68 (Plan to Protect Ontario Act)
 - Proposed Regulations to Enable Special Economic Zones and Species Conservation Act
- Completed 10 customer surveys ranging from recreation to information technology and environmental services. 85% overall average customer satisfaction rate.
- Provided feedback and support to FCM's Big City Mayor's Caucus, including housing data. Participated in regular check-ins with the Chiefs of Staffs of Canada's Big City Mayors' Caucus.
- Corporate Communications supported the ESxEP Transformation in 2025 with all communications related to: launch of and rolling-out of the Road Map, supporting call for participants for focus groups to discuss Values, September 2025 Town Hall, roll-out of the Corporation's Core Values, and supporting other Transformation-related items throughout the year (e.g. CAO messages), as required. As well, since April 2025, we have been holding monthly department team meetings to focus discussions around Transformation updates and efforts.
- The City maintained robust coverage from media in 2025, including both mainstream and Asian media. Top news mentions of the year are the 2026 IndyCar (Total reach 112.4M), the Blue Jays viewing party (30.1M) and the Markham Fire and Emergency Services Partnership with Seneca College to improve diversity in fire protection (23M).
- Communications Advisor from Corporate Communications was tasked with working with Elections Markham to support the by-election (communications, marketing and media). To support Markham's diverse community, important by-election information was translated into 7 languages, including: English, Traditional Chinese, Simplified Chinese, Tamil, Urdu, Farsi and French. Because the Communications Advisor was able to provide Traditional Chinese and Simplified Chinese translation, the overall translation cost was reduced by 30%, when compared to the 2022 Municipal Election translation costs for Traditional Chinese and Simplified Chinese.
- City-wide EIB centralization project, which includes the addition of 11 new screens at Markham Civic Centre and Markham Museum and updating all existing EIBs to the new CMS. Launch of new modernized content display system as part of new media player installation on corporate EIBs. Included in new modernized display system is corporate content, venue specific content and committee & event calendar.

Full internal and external EIB integration to be completed in early 2026, as well as the integration of corporate marquee screens.

- Installation of new internal EIB's in each fire station and at 8100 Warden Avenue.
- Corporate Communications worked closely with ITS to transition Checkmark from Drupal platform to Microsoft platform. This included new design elements and layout of pages, and ensuring all content was ported over and links were all in working order.
- Proactive cancer and cardiovascular health screening for Markham Fire and Emergency Services suppression staff acquired and scheduled for spring of 2026.
- Markham Fire & Emergency Services hosted a 4-day Camp Molly Fire Service introductory camp for 44 participants ages 15-19 with graduation ceremony.
- Markham Fire & Emergency Services Developed and launched an On-Shift Training Pilot to increase multi-crew/company training scenarios, enhancing "hands on training".
- 8 firefighters promoted to positions within the Training Division.
- 9968 emergencies responded to by Markham Fire and Emergency Services in 2025
- People Services launched new modernized Markham Learning Centre, providing an easier user experience.
- People Services creation of 2026 learning catalogue, including Emerging Talent, Managing at Markham Part 2 and refreshed Managing at Markham Part 1.
- Through the Transformation project, People Services initiated corporate-wide process improvements including review, scope and recommendations in the areas of Customer Service, including a corporate wide Customer service strategy, and Compliance and Enforcement.
- People Services launched improved health and safety training modules to ensure compliance and to safeguard staff.
- People Services completed a Compensation Review.
- People Services lead the Human Capital Management process improvement plan as part of the ERP Project
- Finance, in tandem with Corporate Communications, introduced a new page on the Markham website that allows residents to file an insurance claim online. A new Claims Intake Form links with the City's Clear Risk software. This simplifies and streamlines the process and creates efficiencies for staff.
- In order to prepare enforcement/compliance officers for the non-parking module and use of the GTECHNA app, AMPS provided training specific to the AMPS process, which focused on the importance of proper investigative techniques, standardized approaches to evidence gathering, and the role officers play in the adjudication process (screening/hearing reviews).
- Animal Services expanded the Markham Cat Adoption and Education Centre to include all stray animals and not just cats. Rebranded the facility to host large scale monthly events and promoted the Reading Therapy Program.
- Animal Services exceeded previous positive outcome rates for domestic dogs and cats. Cat positive outcomes are 96% while dogs are 98%.
- Business Licensing Department hosted a Central Ontario Crime Prevention Association (COCPA) seminar. Officers Lydia Murphy and Marco Francisco delivered a presentation titled Ensuring Public Safety, Responsible Business Practices, and Effective Policing Partnerships. The session was well received, and the department has been asked to host and present at future events.
- Updated Power BI version of Contact Centre reporting dashboard on the Checkmark Web Page provide transparency and tracking. Use of Power BI to consolidate multiple data streams (Mitel, email, ACR, SharePoint, Excel), reducing manual upkeep of reports.
- Contact Centre SharePoint LIST Utilization to Collect structured data for Civic Centre in-person visits and after-hours (5PM-12AM) calls. Modernize daily operations (time-off requests, shift-change requests, number of emails completed).
- Contact Centre provided dedicated resource to assist councillors and their assistants with entering, tracking, and following up on resident requests. Integrate Power BI with Outlook to provide visual insights on requests received and interactions made.
- Developed a business application form using the Jotform platform, significantly improving administrative efficiency and enhancing tracking capabilities. The Licensing Department is now working with ITS to develop a fully integrated online application portal.
- Legislative Services delivered a successful by-election for Ward 7 Councillor, supporting all phases of planning and execution to ensure a smooth, accessible, and secure voting process.

- Appointing additional city staff as officiants authorized to perform civil weddings offers significant benefits. Primarily, it increases the availability of officiants during regular business hours, allowing more flexibility for couples seeking civil ceremonies. This expanded availability can accommodate higher demand and reduce scheduling delays. Additionally, by performing more ceremonies, the City can generate increased revenue through associated fees. This approach maximizes existing resources while enhancing public service delivery and financial return.
- Secretariat dashboard created with date inputted, gathering feedback from stakeholders at this time.
- Secretariat supported 34 hybrid meetings of Standing Committees and Council Meetings from January to August (including bus tour) including agenda compilation, meeting minutes, resolution dissemination, public notice, livestreaming.
- Secretariat supported 26 hybrid meetings of ABC committees from January to August including agenda compilation, meeting minutes, resolution dissemination, public notice, and livestreaming as required.
- Deployment of an advanced AI chatbot on the Portal to leverage the comprehensive data repository to provide citizens to improve access to information and services provided by the city, expand available services and enhance the user experience. The Access Markham mobile app has been enhanced with the integration of the Millie chatbot and a new Parks module, providing improved services and accessibility for Markham residents experience. To promote this, we created banners in community centres and the Civic Centre, custom bookmarks for giveaways, and media and social media outreach.
- Optimization of the City's ePlan platform components including an upgrade to AMANDA to 9.4, ProjectDo document repository upgrade and implementing further workflow automation and enhancements to improve efficiencies and speed up processing of permits.
- Modernization of Automated Vehicle Locator (AVL) System. AVL provides vehicle location services and has been implemented for all City of Markham owned and contracted fleet vehicles (i.e., snowplows).
- M365 Office Productivity Tool Implementation. The new intranet site, Checkmark, has been successfully implemented on the modern M365 SharePoint platform.
- Modernization of Markham Library Digital Media Lab. The popular Markham Library Digital Media Lab that includes maker spaces and digital design tools was refreshed across 5 library branches including Angus Glen, Markham Village, Aaniin, Cornell and Thornhill branches. New capabilities were added at the Aaniin branch to include a sound booth and microfilm capture.
- Unionville Main Street Reconstruction Project – Wi-Fi Implementation. A Wi-Fi solution capability was implemented during construction to enhance internet access for Public Access to Internet. This is first outdoor Public Wi-Fi access deployment in the City and will be piloted before consideration at future locations.
- Environmental Services SCADA System Upgrade. With the completion of Phases II and III of the SCADA system upgrade, these enhancements significantly improve system-wide monitoring, automation, operational responsiveness, and cyber-security protection across water and wastewater services. The integration of the Enterprise Stormwater Pumping Station into the SCADA network brings real-time visibility and centralized control to one of the City's critical stormwater assets. The SCADA system upgrade project is a transformational initiative that builds staff confidence on the system and reliability and capacity to respond adequately to emergencies.
- ITS, Environmental Services enhanced GIS data quality in collaboration: Developed QA/QC process for new sub division digitization; Established a process to address data inconsistencies with ITS – GIS team on quarterly basis; and Created a streetlight working group to address ownership and other relevant issues; Digitized the completed ES capital projects in corporate GIS; Created new/ updated existing GIS layers to support capital planning function per Asset Management Best Practices.
- Environmental Services Business Process Enhancements (EAM updates): Uploaded historical CCTV data into the system; Consolidated and added tie-in/field sketches to EAM map layer; Set up a process (new form) to track hand tools and parts stored in vehicles; Rolled out iPads to support field operations.
- Markham Public Library participated in the provincial digital service assessment for libraries to assess the outcomes associated with library technology. Findings: 73% of respondents had access to technology they would not otherwise have had; 91% reported their comfort with technology was increased; 91% were exposed to new technology at the library.
- To inform the Library's strategic planning and to assist with developing a library technology roadmap, staff deployed a Technology Survey for the community to gather feedback on their use of and satisfaction with library technology. 1617 survey respondents.

- Operations improvements to the corporate CVOR from Satisfactory Safety Rating to an Excellent Safety Rating. After comparing to other municipalities in York Region – Markham is ranked number 1 with its current CVOR safety rating and all-time best rating in the history.
- Operations executed funding agreement in support of broadband construction. One Funding Agreement was negotiated and executed with Telecommunication company to support construction of Broadband Construction in Markham by expediting Municipal Consent (MC) permit process through hiring additional contract dedicated staff. Successfully processed high volume of complex MC permits and exceeded the agreed KPI under Funding Agreement.
- Recreation Operator in Training program: This new initiative has been developed and is a work in progress to provide a FREE introductory course to our current part-time staff who are interested in gaining knowledge, skills and experience in becoming a Facility Operator or a 150-Day Arena laborer. This course will be conducted by both internal and external instructors to ensure we are providing meaningful content to the participants. It is also an incentive for our current part-time staff and attract new potential staff that they can look forward to if they are interested in pursuing a career as an operator. This is our third year hosting this program and has been very successful. In 2025, we had 10 participants, 6 of which had obtained 150 positions and a contract FO I. We've also received feedback from our other training partners (FTT) that this program is very beneficial to get the “new” staff ready to step in a facility operator role. Introductory training to facility operator position.
- Launched Phase 1 of online facility rentals, allowing residents to search for availability and book rooms online, improving customer access and operational efficiency. Implemented the Sign & Save feature, enabling digital contract execution and automatic storage within client profiles. Introduced in December 2025, this reduced manual paperwork and streamlined administrative processes.
- Developed and implemented a standardized behavioural management framework to support children with behavioural challenges in Recreation Services which also supports Culture and Library camps. Over a nine-week summer camp period in 2025, the framework supported just under 100 children, averaging more than 10 children per week citywide, establishing a strong foundation for inclusive service delivery.
- Integrated Environics Analytics to enhance understanding of registration trends and community behaviour. The data supports targeted communication, refined program design, and tailored pricing strategies, enabling more customized program delivery that aligns with community needs and improves participation outcomes.
- Planning & Urban Design removed the Townhouse Siting Approval process to align with Provincial legislation and streamline housing-related development approvals.
- Urban Design refined and updated Markham's Sun and Shadow Study Terms of Reference to strengthen public realm outcomes through definitive evaluation methods and submission requirements that ensure safe and comfortable outdoor open spaces and inviting streetscapes.
- Urban Design championed the City's website improvement initiative to deliver a coordinated one-window approach for tree protection and removal, enhancing the customer's experience across three service streams: City trees, private trees and development-related tree matters.
- Urban Design organized and facilitated a department-wide post-DSC session on age-friendly design to enhance staff awareness and support the application of Markham's Age-Friendly Guidelines. The session featured an overview presentation and an interactive group exercise with role-playing elements.
- Urban Design updated the City's Bird-Friendly Guidelines to integrate current legislation, standards and best practices at minimizing bird-window collisions. Developed collaboratively with FLAP Canada, the technical update reinforces the City's environmental leadership and streamlines the development approvals review process to support effective implementation.
- Urban Design completed first phase of AODA Document Remediation Project, encompassing a comprehensive review and inventory of documents on the Planning and Urban Design Department's website. This work advances the City's commitment to accessibility and inclusion by ensuring compliance with provincial standards and equitable access for all users. Phase 2, involving document remediation, is currently in progress.
- Urban Design staff organized a Special Development Services Committee Meeting featuring a full-day urban design tour in Toronto, highlighting built form and public realm case studies to inform the City's Urban Design Guidelines study. The tour served as an educational and training session attended by the Mayor, Members of Council, and City staff.

- Created a new Terms of Reference for the Design Review Panel (DRP) featuring process improvements, legislative alignment, and standardized procedures to strengthen the development review process and support effective participation by panel members, applicants, and staff.
- Parks Planning, Design and Construction recruited, developed work program and supported two (2) summer students. One student worked in Park Planning and one student worked in Park Design and Construction. Both students obtained a meaningful municipal work experience relevant to their aspiring professions in a team-oriented environment. Both students delivered projects that supported the City's goals.
- Obtained Council approval of updated Parkland Conveyance By-law under the authority of s.42 of the Planning Act. The by-law update closed gaps caused by Bill 23 and improved many administrative features.
- Completed Standard Operating Procedures related to Park Planning. Prepared current standard operating procedures for the following application types and processes as they relate to Parkland: Official Plan Amendment, Zoning By-law Amendment, Pre-consultation, Site Plan, Consent, Condominium, Parks and Open Space Agreement, Cash in lieu of parkland.
- Planning, Urban Design & Strategy Process Improvements:
 - Implemented the Best-In-Class Complex Planning Workflow for site plans, variance, consent, infill grading, municipal services agreement, parks and open space, subdivision, and subdivision phasing plans to streamline and enhance the internal and external user experience. The project was funded from the Housing Accelerator Fund.
 - Aligned with the Transformation and Values-Driven journey, Staff drafted and finalized 4 batches of the Standard Operating Procedural ("SOP") manuals that includes, but not limited to, Pre-Application, Official Plan, Zoning, Site Plan, for all disciplines (Planning, Urban Design, Engineering, Development Technician roles). The SOP batches are live-document and are completed at 70% for 2025. For future years, the batches will be updated on an annual basis.
 - Ongoing bi-annual updates to the Pre-Application Consultation checklist that involves continual improvements to the PAC process in response to Staff input.
 - Compiled all the required AMANADA info codes that the Development Planner must update on a continual basis for performance metrics ahead of full implementation in 2026.
 - Coordination with Engineering, Urban Design, and Planning to develop standardized drawing templates, which will be released in 2026 to the development industry, to enable predictability of required information for timely discipline review of development applications.
 - Coordinated two sessions with external legal counsel on Staff training for preparation of Ontario Land Tribunal matters and two sessions on negotiation training with a former Tribunal member for the goal of Staff continual profession improvements that related directly with their current work.
 - Coordinated with the City's Accessibility Coordinator to improve planning documents for compliance with the Accessibility for Ontarians with Disabilities Act (AODA), which also includes streamlined Site Plan review with Markham's Accessibility Advisory Committee.
 - Updated the Planning report templates (planning, recommendation, and in-camera reports) in escribe to be AODA compliant while using the City's branding for consistency. The Public Meeting Information Report was also updated twice for modernization purposes and continual improvements.
- Building Standards maintained the MMAH approved Building Official Intern Program. Program will assist with attracting training new building official talent. Program underway with 4 interns for 2025-2026. In 2025 graduated the first intern from the program.
- Building Standards supported OMLCBO (Ontario Municipal Large Chief Building Official Association) with Building Official training of the new Building Code.
- Building Standards ongoing Process Improvements- Customer Experience Enhancements.
 - Released self-service portal upgrades with guided submission and status tracking.
 - Improved accessibility features and multilingual support for public-facing content.
 - Refreshed public website content and Builder Tips for accessibility (AODA compliance).
 - Launched the Building Standards Walk-In Clinic, a customer-focused service model providing residents and businesses direct access to any level of staff from 8:30 a.m. to 4:30 p.m., ensuring timely guidance, clear answers, and a smoother permit and compliance experience.

- Legal Services negotiated and drafted a suite of agreements governing event delivery, commercial operations, licensing, sponsorship, risk allocation, and related securitization with various public and private North American stakeholders in connection with the City's acquisition and multi-year implementation of the Ontario Honda Dealers Indy at Markham.
- Legal Services completed 321 Administrative Monetary Penalty hearings and assisted with updating the City's inspection and enforcement SOPs in response to multiple new Region of York mandates with respect to municipal prosecutions.
- Legal Services attended before the Court and Tribunals or negotiated settlements to successfully resolve various litigation matters.
- Legal Services drafted staff reports and updated policies in response to changes in land use planning (Bill 17, Bill 60, OLT rules).
- Legal Services hosted staff educational seminars on appeals before the Ontario Land Tribunal
- Real Property entered into a number of License Agreements with various telecommunications companies to promote the provision of more comprehensive service to communities across Markham.
- Legal Services drafted staff reports, by-laws, and negotiated contracts with vendor, province, and joint processing centre to prepare municipality for implementation of Automated Speed Enforcement program.

Goal 2: Engaged, Diverse, Thriving and Vibrant City

Goal Statement: *We are an inclusive city, engaging everyone in building a livable, caring and culturally vibrant community while respecting our past.*

We enable a strong economy; we proactively work to attract investment in our community; and we effectively manage change to meet future needs.

Additional 2025 Accomplishments:

- Led the partnership efforts between the City of Markham and Eabametoong First Nation. Collaborated with Eabametoong on application intake for the federal government's Green and Inclusive Community Buildings (GICB) program (decision tbd). Produced collaboration agreement renewal (2025-2030) which was agreed upon by both parties. Next step is a formal signing ceremony scheduled for a date in 2026.
- Maximized use of the two Highway 407 digital signs in Markham and the seven digital signs at railway crossings in Wards 1, 7, 8.

Allvision 407 Digital Screens:

Average Monthly Impressions = 4,540,326, Total 2025 Campaign Impressions = 49,943,590

RCC Digital Screens:

Average Monthly Impressions = 11,720,336, Total 2025 Campaign Impressions = 140,644,039

- Hard launched Millie as Markham's official mascot. Tactics included a launch event at Markham Civic Centre (200+ event attendees), media outreach – resulting in coverage on CP24 with the Mayor and Millie, promo on City EIBs, 407 and RCC screens, and a robust social media campaign, resulting in 92,310 impressions and 53,725 reach.
- Recreation and Corporate Communications teams worked to overhaul and design a new 52-week, audience-informed strategy designed to position Markham Recreation as an experience-driven brand for the City of Markham. New campaign uses in-depth data analysis examining demographics and their respective recreation and spending behaviours. Organized into four seasonal storytelling quarters, it engages the City's key audience segments, highlights authentic experiences, and celebrates the vibrancy of recreation across the community. New communications will launch in 2026.
- Achieved 52% year-to-date growth for MarkhamNOW eNewsletter, while maintaining a 68% average open rate. This was the result of a robust communications and marketing campaign which included assets such as: posters, buckslips, in-person engagement activities, and more. Corporate Communications worked with stakeholders, such as Markham Museum, Flato Markham Theatre, Recreation, and other third-party businesses to provide prizes for a monthly draw for our subscribers.
- People Services completed Accessibility Audit
- People Services met inclusion commitments outlined in the 2025 work plans for the Diversity Action Plan, Eliminating Anti-Black Racism Plan, and Accessibility Plan.
- City instituted a Long-term Rental DC Deferral Policy aimed at stimulating the development of rental housing. In 2025, over 1,000 rental units have been issued for developments that qualify for the deferral and there are more potential developments enquiring about the program.
- Leveraged existing e-ticketing software (GTECHNA) to begin enforcement of non-parking violations including Business Licensing, Animal Services, Fire Prevention, By-law Services, Environmental Services (Wastewater and Waste Management).
- With the assistance of an external consultant, finalized reviews of existing policies, processes and SOP's for Business Licensing, Animal Services, By-law Services, Waste Management, Water and Fire Prevention to maximize efficiency and effectiveness of services and improve regulatory performance.
- To coincide with the launch of the non-parking module and enforcement of additional By-laws under the Consolidated AMPS By-law, we onboarded 2 additional Screening Officers and 4 additional Hearing Officers to handle the anticipated increase in screening/hearing reviews.
- Animal Services collaboration with Parks Planning Staff on the implementation strategy of the Off Leash Parks Project.

- Legislative Services held the Canada Day Citizenship Ceremony, where 50 new Canadians were sworn in by representatives from Immigration, Refugees and Citizenship Canada (IRCC).
- Secretariat planned and supported annual Seniors Roundtable event in June to solicit public feedback on seniors concerns and issues. 65 persons in attendance.
- ITS contributed to The Heritage Property Locator to provide staff and Markham citizens with a powerful interactive search tool.
- Public Safety Forum. Coordinated strategy with Fire and Building Standards for homeless encampments in York Region (Markham) – 1 Educational Seminar for 2025, with our partners York Region Outreach, YRP, and People Services.
- By-Law & Regulatory Services enforced Municipal By-Election for Ward 7, Provincial, and Federal elections, in partnership with Business Licensing Department and Elections Markham.
- By-Law & Regulatory Services proactively engaged key community and ratepayer groups to promote awareness of bylaw services and requirements and to address specific local issues through participation in community events.
- Over 4.5 million library items borrowed by Markham readers – 12.4 items per capita. A first: Over 1,000,000 ebooks borrowed. Achieved a 9.2% year-over-year increase in active library users: 100,402 (median).
- Markham Public Library expanded library career programs including our first Skills and Trades Fair and a Business Expo networking program for local business owners and entrepreneurs.
- Markham Public Library hosted two small business markets, attended by 1400 residents, to celebrate entrepreneurship, encourage community support of local businesses, and create an ecosystem and network for local entrepreneurs:
 - Inaugural Black Owned Market, during Black History Month, highlighted local businesses.
 - Small Business Month Market focused on micro-businesses (locally owned sole-employee businesses).
- Through community conversations, focus groups, outreach and one on one conversations, staff connected with over 1,750 people to deepen understanding of community interests, needs and values to inform the Library's new Strategic Plan for 2026. Deployed community surveys to gather constituent feedback regarding priorities and insights to inform and guide planning the future of Markham's library system. Strategic Plan Survey received 4588 responses. Completed analysis of the survey data, layered within the Environics demographic segmentation framework, to capture the diversity of perspectives across the City.
- Markham Public Library collaborated with ITS to upgrade public computers, self-service technology, digital media labs and public printing services (new feature: online printing), creating a modern, connected and sustainable tech environment, ensuring: Convenient and efficient digital services for residents, with 84.8% of library materials borrowed through self-service; Inclusive public access to modern innovative digital equipment.
- Expanded digital literacy programs including innovative new programs and services, such as:
 - Girls in STEM mentorship program to address gender inclusion in STEM related careers
 - STEM Community Club with York U Engineering students leading activities related to engineering, robotics and coding
 - Smart Life, in partnership with CNIB, exploring technology supporting the visually impaired
 - Learner empowerment programming to support safe use of technology - cybersecurity and anti-fraud, recognizing fake news and misinformation and understanding AI
 - Device lending and digital literacy program for Newcomer Older Adults, funded by an Ontario Seniors Community Grant.

Outcomes:

- 1600 participants in all digital literacy programming including makerspace, AI, STEM, cybersecurity, etc.

- Following the vacancy of the hospital library at Cornell Library, MPL moved its makerspace into this area, creating additional space for digital literacy instruction and programming, and expanding service to users.
- Through community survey and consultation, staff developed MPL's new Content Strategy to guide the development, organization, and delivery of digital and physical library collections, and drive strong and effective use of Markham's annual budget allocations for library materials. The survey received 4,884 responses, providing a solid sample representative of Markham residents.
- Markham Public Library community engagement to empower voters with the knowledge needed to make informed decisions at the polls. Included researching party platforms, candidate information, where, when and how to vote and recognizing mis and dis-information.
- Advanced inclusive literacy services through new supports, including:
 - Deployment of assistive software on all public computers for those with print disabilities, supported by ITS.
 - Expanded dyslexia-friendly reading material to support dyslexic readers.
 - Improved functional reading material for adults struggling with functional literacy.
- Advanced new innovative library services to inclusively serve Markham's neurodiverse community, including:
 - In collaboration with Children's Treatment Network: STEAM programming to children and youth with disabilities and development needs
 - Creation of a new accessibility page on website highlighting and promoting accessibility services available
 - First Neurodiversity Resource Fair providing information about available community and library resources
 - Incorporated sensory kits into camp programs to support participants with ASD (Autism Spectrum Disorder)
 - Expanded Toy Library with a focus on sensory toys and toys for children with special needs.
- Introduced Newcomer Study Squad, a homework help and ESL support program for teens.
- Markham Public Library supported understanding of Indigenous History through:
 - Improved library webpage content related to Indigenous history, including Treaty information specific to Markham and booklists connecting readers to relevant library materials
 - New program building awareness of colonialism and its impact on Indigenous people through the Truth & Reconciliation board game.
- Markham Public Library connected the library and its materials to local history through:
 - Creation of new local history webpage.
 - Procurement of a new microfilm reader / printer, improving public access to historical newspaper content on microfilm.
- Markham Public Library hosted workshops to promote public awareness of sustainability, nature and the environment. Included:
 - Programs to support Markham's bird friendly, monarch-friendly and pollinator strategies.
 - Seed Library – free seeds packages and gardening programs.
 - Hosted the YR Science and Technology Fair with youth projects tackling local issues around climate change and the natural environment.
 - Repair Café, food waste, intergenerational gardening programs and nature walks, bee basics, and sewing programs with a focus on sustainability.

Workshop Attendance: 2,050
- Markham Public Library wellness Fair: exhibits, presentations and workshops, Pilates and yoga, self-care, holistic health care, fitness, nutrition, mental health services, etc. offered through 16 local wellness organizations. Attendance: 750.

- 3rd Annual Back to School Giveaway supported 500 at-risk families with free backpacks and school supplies. Funded through donations from library staff, the community and local businesses.
- To advance Markham's accessibility and inclusion goals, the Library developed a strategy to extend fine-free policies to all adult and senior customers. This builds upon existing fine-free policies for youth. Removing late fines supports equitable and inclusive service for everyone in the community, makes library services more affordable for Markham residents, and aligns with best practices across the Canadian public library sector.
- Recreation facilities hosted 2025 Little Native Hockey League tournament. The 2025 tournament saw 265 teams play over 700 games. Over 10,000 players and families visited Markham (4000 players). Over 700 games on 15 rinks in Markham & Stouffville. 1,700 hotel rooms in Markham & additional 500 rooms in York Region with additional Airbnb and hotel rooms booked outside of LNHL reservation system. Over \$8 million in economic impact for Markham– Destination Markham.
- Recreation and Operations supported the Unionville BIA throughout the closure of Unionville Main Street including hosting the Unionville Festival and Jazz Festival at Crosby Arena and surrounding park area.
- Celebrated the 50th anniversary of Thornhill Community Centre and the 10th anniversary of the Markham Pam Am Centre.
- Successfully hosted 7 International Events, 8 National Events, 24 Provincial Events and 50 Invitational Events at the Markham Pan Am Centre. This significantly contributes to the Economic Impact through sport tourism. Our ability to successfully host premiere events has attracted new events to Markham Pan Am Centre for 2026 including the Maccabi Games and returning high profile events including the Yonex Canadian Open International and Ontario University Athletics Swim Championship.
- Completed a major update to the outdoor sport allocation policy for soccer and rugby. The revised policy clarifies eligibility criteria, aligns with provincial and national sport organization objectives, and supports long-term athlete development while maximizing the effective use of municipal sport assets.
- Finalized a comprehensive agreement with the Markham Pickleball Club defining roles, responsibilities, usage parameters, and cost-sharing practices. Developed collaboratively with Risk, Legal, Operations, and Recreation, the agreement establishes a clear framework for administering pickleball and accessing City facilities.
- Completed Phase 1 of the Integrated Leisure Master Plan update, recalibrating provision standards using updated population projections through 2031. The work identifies service gaps, recommends future community centre locations in the Berczy Glen community, and aligns planning timelines with financial capacity to guide long-term investment.
- Completed World War I and World War II monument and flag display at Veteran's Square and Cenotaph. Designed in collaboration with Markham District Veteran's Association. The installation of the WW1 and WW2 granite monument represents 70 fallen war veterans from The City of Markham and provides opportunity to honor future veterans.
- Completed 2025 Markham is More, Veterans and Group of Seven Banner Campaigns. Coordinated, procured and installed banner sets for 7 locations including, Main Street Markham, Main Street Unionville, Yonge Street, Enterprise, Aaniin Community Centre, Civic Centre Campus and Highway 7.
- Installed Twenty Traffic Control artwork wraps. Developed artwork in collaboration with Markham District Highschool and installed artwork wraps on 20 traffic control boxes.
- Installed Three Message Boards. Installed 3 message boards in parks across the City to support local community engagement and help foster a stronger sense of community.
- Completed Installation of Carved Wood Seating at Thornhill Library. Installed carved wooden benches in collaboration with a dedicated volunteer group who created and maintain the garden at Thornhill Library.
- Completed Arboretum Interpretive/ Wayfinding Signage. Installed interpretive/ wayfinding signage at South Unionville Park Arboretum to educate residents on a range of tree related topics.

- 2025 Community Garden Maintenance Program. Delivered the Community Garden Maintenance Program, which provides 50 individual allotment plots and one larger collective garden, supporting more than 70 residents.
- Obtained Council approval of Off-Leash Dog-Area Policy. This Policy establishes an approach for planning, identifying, developing, maintaining and operating Off-Leash Dog Areas in the City of Markham.
- Initiated the development of a standard operating procedure for early engagement with First Nations communities on City Initiated Planning studies (i.e. Secondary Plans, Official Plan Review) to respond to provincial policy.
- Presented an overview of the Heritage Program for all Urban Design Staff; and Archaeological Training Session for all Development Staff.
- Priority Heritage Designation Program. Continued the heritage designation of listed properties throughout the year and attended two OLT hearings in support of heritage designation.
- Redesign of Markham Heritage Register. Working with a team from ITS, the web-based Heritage Register was completely updated adding new functionality and search capabilities.
- Markham Village Heritage Conservation District Plan Update Project. Secured consultants to assist; staff initiated the preparation of new/revised policies and drafted a new Statement of Cultural Heritage Value for the District, identified contributing/con-contributing properties, and held our first public engagement meeting (Dec 1).
- Prepared and distributed the Heritage District News to 1100 properties in four heritage district. Refurbished the 8 Heritage Planning Display panels and used at various community events throughout the year, including the Heritage Week display in February.
- Heritage Special Events.
 - Organized and administered the Doors Open Markham event under the theme “Markham’s Learning Landscape” with visitation of over 4,700 at 14 sites (Sept 20).
 - Planning and coordination of the Heritage Markham 50th Anniversary Celebration (Nov 13) with over 110 in attendance, dinner, guest speaker, awards, etc.
 - Organized and administered the Heritage Awards of Excellence event with 18 awards winners, newly designed framed certificates visual presentation and detailed awards booklet.
- Administered three programs: Designated Heritage Property Grants (\$54K for 10 properties), Commercial Facade Improvement Grants (\$15K for one property) and the Heritage Property Tax Rebate Program (59 properties).
- Administered the Heritage Markham advisory committee program- every month, agenda prep and reports (average 8-10 per month), meeting attendance, subcommittees and minute review).
- Successfully delivered the 2025 Markham Cycling Day event that attracted over 1,600 participants with the support of over 60 community volunteers on June 15, 2025.
- Engineering and Legal Services negotiated multiple Field Liaison Agreements with Indigenous Communities on Capital Projects. Finalized agreements and establish a process for First Nation engagement required as part of Capital Project delivery.
- Economic Growth Markham OVIN Demo Zone Program.
 - Delivered 2nd Showcase event in Markham June 2025 and implemented 2nd Intake pilot projects.
 - Closed out Markham OVIN DZ program in June 2025 with KPMG Audit and final reports to meet requirements of OVIN/Province. Results: 8 pilot projects successfully completed. 1 project (E-Scooter) received pilot extension (June – Oct 2025) with City to support Micromobility Study.
- Economic Growth Business Attraction, Retention, Expansion (BR+E) & Business Support.
 - Completed 629 engagements with business to support queries related to business growth and expansion
 - Implemented Markham Tariff Response Strategy to assist impacted businesses (outreach to 30+ impacted employers; 30 employers; Made in Markham campaign featured 20 businesses; 4 key

- business support topic seminars; Tarriff web page to share relevant tariff related info + administered impact survey)
- Supported Development Facilitation Office (DFO) with 14 prioritized/ critical IC applications from site plan to construction as part of economic development's ongoing expansion efforts in collaboration with Planning. Result: over 3 million sf industrial supply constructed.
 - Branding/Promotion: featured 21 company stories on Department website/social channels to promote industry businesses as part of marketing / business retention efforts. 336 LinkedIn posts, 92 posts on Facebook, and 115 posts on X.
 - Research: updated/released 2 Economic Profile Reports, industry sector data updates, investment attraction materials, EcDev website update to support business data needs and responded to critical internal data requests (CAO, Finance, Planning, etc.)
 - Economic Growth Industry & Partnership Programming.
 - Delivered 8 industry cluster initiatives in collaboration with innovation/ecosystem partners (Hanover Messe tradeshow, CIX- Elevate, DiscoveryX, Startup Festival, HardTech Summit, YSpace Tech Demo, HK-Markham Tech Exchange, Markham-India Event).
 - Supported 31 local business partnership activations with local stakeholders/business associations including MBT, TechConnex, ACCE, MRHBA.
 - Delivered on critical City business event - Mayor's Annual Business Luncheon Program attracted 500+attendees.
 - Markham Small Business Services.
 - Supported 3180 small businesses via delivery of 58 training sessions, events, consultations and responded to 637 inquiries.
 - Provided 14 small businesses with Starter Company Plus grants and offered 13 summer students Summer Company grants, totaling \$109,000.
 - Partnered with York University Yspace to deliver Founder Fundamentals Certificate series in Sept 2025 for 900+ participants.
 - Partnered with the Cross-Cultural Community Services Association to deliver a Chinese language business seminar in Oct 2025 for 82 participants.
 - Varley Art Gallery – Public Engagement.
 - The 2025 annual attendance is the highest on record since the gallery opened in 1997: 66,998 visitors
 - Mounted 8 exhibitions:
 - Karen Kar Yen Law: Better Bitter
 - Beneath the Surface: Stories of Kinship and Connection with Emma Nishimura and Gayle Uyagaqi Kabloona
 - The Printmaker's Matrix: Process, Image, and Innovation
 - Between the Current and the Echo
 - All Aboard!
 - Kejie Lin: A Garden of My Own
 - Sights of Convergence
 - The Quiet Fall: Scenes of Autumn from the Permanent Collection
 - Mounted three rotations (Winter, Spring, Summer) of children's and adult art classes, and workshops, March Break, Winter Break and 8 weeks of Summer Camps
 - Despite Main Street Unionville Restoration Project, maintained all functions including rentals at the Varley and Exhibition Rentals at the McKay.
 - Mounted numerous free public drop-in events for LunarFest, Black History Month, Little Native Hockey League, Unionville Festival, Doors Open Markham, Culture Days and Old Tyme

Christmas and three exhibition launches (winter-Spring, Summer and Fall). Launched a new One Love Festival in August.

- Public Art –Main Street Unionville.
 - Nestor Kruger’s “Little Creatures” for Main Street Unionville: tree grates and tree guards fabricated and partially installed. Fence installation to take place in tandem with Restoration Project. Contract for Patrick Kruger’s “Stars Hollow” in the East lane finalized.
- Public Art – Public Engagement.
- Our Park—Learning from Mushroom at Milliken Mills Park (Ward 8)—features The Underground Sun by Xiaojing Yan, accompanied by artist-led ink-making and kite-making workshops (August 23 and 24, 2025) and a culminating kite-flying event during Culture Days (September 21, 2025). The project links artistic practice with Markham’s natural ecology, immigrant histories, and infrastructural landscapes. A publication will document the project, workshops, and DIY activities to foster continued community engagement. It is a multi-year initiative modeled after Toronto Arts Council’s Animating Toronto Parks program. The 2025 iteration
- Public Art Circulating Collection acquisitions: The specific thematic focus for this year’s acquisitions is water, particularly as it mediates our relationship with Markham’s Rouge River—an ecological feature that runs through the heart of the city and shapes its cultural and environmental identity
- Alexa Kumiko Hatanaka, freeze or fly, fly or fight (2024), patchwork of printed, sumi ink-painted, and naturally dyed washi from Kashiki Seishi (a papermaking mill in Japan), Gyotaku (a traditional Japanese fish printing technique). Approximately 81 × 51 in inches or 205.74 × 129.54 cm for each of two panels.
- Gareth Long’s, Rouge River, Markham (2025), a mounted lenticular print, 164.5 x 114.5 cm.
- Markham Museum – Exhibitions
 - Researched, designed, implemented and opened the Everyday Superheroes Exhibition in March 2025. This exhibition celebrates the real-life heroes who keep our communities running through interactive displays and hands-on activities that highlight their courage, kindness and resilience. The exhibition was developed through extensive research and a public nomination campaign. The exhibition includes a total of 132 superheroes, individuals & groups, including 97 contemporary, 35 historical and 1 horse.
 - Refreshed the Markham Community Makers exhibition with new artist content showcasing fold art from the Museum’s collection and featuring the work of Unionville High School seniors assisted by Department head Shane Clodd and Metis artist Tracey Mae Chambers.
 - Officially complete the traveling tour of Standing in the Doorway: Lived Histories & Experiences of the Chinese Community.
 - Reopened the Locust Hill Train Station following conservation work on the structure.
 - Designed and installed special pop-up exhibition installation in Mount Joy Schoolhouse for Doors Open Markham.
 - Showcased objects from our Land Transportation Collection for special events/occasions on multiple occasions.
- Markham Museum – Business Development.
 - In 2025, Markham Museum focused on further diversifying and growing potential revenue streams through the exploration and development of new events, visitor experiences, programs and members benefits. Including;
 - New Partnered Events – E.g. Barkham and Kickin’ it Country
 - New Third-party Rentals & Partnerships – E.g. Durham Micro Weddings and The STEAM Projects school break camps
 - The launch of Corporate Team building
 - Offered new year-round and seasonal visitor experiences in our galleries and throughout the grounds

- Introduced new Museum Member benefits and targeted campaigns to increase membership
- Offered pottery classes as part of large site wide events
- Increased capacity in popular programs and creating new themed children's birthday parties and school programs.
- Flato Markham Theatre – Outreach.
 - Expanded our Broadway Performance Workshops this year to open more opportunities for the community to engage with professional artists.
 - Partnered with York University and York Regional School Board on a new Experiential Arts Mentorship Program. This program connected Elementary, High School and University students through a collaborative theatre mentorship program. Flato Markham Theatre mentored the teachers, hosted the workshops and performance.
 - Created new Theatre Production Workshops for drama teachers in 2025. This workshop assists teachers in learning more about the theatre resulting in greater opportunities for their students as well as better and safer productions.
 - Theatre camps once again reached capacity limits in 2025
 - Outreach activities continued to grow with post show discussions and community engagement.
 - Our Every Child Every Year program expanded in 2025 allowing more students the opportunity to attend live productions at Flato Markham Theatre.
- Flato Markham Theatre – Engagement.
 - Flato Markham Theatre celebrated its 40th Anniversary Season starting in the fall of 2025.
 - The theatre offered reduced tickets at \$40 to select performances throughout the season as part of the anniversary festivities.
 - Other anniversary engagements included weekly posting of photos from the archives, a gallery installation of selected performer photos from the past years and an anniversary gala performance.
- Flato Markham Theatre – Marketing and Audience Development.
 - Implementation of new grassroots online presence resulting in increased online engagements and traffic and ultimately more online ticket revenue.
- Flato Markham Theatre – Community.
 - Hosted over 210 rental days in 2025. Giving access to the community to bring their productions to the stage.
- Corporate & Community Events delivered 84 city-organized events and activities, including park openings, flag raisings, media events, Mayor's Business Address & Luncheon & Santa Claus Parade
 - Delivered Canada Day Celebrations attracting over 30,000 attendees.
 - Delivered Children's Festival attracting over 15,000 attendees.
 - Delivered 60th Anniversary of Canadian Flag & 2026 Honda Dealership Indy Markham Event Announcement Press Conference
- Corporate & Community Events Supported 65 community festivals and third-party events, including:
 - BIA events
 - Large-scale Festivals
 - Events with Road Closures
 - Partnered with the Provincial Government to host an Event Grant Writing Workshop; benefited City Staff and community event organizers.
- Corporate & Community Events continued the Public Park Pilot Project to expand opportunities to:
 - Activate public spaces
 - Increase community use of parks
 - Support diverse events across the City
- City of Markham signs multi-year agreement to host the Ontario Honda Dealers Indy, a premier NTT INDYCAR SERIES event. Inaugural race scheduled for August 14-16, 2026, on a new street circuit in

Markham Centre. The event is expected to bring significant economic benefits, attracting around 150,000 visitors and generating an estimated \$50 million annually for the region.

- Legal Services supported the legislation mandated consultation with First Nations representatives and provided legal advice to staff regarding the following projects:
 - Elgin Mills Road widening (funding agreement also executed)
 - East Don Tributary restoration project (funding agreement also executed)
 - Markham Centre trails (funding agreement also executed)
 - Highway 404 Ramp extension
 - Langstaff MZO
 - Glynwood Environmental Assessment
 - Mount Joy Creek Flood Mitigation Class EA Study
 - Rodick Road and Miller Avenue Reconstruction Project
 - Official Plan and Secondary Plans Review Projects
- People Services, along with staff teams, bargained and ratified Collective Agreements for CUPE (Inside & Outside Workers) and Markham Fire & Emergency Services.

Goal 3: Safe, Sustainable and Complete Community

Goal Statement: *We strive to achieve complete communities with an excellent quality of life. We ensure community safety and enhance the natural environment and built form through sustainable integrated planning, infrastructure management, and services.*

Additional 2025 Accomplishments:

- Managed the communication streams of SAM, Operations, and Environmental Services, to create a new Earth Month experience for the community. A one-day, live event was replaced with a series of earth/sustainability-related events throughout the month of April. This included: HERO (home emergency retrofit) workshops, Markham Youth Science Fair, Community Park clean-up events, Compost giveaway, Mulch giveaway. Each event in the series was supported by its own marketing and communication campaign.
- Animal Services implemented 2 seasonal contract positions to assist with increased call volumes during peak seasons.
- Animal Services conducted 2 animal related AMP Hearings for charges laid.
- Obtained industry leading animal service vehicle with purpose build caging system to assist with everyday animal transport.
- Continued to foster and work collaboratively with external partners on community safety initiatives. Example dangerous dog apprehensions with York Regional Police.
- Business Licensing Officers are conducting targeted inspections of businesses identified as high priority. Actions are determined based on investigation results and may include joint inspections with the Building Department, York Regional Police, and the Alcohol and Gaming Commission of Ontario. As of 2024 to present, 43 businesses have been inspected, with outcomes ranging from passing inspection to the issuance of caution notices, license conditions, AMPS charges, license revocations, or court proceedings.
- Business Licensing Team conducted a two-day on-site vehicle and driver inspection initiative at GTAA. A total of 40 airport taxi vehicles were inspected, and 100 airport taxi driver licenses were verified.
- Business Licensing Team carried out vehicle and driver inspections for Personal Transportation Providers (Uber, Lyft, Hopp) at the Civic Centre. A total of 30 vehicles were inspected, with all drivers passing inspection.
- SAM led cross-departmental collaboration for 2025 Earth Month campaign, focusing on highlighting City environmental and sustainability achievements and initiatives.
- SAM & Markham Public Library organized Markham's Youth Science Exhibition in collaboration with the Markham Public Library and York Region Science and Technology Fair to provide senior high school students the opportunity to showcase their knowledge & skills regarding environmental protection and health. This event was attended by 844 people.
- SAM & Corporate Communications co-developed, and shared on social media, an informative video documenting City of Markham's efforts in making Markham a bird friendly city.
- In 2024, the Cities of Markham and Richmond Hill were awarded \$175,000 in funding from the Federation of Canadian Municipalities' (FCM) Green Municipal Fund's (GMF) Community Efficiency Financing (CEF) program, covering 80% of project costs to conduct an innovative feasibility study on home energy retrofits. This study will assess and recommend options for a municipal financing program, as well as provide recommendations to increase community outreach and education on energy efficiency measures.
- The City completed construction on three major retrofit projects—Thornhill Community Centre, Clatworthy Arena, and Mount Joy Community Centre—representing a collective investment of nearly \$8.6 million, including \$5.8M in grants from the Government of Canada's Green & Inclusive Community Buildings Program. These projects have achieved significant sustainability milestones, including an average reduction of over 65% in greenhouse gas (GHG) emissions and up to 35% in energy consumption across the facilities.
- SAM led Design for Building Automation Systems (Smart Building Technologies) Upgrades in six facilities was completed, and construction is now underway. The project replaces legacy systems and migrates to the City's new platform, resulting in reduced GHG emissions and energy consumption, and greater operational efficiency.

- Proactive Bylaw Enforcement Re Ponds & Waterways. February 1 to March 31, 2025 - Patrolled all 17+ ponds/waterways locations during the winter season in conjunction with Corporate Security and Operations – Parks, Horticulture & Forestry.
- By-Law & Regulatory Services conducted Major Winter Event support to reduce the number of infractions during the citywide clean-up and plowing of all roads – in support of Operations – Road Maintenance.
- By-Law & Regulatory Services partnered with YRP and the City of Vaughan to share knowledge and develop strategies to address the rise of unsanctioned car rallies in the City of Markham and York Region. Legal Services is currently in the process of working on LOU with YRP’s Legal Team.
- School Safety Initiative. Throughout the September–June school year, Bylaw Services collaborates with the York Catholic District School Board, the York Region District School Board, and private schools to provide back-to-school information packages to parents, guardians, and caregivers on rules and responsibilities related to student drop-off and pick-up during school hours. This information is all disseminated through the schools.
- By-Law & Regulatory Services collaborated with the AMPS Unit on the launch of non-parking AMPS and developed a formal enforcement training and education program for all Municipal Law Enforcement Officers (MLEOs).
- By-Law, Engineering and Environmental Services ensured compliance with tree preservation regulations and protection measures during capital design and construction projects: East Don River Tributary Restoration, Green Lane Water Service Upgrades, Mill Street Slope Restoration, Stormwater Management Pond, Warden Avenue Widening to Major Mackenzie, and Torbay Road to Don Mills Channel.
- Finalized negotiations with MECP and received the Sanitary and Stormwater CLI-ECA on Feb 14, 2025. Established Environmental Services implementation workplans to support CLI-ECA compliance, and facilitated inter-department collaboration to define responsibilities, and requirements such as annual performance reports. Developed review and approval processes with Engineering and utilized new forms to support future alterations.
- Successfully completed the full transfer of streetlights and traffic signals into the In-House Locate model, achieving 100% compliance. Received the Inaugural 2025 Ontario One Call’s Innovation in Dig Safety Award on October 23, 2025. This award recognizes the City’s efforts on underground advancements in excavation safety, underground infrastructure protection, and damage prevention.
- Water quality enhancement efforts at Swan Lake continue to progress in alignment with the 2021 Council-approved plan. A suite of innovative technologies and ecological strategies is being deployed to restore and protect aquatic health:
 - Chloride Treatment with Biochar: A sustainable solution to reduce salt contamination and improve water chemistry
 - Algae Control via Ultrasound Technology: A non-invasive, energy-efficient method to suppress harmful algal blooms without chemicals
 - Aquatic Plant Survey: A comprehensive ecological assessment to guide future restoration and habitat management

Additionally, ultrasound technology is now being implemented at Pond 91 (Edward Jefferys Avenue), furthering the City’s commitment to smart, environmentally responsible water management.

- Reliability Improvement and Infrastructure Resilience.
 - Bridge Crossing Upgrades: Completed inspections and insulation rehabilitation of watermains and structural supports at key bridge crossings (Yonge St, John St, Woodbine Ave, and Bayview Ave), enhancing long-term system reliability.
 - Water Quality Assurance: Replaced drinking water sampling and testing stations at 84 locations across Markham to support consistent water quality monitoring and public health protection.
 - Meter Modernization: Replaced 3,402 residential water meters and 74 Industrial, Commercial & Institutional (ICI) meters by Q4 2024.
 - Ongoing installation of 400 residential and 70 ICI meters to further improve accuracy and service efficiency.
 - Pipeline Protection: By Q2 2025, 12 km of ductile iron (DI) watermains were safeguarded through cathodic protection, extending asset life and reducing future maintenance costs.
- Responded swiftly and effectively to 18 watermain breaks, ensuring rapid resolution with minimal disruption to residents and businesses. Staff identified a proactive measure resulting from the Woodbine watermain break (3rd since 2011), where staff is exploring a cost-sharing agreement with the Region for

proactive repairs on the same Woodbine watermain pipe segment. This due to Regional stormwater structures affecting the integrity of the City watermain.

- Inclusive Environmental Education: Delivered six presentations to ESL classes at the Welcome Centre Immigrant Services, fostering awareness of the City’s Waste Management and Water Conservation programs among newcomer communities. These sessions helped bridge language and cultural gaps, empowering residents with practical knowledge for sustainable living. On-the-Ground Impact: Hosted seven outreach booths at key community touchpoints—including the Senior Roundtable, Park & Play (in partnership with Recreation), and various Community Centres and Libraries. Topics included battery and e-waste recycling, wind-blown litter prevention, and proper curbside set-out practices, driving hands-on engagement and behavior change. Multimedia Awareness Campaigns: Produced and distributed five educational videos covering stormwater pond safety, fire hydrant and catch basin clearing, and a community mailbox anti-litter initiative. These campaigns extended reach across diverse audiences, supporting year-round environmental stewardship.
- Achieved 80% gross waste diversion rate from Markham households and municipal recycling depots.
- Markham Village Flood Control Remediation
 - Phase 1A: Construction 95% complete
 - Phase 1B: Construction currently underway
 - Phase 1C: Design scheduled for completion by Q1 2026
- Don Mills Channel Improvements
 - Culverts #1 & #2: Design work ongoing
 - Flood Control Facility: Construction in progress, with completion anticipated by Q1 2026
- West Thornhill Flood Control Remediation
 - Phases 4C & 4D: Design finalized in alignment with the Yonge Corridor Secondary Plan
- Environmental Services continues to make significant strides in erosion restoration and watercourse management:
 - Major Projects Underway:
 - Mill Street & 8202 McCowan Road: Construction substantially complete by Q4 2025. Green Lane & Bronte Road: Restoration efforts completed by Q4 2025
 - Minor Projects Advancing
 - 130 Spy Court Road: Minor restoration completed by Q4 2025
 - Completed Work:
 - John Street at German Mills Settlers Park: Design and construction successfully completed in Q1 2025
 - Strategic Planning & Data Enhancement:
 - City-wide erosion site inventory and prioritization completed in Q4 2025
- Received OPWA 2024 Public Works Project of the Year Award (Emergency Construction / Repair Category) - John Street at Settlers Park – Erosion Restoration Project on May 22, 2025.
- Watercourse erosion inventory study: Substantially completed, with LiDAR data analysis underway to refine erosion potential insights and enhance the City’s geospatial datasets.
- Created a new program to identify and address non-compliance cross-connections on the wastewater collection system (i.e., sanitary sewage connected to storm drainage). This is a multi-departmental initiative involving Environmental Services, Engineering, Buildings, Legal and Bylaw, which will enable staff to address and fix those deficient connections.
- Environmental Services Maintenance Hole Inspection Program: The new SL-RAT Acoustic Assessment program follows a successful 2023-2024 pilot project to apply new acoustic sensor technology and information technology tools to enhance the existing 10-Year Sewer CCTV and Flushing Program. The new Program is a condition assessment tool, which enables staff to add an additional layer of protection to all sewers and reduce likelihood of sewer backups. It also enables staff to implement a tandem 10-Year MH inspection program. The overall new program creates a condition-based CCTV and flushing on pipes that really need it.
- Operations Year 6 of 8 Block Tree Pruning Program: Mature trees in entire City blocks elevated for both roadside and sidewalk clearance to provide safe passage for vehicles and pedestrians.
- Operations Urban Forestry Management Plan: Framework and guiding principles for forestry management and funding for the next 10 years. Completed public engagement phase with anticipated Q1 2026 Council reporting.

- Operations modernized and streamlined multiple dated parks and public property by-laws with one comprehensive by-law to provide oversight for all public properties with Council approval.
- Mini forests planted as part of Markham's Trees for Tomorrow program to create new woodlots, provide new habitat and move closer to our 30% canopy goal. We planted two mini forests, one in Austin Drive Park and the other in Milne Dam Conservation Park, through funding that we received from Green Communities Canada. Presented on the City's reforestation program at the Conservation Ontario's Latornell Conference.
- Planted more than 30,000 native trees and shrubs to help create more than 14 hectares of new forest cover.
- Received \$92,000 from York Region in grant funding to support restoration projects. Supported the Friends of the Rouge Watershed's successful application for \$270,000 from the Federation of Canadian Municipalities towards reforestation projects in the City of Markham.
- Presented on the City's reforestation program at the Conservation Ontario's Latornell Conference.
- Created 1.4 hectares (14,000 square metres) of new wetland habitat at Milne Dam Conservation Park.
- Operations continuous improvement on road and right of way maintenance internal best practices to ensure safety and longevity of the City's road assets.
- Operations continued integration and transition of a new 12-year long term winter maintenance contract, along with an enhanced level of service on Senior Windrow Program, reducing completion time from 8 hours to 4 hours.
- Improved on City and third-party special events traffic closure safety within the City right-of-way and implemented a traffic safety procedure to guide external event organizers. Implemented hostile vehicle mitigation strategies for all City organized special events.
- Rolled out and began implementation of the new AVL program, including hardware installation in over 600 pieces of City and Contractor equipment. Continue to work with ITS to implement AVL portal and reporting enhancement.
- Successfully completed the noise mitigation project at the German Mills Blower House, by installing a new silencer and modifying the acoustic barrier to meet governing Acts and MECP requirements. Upgraded the gas collection and header system to enhance performance, support a sustainable and reliable underground network, and ensure compliance with MECP guidelines.
- Administrative amendment to Road Occupancy By-law 2018-109 and related fees to improve clarity, reflect current practices, and align with operational needs, best practices and latest legislations
- Initiated development of Road and Utility permit management system by integrating a mapping tool with the existing permit management.
- Completed Russel Carter Tefft Bridge. Installed 30 meter pedestrian bridge between Russel Carter Tefft Park and Bruce Boyd Parkette safely connecting two longstanding and well-established communities.
- Completed two new buildings in Wismer Park. The new park washroom building and shade pavilion provide accessible washrooms for residents and a large shade pavilion with various seating opportunities adjacent to many existing park amenities. The new maintenance building complex provides Operations staff with a secured site boundary and satellite location to assist with effective maintenance of municipal assets.
- Completed 1 new Park totalling 0.75 acres of new parkland.
- Hosted three Public Open Houses for future Capital Park Construction. Coordinated and hosted three (3) Public Open Houses for public engagement and feedback on future Capital Park Construction.
- Replaced or Refurbished 8 playgrounds, 17 shade structures, 1 backstop/ outfield fence and 13 tennis/ basketball facilities in existing parks to ensure public safety and optimal value of the assets within our existing parks.
- Completed year 3 of 4 of AODA Playground Refurbishment Program (2025). Completed the planning, procurement and construction of AODA-compliant playground refurbishments at 12 existing parks. This is the third year of the four year AODA refurbishment program.
- 4.32 ha of Parkland Conveyed. 4.32 ha (10.67 ac) of future parkland conveyed through Planning Act provisions and negotiations.
- Supported Secondary Plan Program, Official Plan Review and other studies and initiatives as Stakeholders for Parkland. Staff contributed to several secondary plan studies by providing technical input and local expertise related to the parks and open space system. This includes reviewing proposed parkland locations, sizes, and connections and ensuring alignment with municipal policies, standards, and long-term

recreational needs. Staff helped ensure that parks and open spaces are well integrated into the overall land use framework and support livable, complete and sustainable communities.

- Advanced Secondary Plan Program.
 - Markham Road-Mount Joy Secondary Plan –Negotiated settlements to three appeals to the Markham Road – Mount Joy Secondary Plan
 - Milliken Centre Secondary Plan – Advanced discussions with the Ministry of Municipal Affairs and Housing on the Council adopted Secondary Plan to support the Provinces approval process.
 - Markville Secondary Plan – Completed the Draft Final Study Report with policy directions and recommendations to inform the preparation of the Secondary Plan Official Plan Amendment.
 - Yonge Corridor Secondar Plan – Completed Interim Study Report informing emerging concept and policy directions. Hosted stakeholder engagement and a second Community Information Meeting to inform refinements to the emerging concept plan. Currently finalizing the final study report and preparing Draft Secondary Plan policies.
 - Cornell Centre Secondary Plan – Advanced CCSP with Community Information Meeting held February 5, 2025, Statutory Public Meeting and PIMR brought to DSC June 17, 2025. Completed extensive stakeholder consultation and refinements continue towards final draft SP in early 2026
- Advanced implementation of the Housing Strategy Actions through the Housing Accelerator Fund and new provincial legislation. Including:
 - #3 Develop an Inclusionary Zoning By-Law for Major Transit Station Areas
 - #6 Review permissions for additional residential units
 - #8 Reduce residential parking requirements near transit
 - #12 Support affordable housing projects that are funded
 - #14 Develop incentive package for affordable/supportive housing
 - #30 Facilitate Partnerships for affordable housing
- Housing Accelerator Fund – CMHC. Implementation of Markham’s 7 Action Plan Initiatives, using \$58.8 million in funding secured to support the delivery of 1,641 residential units, to be completed by the end of 2026.
 - HAF Initiative 1 – Public Partnerships - Direct Grant Stream – The City entered into partnerships with government, non-profit and private sector organizations to deliver new affordable and purpose-built rental housing.
 - HAF Initiative 2 (ARUs) – Delivered a recommendation report to DSC for an Official Plan and Zoning By-law Amendment to permit 4 units as-of-right.
 - HAF Initiative 3 – Council approval of an Official Plan and Zoning By-law Amendment to permit buildings of up to four storeys in height on lands that permit residential dwelling units within Major Transit Station Areas.
 - HAF Initiative 4 – Completed a technical assessment report, consulted with stakeholders, and prepared a draft Official Plan and Zoning By-law Amendments to introduce an inclusionary zoning policy framework with a phased approach that delay implementation until market conditions improve.
 - HAF Initiative 5 – Incentive Program for Affordable Housing – Development Charge Deferral Policy – This initiative was impacted by York Region's Development Charge Deferral for Non-Luxury Rental Buildings Policy. Hence the scope of this initiative was adjusted to support the low rental supply in the City.
 - HAF Initiative 6 – Involves 2 components. Completed 1 of 2 planning workflows in the City’s development review software, Project Dox. The second component involves an Automated Zoning (AI) Compliance service.
 - HAF Initiative 7 – Parking & TDM Standard Update – The City is establishing parking standards and TDM requirements tailored by parking zones. These standards will be incorporated into the City’s Comprehensive Zoning By-Law Amendment.
- Collaborated with City departments to Complete the pre-planning phase of the City’s Official Plan Review which including Hosting a Special Meeting of Council to commence the OPR and get input from stakeholders and Council on the workplan and key areas of study, preparation of a Terms of Reference/Scope of Work for the Review, and Retaining a Consultant through the procurement process to undertake the work for the City.
- Initiated the Markham Employment Area Study to inform an approach to managing employment land conversion requests in the short-term to respond to new provincial policy.

- Sixth annual report of performance indicators that measure and track the progress of the Official Plan's policy objectives, provides input to further policy review and development, and assists in monitoring growth targets.
- Received the PlanON Award of Merit from the Ontario Professional Planners Institute and the Lee Symmes Municipal Award from Ontario Nature for the City's Natural Heritage Management Study and Natural Assets Study.
- Monitoring of Priority Invasive Plant Species in Natural Areas. Initiated a pilot project to monitor four priority invasive plant species in City natural areas. Monitored 250 hectares (one-quarter) of our natural areas for the presence and abundance of: European Buckthorn, Phragmites, Dog-strangling Vine and Wild Parsnip.
- Environmental Impact Study Guidelines Update. Updated the City's Environmental Impact Study Guidelines to reflect changes due to Bill 23 and changing responsibilities of partner agencies.
- Official Plan Review – Environmental Mapping Updates. Completed the city-wide and comprehensive update to the City's environmental mapping layers including the mapping of woodlands, wetlands, valleylands and natural heritage system, to support the Official Plan Update.
- DFO – Employment Development Support. The DFO supported 40 applications over 2025, with just over 1 million square feet of employment uses being constructed
- CZBL – Consolidated Zoning By-law. Additional appeals of the CZBL were resolved, with only 3 remaining. Staff have drafted housekeeping amendments to be adopted in early 2026.
- Development Applications Received and Circulated for Review and Applications Approved.
 - Received and circulated a total of 291 development applications (pre-consultation, official plan amendment, zoning amendment, plan of subdivision, site plan control, plan of condominium, minor variance, consent).
 - Approved a total of 252 development applications (pre-consultation, plan of subdivision, site plan control, plan of condominium, minor variance, consent).
 - Approved a total of 113 residential units and 151,304.42 m² of non-residential development (site plan control).
 - Approved a total of 244 residential units (subdivision).
- Road Safety Plan Development.
 - Successful in obtaining a \$326,024 grant for the Road Safety Plan Development project from the Federal Enhanced Road Safety Transfer Payment Program.
 - Worked collaboratively with York Region to ensure alignment with their Vision Zero Traveller Safety Plan.
 - Facilitated Public Information Centres, Public Survey, Stakeholder Advisory Meetings and Special DSC workshop, to obtain feedback and guidance on the Road Safety Plan Development.
 - Completed the Road Safety Plan Technical Report and 5-year Countermeasures Plan.
- Automated Speed Enforcement (ASE) Feasibility Review.
 - Conducted a systemic review of all public and private schools in the City to identify suitable locations to deploy 16 ASE cameras.
 - Prepare detailed signage plans for each of the 16 locations to establish Community Safety Zones (CSZ) in support of ASE.
 - Although the Province stopped ASE in Nov 2025, layouts will be implemented to clearly define schools as designated CSZs, subject to future capital budgets.
- 19th Avenue Traffic Safety Improvements. Following completion of an In-service Road Safety Review in 2024, implemented short and medium-term recommendations that improve traffic safety on 19th Avenue, between Warden Avenue and Kennedy Road, through the hamlet of Almira.
- Active School Travel Program. Continued partnership with the York Region District School Board (YRDSB), working with participating schools to implement site-specific engineering measures and support travel planning and active travel awareness. There is plan to expand to schools such as Black Walnut Public School, Cornell Village Public School, Greensborough Public School, and others to be determined.
- National School Streets Initiative. Successfully secured 50% funding (i.e. \$40,000) through the Public Health Agency of Canada's Healthy Canadians and Communities Fund to accelerate School Streets implementation in partnership with YRDSB. Launched in 2025 with implementations planned for 2026 and 2027.
- Markham Transportation Master Plan.

- Collaborated with internal and external stakeholders to ensure alignment on the study vision, guiding principles, and integration with parallel planning initiatives.
- Delivered broad engagement activities, including pop-ups, stakeholder meetings, and online tools to gather feedback on MTMP development.
- Completed key technical deliverables, including the Background Study Report, and advanced the Micromobility Strategy, multimodal network development, and technical white papers.
- Had Council Workshop to gather feedback on micromobility and network alternatives
- Citywide Parking Strategy.
 - Completed the Implementation and Monitoring Plan, including a multi-year phased plan to support city-building objectives.
 - Finalized the Study Recommendation Report consolidating policies, governance, financial principles, implementation plan and monitoring plan.
- Parking and Transportation Demand Management (TDM) Standards Update.
 - Advanced development of updated Parking and TDM Standards, including completion of the Best Practices Review, Parking Needs Assessment, and draft technical recommendations.
 - Preparing the draft zoning by-law amendment, with study completion anticipated in Q1 2026.
- Markham School Zone Safety Guide.
 - Developed a comprehensive framework of engineering measures, education, and programs to improve school zone safety.
 - Completed the Final Study Report, with presentation to DSC planned for January 2026 for endorsement.
- Transportation and Engineering Review of Secondary Plan Transportation and Master Servicing Plan Studies. Advanced transportation and servicing components of the Markville and Yonge Corridor Secondary Plans, in alignment with overall secondary plan planning exercises.
- Completed Active Transportation Master Plan (ATMP) Design and Construction – 7 Locations:
 - Clegg Road (Rodick Road to South Town Centre Boulevard) –700 m of pavement marking works. Roadway reconfigured to include bike lanes and a centre left-turn lane.
 - Allstate Parkway (Valleywood Drive to Highway 7) –700 m of pavement marking works. Roadway reconfigured to include protected bike lanes with flex bollards and a centre left-turn lane.
 - Ferrier Street (Gibson Drive to Steeles Avenue) – 500m of pavement marking works. Roadway reconfigured to include protected bike lanes with flex bollards.
 - Gillingham Avenue and Elson Street (Hillcroft Drive to Markham Road) – Completed 2.5 Km Pavement marking. Roadway being reconfigured to protected bike lanes.
 - Main Street Markham (Bullock Drive / Parkway Avenue to 16th Avenue) – Completed 1.2 km of pavement marking works. Roadway reconfigured to include bike lanes and a centre left-turn lane.
 - Carlton Road (Kennedy Road to McCowan Road) –1.7 Km Pavement marking, reconfigured the corridor to include bike lanes and a centre left-turn lane.
 - Calvert Road (Woodbine Avenue to Warden Avenue) 2.1 Km Pavement marking works.
- Substantially completed Main Street Unionville Reconstruction Project.
 - Delivered all construction phases while managing safety, emergencies, business access, and multi-department/agency coordination in a highly constrained corridor.
 - Maintained strong stakeholder, public, and Councillor engagement while controlling costs, enforcing safety, and protecting completed infrastructure and City interests.
- Advanced Woodbine Avenue Watermain Design (for Highway 404 North Secondary Plan).
 - Finalized design of the woodbine watermain project in support of Markham MiX.
 - Tendering for construction in winter 2026 and anticipated construction start of spring 2026.
- Completed Rouge Valley Trail Highway 7 Underpass and Bullock Extension Design and Construction.
 - Completed construction of an underpass along Highway 7, east of Main Street Unionville, providing a connection between Denby Valley Park and Mildred Temple Park, within budget and ahead of schedule.
 - Completed construction of a 3.0 m asphalt multi-use pathway connecting the York Region Transit bus stop at Bullock Drive and Highway 7 to Austin Drive Park.
- Completed Rouge Valley Trail Phase 4B Design.
 - Completed the design and preparation for tender to commence construction in 2026

- Completion of Traffic Signals and PXO Design and commencement of construction.
 - Successfully completed the design and tender package preparation for 9 locations of Traffic Signals and Pedestrian crossings within budget.
 - Construction is anticipated to start in Spring 2026.
- Commencement and Advancement of Elgin Mills Road Widening Design.
 - Procured design consultant and advanced the design to 60% design stage.
 - Identified required property acquisition for the widening (approx. 51 properties) and initiated internal discussions with Real Property and Legal to initiate the process in early 2026.
- Completion of Markham Centre Trail 3 Construction.
 - Completion of the Markham Centre Trail Phase 3 which includes a 3.0m wide paved multi-use Pathway and is located south of the Rouge River and extends for approximately 350m from Wardenview Park to the Verclaire Gate. Construction was completed in June 2025 within budget.
- Completion of 2024/2025 Sidewalk Construction.
 - Completed the construction of 8 sidewalk locations as a part of the sidewalk completion program within budget and ahead of schedule.
- Commencement, advancement and completion of major infrastructure components of Ontario Honda Dealers Indy at Markham Racetrack
 - Led all infrastructure design and construction components of Honda Indy race event starting in Markham in 2026.
 - Aiming to complete the project within the committed timeline of spring 2026.
- Progressing the City's involvement on Yonge North Subway Extension Project.
 - Provided detailed design reviews for multiple YNSE packages including North Boulevard.
 - Led and contributed to the negotiations for the Main Agreement with Metrolinx.
 - Work alongside other departments on Traffic Management Plans, Permits, agreements and all other aspects of the YNSE.
- Supporting York Region in Delivering Capital projects within Markham. Continued to support the Region in the delivery of third-party projects through the diligent review of design packages for City assets, the negotiation of legal agreements, and effective coordination with multiple City departments. Projects:
 - Kennedy Road
 - 16th Avenue widening
 - Warden Avenue
 - McCowan Road
 - 9th line
 - Mid-Block Crossing North of 16th Avenue
 - South York Greenway Trails
- In house Sidewalk Feasibility Study. Staff have successfully initiated an in-house sidewalk feasibility study based on the Sidewalk Completion Program, assess the feasibility of each location.
- Engineering Design Criteria Update. Engineering Design Criteria revised and updated for standard drawings (i.e. MR10 – 8.5m ROW, MR23 – pedestrian walkway, MR36 – Road Restoration, etc.), design criteria sections (i.e. Section B – walkways, sidewalks, and laneways, G – Utilities), and Appendices (i.e. Annex 1, 3A, 5 – Pavement Restoration, 7 – Subd. Agmt.).
- Development Applications Received and Circulated for Review by Engineering. Data is to end of Q3 2025:
 - 92 TEC (Engineering Drawings) submissions
 - 125 PLAN (OPA, ZBA, Draft Plan) submissions
 - 38 SPC (Site Plan Control) submissions
 - 216 RGS (Residential Infill Grading and Servicing) submissions
 - 124 CSNT + MNV (Consent & Minor Variances) submissions
 - 30 SALT (Site Alteration Permits) submissions
 - 11 CNDO (Draft Plan of Condo) submissions
- Tributary 5 Watercourse Environmental Assessment. Substantially advanced the EA Study to alleviate local flooding along tributary 5 and realign the watercourse to best facilitate development in support of the Markham Centre Secondary Plan. Anticipated completion date in Q1 2026.
- Non-Conventional SWM Facility Policy, Procedures and Design Criteria. Substantially advanced the Policy and Design Criteria guidelines to reach major milestones including presentation to external stakeholders including relevant review agencies, development industry, SWM tank manufacturers and

engineering consultants. Final guideline document will streamline the review and approval process for underground SWM facilities by establishing City's policies, design criteria, and engineering specifications.

- Consolidated Linear Infrastructure – Environmental Compliance Approval (CLI-ECA). In collaboration with Environmental Services staff, the City has received its official CLI-ECA issued by the MECP, which gives pre-approval for municipal water, sanitary and stormwater infrastructure that is covered within certain conditions and criteria, adding a much more streamlined and efficient approach to obtaining environmental compliance approvals.
- Mount Joy Creek Flood Mitigation Class EA Study. The EA Study has been substantially advanced to address local flooding issues along Mount Joy Creek (between Major Mackenzie Drive and Bur Oak Avenue) and realign the watercourse to facilitate development in support of the Markham Road–Mount Joy Secondary Plan. Anticipated completion date in Q1 2026.
- Building Standards issued building permits for 2062 new residential dwelling units.
- Building Standards issued occupancy permits for 1517 new residential dwelling units.
- Building Standards received and processed 20% more building permits in 2025 than 2024.
- Issued building permits with a construction value of 3.76 Billion Dollars. This is around 70% more than 2024 and a record for Markham Building Standards.
- At the end of November 2025 issued 317,123 m2 of ICI building area. This is a 57% increase from 2024.
- Building Standards maintained all regulated timeframes for building code review. This accommodation in capacity is directly related to efficiencies gained by ePlan and the departments investment in technology.
 - Review timeframe of house: 9 days (legislative timeframe: 10 days)
 - Review timeframe of small building: 12 days (legislative timeframe: 15 days)
 - Review timeframe of large building: 12 days (legislative timeframe: 20 days)
 - Review timeframe of Complex Buildings: 13 days (legislative timeframe: 30 days)
- Conducted 921 building investigations in response to citizen-initiated complaints. Investigations resulted in the issuance of 304 Building Violations.
- Issuance of 44 unsafe orders.
- Proactive inspections to follow up and review of inactive issued permits. This reduces the department liability associated with carrying inactive permits and increases public safety in the built environment. Closed 2880 dormant inactive permits.
- Completed 40 038 (24% more than 2024) building inspections within 2 business days of the request.
- Identified over 25,000 building code deficiencies throughout the building permit process (review and inspections), playing a critical role in protecting public safety by reducing hazards, improving building reliability, and safeguarding occupants and emergency responders.
- Building Standards continued to liaison with City of Vaughan and City of Richmond Hill and Toronto Building Standards to develop points of consistency for transit stations.
- Successful implementation of the new Building Code, which incorporated over 3,000 individual changes, across all relevant operations. This initiative involved coordinating with multiple teams, updating internal procedures, and providing guidance to staff and stakeholders to ensure full compliance.
- Successful implementation of Development Charge deferrals to occupancy legislation including the provision on the restriction to occupy with pending development charges.
- Building Standards supported the Development Facilitation office with the project management of over 40 building permits for high priority developments of economic significance.
- Building Standards ongoing Process Improvements- Workflow Automation & Platform Upgrades.
 - Rolled out ProjectDox v9.4 with enhanced markup tools and stability fixes.
 - Expanded AMANDA automation for permit routing and inspection scheduling.
 - Introduced dynamic fee calculation and integrated payment workflows
- Building Standards ongoing Process Improvements- Compliance & Regulatory Alignment.
 - Embedded Ontario Building Code 2025 updates into review templates.
 - Launched digital compliance checklists for faster validation of Applicable Law.
- Building Standards Strategic Housing Initiatives.
 - Integrated HAF reporting automation and compliance dashboards.
 - Supported streamlined approvals for affordable housing and ARU projects.
 - Published three ARU guides for homeowners
 - Completed several phases of AI enabled zoning review software.

- Legal Services, in partnership with relevant departments, resolved OLT appeals of development applications, heritage designation by-laws, fee complaints, City-initiated OPA, and various site-specific appeals of the CZBL. Notable settlements include appeals in respect of developments at:
 - 7115 Yonge Street
 - 5305 and 5307 Highway 7
 - 5871 Highway 7
- Real Property acquired property at Elgin Mills and Hwy 404 for future Municipal purposes including parkland. Site is being rezoned as part of a value enhancement strategy and to provide permitted uses consistent with the abutting residential neighborhood.
- Real Property established a Lease with Markham District Energy to permit a wastewater energy recovery project which provides heating and cooling for the community.
- Legal Services negotiated various Agreements and Schedules with Metrolinx in respect of the infrastructure contemplated to be built in Markham for the Yonge-North Subway Extension.

Goal 4: Stewardship of Money and Resources

Goal Statement: *We demonstrate exceptional leadership using sound, transparent and responsible fiscal & resource management and policy development to mitigate risks while enabling efficient and effective service delivery.*

Additional 2025 Accomplishments:

- Presented to Council the yearly status of the Strategic Plan including accomplishments from the previous year. Provided key metrics linking to strategic plan.
- In collaboration with ITS, selected a vendor to begin the full digital reporting process for the corporate strategic plan. Onboarded the strategic plan, began testing of the platform for 2026 launch and commenced staff training on the portal.
- Celebrated the sixth year of World Council on City Data Platinum Certification for the City of Markham. Included WCCD Markham-specific data in yearly accomplishments and mapped out relevant metrics to strategic plan.
- Corporate Communications advertising grew 11.5% year-over-year, increasing to \$91,750 in 2025. Sponsorship grew 32.6% year-over-year, increasing to \$315,700 in 2025. New sponsorship programs launched included Park and Play Fun Tour (\$15K in support) & Kylemore Lounge Officially opened in March 2025. Event specific sponsorship increased for all major City events with the largest increases seen for Mayor's Annual Business Luncheon (\$55,000 in 2025, up from \$40,000 in 2024) and Santa Claus Parade (\$21,000 in 2025, up from \$15,500 in 2024).
- Budget 2025: A Markham Milestone publication received a 2025 Hermes Creative Gold Award, recognizing its clear, creative and accessible financial communication publication for residents. This was the second consecutive year that the City won an award in this competition.
- Markham Fire and Emergency Services procured and deployed \$74K in decontamination equipment and were awarded a grant for \$25K towards mental health initiatives in 2026.
- Successfully bargained and ratified Collective Agreements for CUPE (Inside & Outside Worker's) and Markham Fire & Emergency Services
- Markham Racing Forward: Budget 2026 of \$677.9M was adopted on Oct. 31, 2025, continuing its focus on community building while keeping Markham affordable. The tax rate increase of 3.90% means \$54.99 for the average Markham home.
- For the twenty-fifth consecutive year, the City of Markham has been awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the 2025 Budget. This award is the highest form of recognition in governmental budgeting and validates the City's planning and budgeting adherence to best practices, transparency, and comprehensive communication to stakeholders. In addition to receiving the award, the City of Markham's 2025 Budget received special recognition for the category of Strategic goals & Strategies. Special recognition is given when all three reviewers give the highest possible score in particular categories.
- GFOA Award - For the past twenty-four years, the City has received the Government Finance Officers Association (GFOA) 'Canadian Award for Financial Reporting.' The award provides recognition for excellence in governmental accounting and financial reporting. The receipt of this award signifies that Markham delivered a comprehensive annual financial report that demonstrates full transparency and disclosure over and above the minimum requirements of Generally Accepted Accounting Principles.
- Amongst the Top 5 out of large Canadian municipalities for municipal fiscal accountability and transparency, as ranked by CD Howe Institute.
- As part of a transformation initiative, Finance is working with Clerks to update the By-law user fees for 2026 and standardize the format to ensure consistency across the entire document. The updated 2026 fees will be calculated in Excel and converted to PDF to eliminate manual transcription and significantly reduce administrative effort.

- Financial Planning implemented an impactful update to the Life Cycle Reserve Study by introducing a ‘supercharged’ approach to align with the City’s 2025 Asset Management Plan defined levels of service. Financial Planning effectively communicated and managed the cross functional collaboration of this task to ensure the Reserve remains relevant for future capital budgets.
- Finance authored the Financial Strategy section of the 2025 Corporate Management Plan update, which was formally endorsed by Council. This Provincially legislated document was submitted to the Ministry of Infrastructure and provides an assessment of the financial forecast for the City’s assets.
- Finance has revamped the full-time staffing exercise process, resulting in greater transparency and improved communication. A key highlight is the use of Mentimeter, which enabled anonymous voting and discussion during DF, allowing every Director to advocate for their staffing requests.
- Financial Planning implemented process improvements for the TCA Conveyed Asset acceptance workflow, enhancing efficiency and accuracy in asset management. Finance also conducted a comprehensive assessment of deferred revenue recognition approaches and ensured alignment with future ERP system integration to support streamlined financial operations.
- The Financial Planning team is developing Standard Operating Procedures (SOPs) for several recurring and significant workstreams to improve documentation and facilitate knowledge transfer. Some SOPs include Life Cycle Reserve Model, Stormwater Model, Indirect Model and Personnel Databases.
- In 2025, Procurement achieved \$1M in negotiated savings on projects prior to contract award and \$1.1M in negotiated cost avoidance.
- After finalizing the revenue distribution model with Finance, AMPS team worked with Cash Management to set-up payment processes for all of the non-parking fines/fees through the online payment portal.
- Sustainability and Asset Management, as well as Finance completed 2025 Asset Management Plan update in compliance with Ontario Regulation 588/17, summarized as follows:
 - The City’s assets have a combined current replacement value of \$17.5B
 - The City’s assets are in a GOOD state of performance (90%)
 - No assets are assessed as very high risk
- Third and final phase of Lucity EAM (Enterprise Asset Management) system was implemented, significantly improving Facility Work Orders, Inventory Management, and Reserve Fund Study and Lifecycle Planning for facilities.
- Operations Streamline various maintenance projects through the work order/ asset management system in Fleet, Parks, Roads, and Survey. Continued implementation and customization of EAM to better serve the Operations Department into the future.
- Internet Modernization service provider experiences downtime. Improved Bandwidth and Resiliency to City and Public Wi-Fi services.
- Amended Tree Preservation Bylaw, in partnership with Urban Design and the Forestry Department, with new fee structure was approved by Council to regulate the destruction and injury of private and City’s trees.
- Environmental Services Flow Data/Rain Data Analyzing Tool: The in-house Flow and Rain Data Analysis Tool has transformed the management of millions of data points collected annually through monitoring programs. Previously dependent on costly external consultants, the team now independently processes large datasets and performs tailored, on-demand analyses—enhancing flexibility, efficiency, and technical capacity. This innovation has delivered significant time and cost savings across multiple City projects, representing a major milestone in the City’s commitment to smarter, data-driven wastewater system management.
- Completed 2025 Tax-funded and Water-rate Lifecycle Reserve Study update within the strict timelines.
 - Applied Asset Management Best Practices to analyze and prioritize candidates for rehabilitation and replacement
 - Updated existing programs and rehab records

- Updated asset inventories and condition
- Reviewed 2025 condition assessment reports for ES assets
- Coordinated with various sections within the department to complete 2025 LC for structures, streetlights, stormwater, wastewater and water assets.
- Environmental Services Mobile DMA/Watermain Leak Detection/High Water consumption Investigations: Achieved annual cost savings of \$192,000 through the implementation of new procedures for installing Anti-Tampering Devices, reducing the likelihood of water theft from hydrants.
- Operations procured 2 autonomous lawn mowers to pilot sports field grass cutting.
- Operations and SAM collaborated in development of a low-carbon fleet vehicle strategy (with a supporting policy) to achieve significant GHG emissions reductions for our City-owned fleet vehicles.
- The publishing and implementation of Annex 5 into the City's Engineering Design Criteria. Aimed to outline situational examples of restoration criteria to set a precedent and standardize restoration strategies for all internal departments and their contractors, ensuring the longevity of the City's right-of-way assets.
- Successful implementation of the City's award-winning AI Pavement Assessment program. This program utilizes AI to conduct pavement assessment of the City's road network. Recipient of the 2024 Public Works Project of the Year Award by Professional Engineers Ontario and 2025 IRF Global Road Achievement Award in Asset Management and Maintenance Management Category; further solidifying the City of Markham's continued leadership role in innovation.
- Building Standards provided the following monthly building statistical reports to other City internal departments:(finance, operations, planning)
 - Occupancy tracking reports
 - Building permit activity reports
 - Financial performance reports
- Provide the following monthly building statistical reports to external agencies.
- Building Standards Ongoing Process Improvements- Data Intelligence & Reporting.
 - Implemented real-time dashboards for permit cycle tracking and KPI monitoring.
 - Deployed predictive analytics to forecast review timelines and resource needs.
- Varley Art Gallery – Grants/Support.
 - Received Ontario Arts Council annual operating grant,
 - Received a Canada Council for the Arts project grant for a 2026 exhibition.
 - Received CSJ support for staff positions.
 - Received an Ontario Seniors Community Grant to develop and implement a series of free workshops for older citizens, 2024-25 with the Markham Museum.
 - Received annual support from the Varley-McKay Art Foundation
- Varley Art Gallery – Facilities.
 - Commissioned an Accessibility Audit of the McKay Art Centre and initiated short term upgrades to the building.
- Markham Museum – Increased Attendance & Revenue.
 - Markham Museum received over 54,000 visitors in 2025. This is the highest ever attendance for the Museum.
 - Notable areas of increased attendance include AppleFest, Education Programs, Camp participants, and Barkham.
- Markham Museum – Site Improvements.
 - With the assistance from the team in Asset Management & Operations a wide range of site improvements were completed including;
 - Church Sanctuary Renovations
 - Repainting Collections Building and Exhibition Halls

- Collections Building heat pump replacement project
- Bandstand Repair
- Mini Putt Restoration
- Replacement of sections of split rail fencing
- Building Animal Exclusion Project
- Landscaping improvements
- Extensive site wide clean-up
- Markham Museum – Grants/Support.
 - Received Canada Summer Jobs support for staff positions in various departments.
 - Received an Ontario Seniors Community Grant to develop and implement a series of free pottery workshops for older adults, 2024-25 with the Varley Art Gallery.
 - Received the York Region Greening Action Partnership to support environmental programming and related infrastructure.
 - Young Canada Works Grant support for curatorial staff positions.
 - Received Canadian Parks and Recreation Association – Green Jobs Initiative to support the redevelopment of our environmental based geocaching tour.
 - Increasing grant revenues by 77% from 2024.
- Flato Markham Theatre – Fundraising.
 - Flato Markham Theatre hosted a fundraising gala to celebrate our 40th Anniversary.
 - Monies raised at the gala went to support programming at the theatre and outreach within the community.
- Flato Markham Theatre – Facility Upgrades.
 - Renovated the lobby of the theatre, updating it in addition to creating a safer space with replacement of older tiles.
 - Replaced large parts of the audio system creating a clear and better balanced system that will reduce areas of high sound levels.

APPENDIX C
BUILDING MARKHAM'S FUTURE TOGETHER 2020-2026 STRATEGIC PLAN
MEASURES OF SUCCESS - 2025

| GOAL 1 | Measure of Success | 2025 | 2024 | 2023 | 2022 |
|--|---|-------------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Exceptional Services by Exceptional People Goal Statement: <i>We embrace a bold and innovative culture that empowers and inspires excellent services within a collaborative and healthy work environment</i> | Overall satisfaction with the delivery of all the services provided within the City of Markham – residents, businesses and other stakeholders - % of residents in agreement (2024). | 88% | 88% | 92% | 92% |
| | Community facilities are in good condition - % of residents in agreement (2024). | 93% | 93% | 91% | 91% |
| | Overall customer satisfaction (Internal and External Services) from Department Surveys completed this year (annual) | 10 surveys 85% | 11 surveys 71.4% | 7 Surveys 83.6% | 8 Surveys 83.2% |
| | Number of transactional services that are provided and received on-line | 110 | 110 | 80+ | 80+ |
| | Employee satisfaction with the Organization from Current Staff Satisfaction Survey (every even year – Conducted Spring 2021) | N/A | N/A | 65.2% | 65.2% |
| GOAL 2 Engaged, Diverse, Thriving and Vibrant City of Markham Goal Statement: <i>We are an inclusive city, engaging everyone in building a livable, caring and culturally vibrant community while respecting our past. We enable a strong economy; we proactively work to attract investment in our community; and we effectively manage change to meet future needs.</i> | Overall quality of life in Markham (2024) - % of residents in agreement. | 93% | 93% | 90% | 90% |
| | City Services are accessible - % of residents in agreement (2024). | 92% | 92% | 89% | 89% |
| | City supports, celebrates and promotes diversity, equity and inclusion - % of residents in agreement (2024). | 90% | 90% | 90% | 90% |
| | # of visits to our municipal arts, recreation, library, sporting venues | | | | |
| | Community Centres | 9,100,000 | 9,200,000 | 7,700,000 | 3,853,938 |
| | Libraries | 2,430,449 Digital: 4,619,459) | 2,400,000 (Digital: 4,500,000) | 2,108,066 (Digital: 3,720,798) | 1,073,938 |
| | Cultural Venues | 221,856 | 207,143 | 197,828 | 94,566 |
| Number of cultural institutions and sporting facilities per 100k population (ISO data 2025) | 128.75 | 134.09 | 131 | 122.3 | |

| | | | | | |
|--|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | Square meters of public indoor recreation space per capita | 0.31 | 0.31 | 0.32 | 0.32 |
| | Square meters of public outdoor recreation space per capita | 13.30 | 13.35 | 13.55 | 13.13 |
| | Gross sq. ft. of office space constructed in: | | | | |
| | - Centres, Corridors, | 3,577.43 sq. ft. | 0 sq. ft. | 0 sq. ft. | 0 sq. ft. |
| | - Business Parks (annual) | 0 sq. ft. | 0 sq. ft. | 0 sq. ft. | 0 sq. ft. |
| | Total Employment in Markham (biennial) | 184,645 | 184,645 | 177,440 | 177,440 |
| | City of Markham Unemployment Rate (ISO data 2025) | 8% | 6.3% | 6.4% | 9% |
| | Number of businesses per 100k population (ISO data 2025) | 2,711.68 | 2,855 | 2,855 | 3,062.3 |
| GOAL 3- Safe, Sustainable and Complete Community | | | | | |
| Goal Statement: <i>We strive to achieve complete communities with an excellent quality of life. We ensure community safety and enhance the natural environment and built form through sustainable integrated planning, infrastructure management, and services.</i> | % of trips by mode of transportation for morning peak period to and from Markham: | | | | |
| | - Transit | Not Available | 6% | Not Available | Not Available |
| | - Auto | Not Available | 78% | Not Available | Not Available |
| | - walk and cycle, | Not Available | 11% | Not Available | Not Available |
| | - other | Not Available | 4% | Not Available | Not Available |
| | (2022 Transportation Tomorrow Survey, data released in 2025) | | | | |
| | % of residents in agreement that Markham is a safe city (2025). | 87% | 87% | 90% | 90% |
| | Annual number of public transport trips per capita (ISO data 2025) | 30.85 | 24.8 | 16.82 | 24.6 |
| | KM of bicycle paths and lanes per 100k population (ISO data 2025) | 70.98 | 71.49 | 56.06 | 55.5 |
| | Transportation deaths per 100k population (ISO data 2025) | 1.10 | 1.38 | 1.4 | 1.1 |
| | % of population living within 0.5km of public transit running at least every 20 min during peak periods | 70.06% | 70% | 76.8% | 76.9% |
| | Amount and % of new affordable ownership housing for single-detached, semi-detached, town house, and apartment by bedroom type (Annual) | 2024 data: 0% (0 Units) | 2023 Data: 0% (0 Units) | 2022 Data: 0% (0 Units) | 2021 Data: 0% (0 Units) |

| | | | | | |
|---|---|--|---|-------------------------------------|--------------------------------------|
| | Amount and % of new affordable rental housing for single-detached, semi-detached, town house, and apartment by bedroom type (annual) | 2024 data: 100% (44 second suite units) | 2023 Data: 100% (293 Units) | 2022 Data: 100% (9 second units) | 2021 Data: 100% (16 second units) |
| | Waste Diversion Rate (curbside and depots) | 80.3 | 80% | 79.7% | 79.9% |
| | Percentage of water loss (unaccounted for water) (ISO Data 2025) | 7.96% | 9.03% | 10.28% | 10.95% |
| | % of area designated for natural protection (ISO data 2025) | 32.40% | 32.2% | 32.2% | 32.2% |
| | Green area (hectares) per 100k population (ISO data 2025) | 1,503.79 | 1,448.77 | 1,456.77 | 1,462.01 |
| | % reduction of Citywide GHG emissions (goal net zero by 2050) (2-4 years). Markham staff expect to be able to report on results regularly starting in 2025. | Data not available | 0.76% decrease (2020-2023) mainly due to a reduction in natural gas emissions | Data not available | Data not available |
| GOAL 4 Stewardship of Money and Resources | Net City of Markham Operating Cost per Household (annual) | \$1,453.03 | \$1,428.79 | \$1,378.60 | \$1,327.33 |
| Goal Statements: <i>We demonstrate exceptional leadership using sound, transparent and responsible fiscal & resource management, and policy development to mitigate risks while enabling efficient and effective service delivery.</i> | Non-Residential Property taxes (as a % of total property taxes levied) | 16.6% | 16.4% | 16.5% | 16.8% |
| | Adequacy of Lifecycle Reserve Funding Strategy to sustain future rehabilitation/Replacement needs (annual) | 25 years | 25 years | 25 years | 25 years |
| | % of agreement that City services represent good value for tax dollar (2024). | 71% | 71% | 79% | 79% |



City of Markham 2025 Highlights

MARKHAM
IS MORE





Mayor Scarpitti and Markham's Executive Leadership Team celebrating the contributions of Operations staff on April 4, 2025.

Our Mission Statement

Working with the community to provide high-quality municipal services that meet, if not exceed, the expectations of residents and businesses.

Our Vision

Markham, the leading Canadian municipality – embracing technological innovation, celebrating diversity, characterized by vibrant and healthy communities – preserving the past and building the future.

Building Markham's Future Together 2020-2026

Four goals serve as the pillars of the City of Markham's strategic plan, Building Markham's Future Together 2020-2026.

| | | | |
|---|---|---|---|
| Exceptional Services by Exceptional People | Engaged, Diverse, Thriving & Vibrant Community | Safe, Sustainable & Complete Community | Stewardship of Money & Resources |
|---|---|---|---|

Markham City Council (2022–2026)



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Message from the Mayor



Markham is More—and in 2025, our City once again demonstrated leadership, resilience, and community pride.

The accomplishments highlighted in this year's *Building Markham's Future Together* report reflect the collective efforts of Council, City staff, volunteers, community partners, and residents. Together, we continue to strengthen Markham as one of Canada's most dynamic, inclusive, and forward-looking cities.

This year marked several important milestones in our City's history. We celebrated the 35th anniversary of the Markham Civic Centre – Anthony Roman Centre, 50th anniversary of Thornhill Community Centre, the 40th anniversary of Flato Markham Theatre, and the 10th anniversary of the Markham Pan Am Centre—facilities that serve as cornerstones of community life. Our cultural institutions reached new heights, with record-setting attendance at the Varley Art Gallery and Markham Museum, and major exhibitions and events that brought residents together from across the city.

Markham's leadership was also recognized on the provincial, national, and international stage. In 2025, the City received numerous awards for excellence in sustainability, infrastructure, innovation, heritage conservation, financial transparency, and public service.

We continued to foster an engaged and inclusive community. Markham launched its first official mascot – Millie the Butterfly, an ambassador for the city at many community events and the face of our AI Chatbot for residents looking for information and assistance. We significantly increased funding for our Celebrate Markham program ensuring that major festivals like Markham Village Festival, Markham Jazz Festival, Taste of Asia and the Unionville Festival will continue to thrive. In total, we provided funding for nearly 100 community festivals and

events. Major events such as Canada Day, Markham Milliken Children's Festival, Doors Open Markham, Cycling Day, and international sporting competitions brought tens of thousands of visitors to our city, contributing to both community vibrancy and economic growth.



In 2025, Markham secured a multi-year hosting agreement for the Ontario Honda Dealers Indy at Markham. Beginning in August 2026, this world-class NTT INDYCAR SERIES event will take place on a street circuit in Markham Centre, establishing the largest sporting and cultural event ever hosted in York Region bringing 150,000 spectators to our community with an economic impact of 50 million dollars and significant international exposure.

Markham also made meaningful progress on housing, infrastructure, and environmental sustainability. Through the Housing Accelerator Fund, record development approvals, and strategic infrastructure investments, we are supporting the delivery of new homes while protecting neighbourhoods through flood mitigation, transportation improvements, and park expansion. Environmental leadership remained a priority, with major facility retrofits, expanded tree planting, wetland creation, and innovative climate initiatives that strengthen resilience for future generations.

As Mayor, I am incredibly proud of what we accomplished together in 2025.

Frank Scarpitti

Frank Scarpitti
Mayor, City of Markham

Message from the CAO

The City of Markham continues to deliver exceptional value to residents through innovation, operational excellence, and responsible governance. I am pleased to present you with a snapshot showcasing our accomplishments from 2025, which demonstrate meaningful progress toward the goals of Markham's Strategic Plan.

Delivering exceptional service has become a hallmark of the City of Markham; however, our goal is to continually remain best in class. To achieve this, we have embarked on a culture and business transformation rooted in our core values and guided by a clear roadmap. Our corporate values — service excellence, accountability, a people-focused approach, trust, and innovation — will position the City for success, strengthening both our organizational culture and business operations. This transformation represents a fundamental shift in mindset and identity.

In 2025, City staff focused on improving how services are delivered—making them faster, more accessible, and more responsive to community needs. We strengthened customer experience through digital modernization, including the launch of a new AI chatbot, expanded online services, and the installation of 25 new digital information screens across City facilities and fire stations. Optimization of our ePlan system and the introduction of walk in clinics at Building Standards improved clarity and turnaround times, supporting development activity while maintaining legislated review timelines.

Investing in our people remained a priority. We enhanced training, mentoring, and wellness initiatives — including leadership development — to ensure our municipal staff continue to perform at the highest standard and remain best in class. Markham Fire and Emergency Services responded to nearly 10,000 emergencies in 2025, supported by proactive health screening programs and modernized fleet and training systems that enhance readiness and safety.

Significant infrastructure investments continued to support a safe, sustainable, and

complete community. Major progress was made on flood mitigation, transportation, parks, and facility renewal projects across the city. More than \$112 million has now been invested in flood control remediation, alongside upgrades to stormwater infrastructure that will support future growth in Markham Centre. Active transportation improvements delivered over 10 kilometres of roadway upgrades, while road rehabilitation, sidewalk construction, and winter maintenance programs continued to protect public safety and asset longevity.

We continue to make environmental sustainability part of our everyday work and long-term planning. Upgrades at Thornhill Community Centre, Clatworthy Arena, and Mount Joy Community Centre significantly reduced greenhouse gas emissions and energy use. Our teams also planted more than 30,000 trees and shrubs, created new wetland habitats, and kept our waste diversion rate above 80 percent — clear, measurable steps toward building a more climate-resilient and environmentally responsible community.

Sound financial management underpinned all of this work. Through disciplined budgeting, procurement savings, and data driven decision making, the City reinvested in priority services while maintaining affordability. Markham's assets—valued at \$17.5 billion—remain in a strong state of performance, reflecting long term planning and effective stewardship.

These accomplishments are the result of the dedication, professionalism, and collaboration of City staff across all departments. I am proud of the work our teams deliver every day in service to Council and the community, and I look forward to continuing this momentum as we build Markham's future—together.



Andy Taylor
Chief Administrative Officer,
City of Markham



Building Markham's Future Together

At the start of each new Council term, Markham Council and staff revisit the Strategic Plan to confirm the City's goals and objectives and identify key priorities for the term. *Building Markham's Future Together* (BMFT) establishes the City's vision, mission and values as the framework for both Council decision-making and day-to-day employee focus and ensures that resources are allocated to support the strategies and initiatives that help the City achieve its desired outcomes.



Exceptional Services by Exceptional People

We embrace a bold and innovative culture that empowers and inspires excellent services within a collaborative and healthy work environment.



Leveraging Technology

85%
customer satisfaction
rate average over
10 surveys

25
new digital information
screens at City facilities
& Fire Stations

**Modernized
Automated Vehicle
Locator (AVL)**
systems on all fleet
vehicles

Optimization of ePlan
to improve efficiencies
and speed up permit
processing

8.7 million
City website views

26 million
impressions on
social media

114,000 visits
to **YourVoiceMarkham**

Enhanced 5
Markham Public Library
Digital Media Labs

**First outdoor
public Wi-Fi**
piloted on **Main Street
Unionville**

16 million
average monthly
views of City
messaging on
**railway and
roadway digital
screens**

Modernized
**Markham
Learning Centre**
with enhanced learning
catalogue

Launch of City's
leading-edge
AI Chatbot 3.0
Smarter tool &
enhanced customer
experience



Service Excellence

Successful municipal by-election in Ward 7
organized by Elections Markham

Building Standards launched a walk-in-clinic for faster, clearer **building permit help**

9,968 emergencies and fires
responded to by Markham Fire and Emergency Services

Engineering Development Program
Intern Training and Mentoring

Proactive health screening services
for Markham Fire and Emergency Services suppression staff

Building official Intern Program
supported by Building Standards

96%
positive outcome for lost cats
98%
for lost dogs

Recreation
Operator in Training
program providing free education for part-time staff interested in becoming facility operators

Expansion of Markham Cat Adoption Centre
to include all stray animals

People Services launched improved **health and safety training modules**
to ensure compliance and safeguard staff



Recognitions



WCCD Platinum Level Certification
awarded to the City for sixth consecutive year

IDC Smart City Award Finalist
in sustainable infrastructure innovation
– ITS

Clean50 Emerging Leaders Award
to **Jennifer Wong** for sustainability
leadership

Heritage Markham Award
for excellence in heritage conservation
– **Sustainability & Asset Management**

Ontario One Call Innovation
in Dig Safety Award for excavation safety
leadership – **Environmental Services**

OPWA Project of the Year Award
for John Street erosion restoration
– **Environmental Services**

**Professional Engineers Ontario Public
Works Project of the Year Award**
– **Operations**

IRF Global Road Achievement Award
for asset and maintenance management
– **Operations**

PlanON Award of Merit
for Natural Heritage Management Study
– **Planning & Urban Design**

Lee Symmes Municipal Award
for excellence in natural assets planning
– **Planning & Urban Design**

Thomas Symons Award
to **Regan Hutcheson** for Commitment to
Conservation in Ontario

**EDCO finalist for Business Attraction
and Retention Urban Award**
– **Markham Small Business Centre**

Creative City Impact Award
for sustainable public art project “**Lost
and Found**” – **Markham Public Art**

Changemaker BIPOC Award
to **Public Art Curator** for leadership in
galleries

**Galleries Ontario Exhibition
of the Year Award**
for “**To Go Boldly**” exhibition
– **Varley Art Gallery**

Lieutenant Governor’s Heritage Award
for Community Leadership
– **Markham Museum**

Engaged, Diverse, Thriving and Vibrant City

We are an inclusive city, engaging everyone in building a livable, caring and culturally vibrant community while respecting our past.



Launch of City's first mascot
Millie the Butterfly
& official personality of City's AI
Virtual Assistant

9.1 million
visitors to **community centres**

Camp Molly
hosted by **Markham Fire**, introducing
44 young women to firefighting and
emergency services

**5-Year Partnership
Renewal with
Eabametoong First Nation**

1,600 participants
at annual **Markham Cycling Day**

629
**Economic Growth &
Entrepreneurship engagements** to
support company growth
and expansion

**3,180 businesses,
58 training sessions**
supported by **Markham Small
Business Centre**

4.5 million library items
borrowed. Expansion of **Markham
Public Library's** fine-free policy to
include all customers

**Recreation Xplor
enhancements**
to improve customer experience



Left to right: MFES Camp Molly, Markham Cycling Day, 60th Anniversary Canadian Flag Event and Markham-Milliken Children's Festival.

Diverse

\$369,300

grant funding provided by **Celebrate Markham** to 97 applicants

Hosted annual **Seniors Roundtable**

in June to solicit feedback to improve resident experience

1,600

participants in **Markham Public Library** digital literacy programs including makerspace, AI, & STEM

Completed WW1 & WW2 monument and flag display

at Veteran's Square, in collaboration with Markham District Veterans Association

Everyday Superheroes Exhibition

launched at **Markham Museum** celebrating 132 local individuals and groups. Museum sets single-year attendance record

\$109,000

in **Starter Company** and **Student Summer Company** grants to 14 recipients

Completion of City's **Accessibility Audit**

5,000

participants at annual **Doors Open Markham** across 14 sites

City hosted **84 events** & supported **65 community festivals**



Left to right: Flato Markham Theatre, Yonex Canada Open 2025, and Varley Art Gallery fall opening 2025.

Secured multi-year hosting rights of
Ontario Honda Dealers Indy

First race in August 2026 & will be largest sporting event ever hosted in York Region

Hosted **Ontario Big City Mayors Annual General Meeting** in March

Flato Markham Theatre Diamond Series hosted over 210 community rentals to support local productions.
Attendance over 100,000

8 projects successfully piloted as part of **Ontario Vehicle Innovation Network (OVIN) Demonstration Zone**

45,000 attendees at annual **Canada Day** and **Markham-Milliken Children's Festival** events

88 international, national, provincial & invitational events hosted at **Markham Pan Am Centre**

Replaced or Refurbished **8** playgrounds, **17** shade structures, **1** backstop/ outfield fence and **13** tennis/ basketball facilities in existing parks

Varley Art Gallery mounted **8 exhibitions** & recorded highest annual attendance since opening in 1997

Safe, Sustainable and Complete Community

We strive to achieve complete communities with an excellent quality of life. We ensure community safety and enhance the natural environment and built form through sustainable integrated planning, infrastructure management, and services.



100%

for annual **Drinking Water System Inspection** conducted by the Province

39,991 KM

of salting/plowing completed over **32** events using **30** snow plows, **212** road plows and driveway machines

Developed Road Safety Plan

with \$326K federal grant, regional alignment, public engagement, and completion of a technical report and 5-year countermeasures plan

43 KM

of **Road Rehabilitation** completed

\$128.9M

invested to date in **flood control remediation** across Markham

\$4.85M

provincial funding secured to upgrade the Enterprise Stormwater Pumping Station, supporting 16,000+ new homes and improved flood protection in Markham Centre

921

building investigations conducted and **304 violations issued**

26,867 m²

of **Asphalt Maintenance** completed across 334 locations

\$40K

of federal funding secured to participate in **National School Streets Initiative**, with safety implementations planned for 2026

Active Transportation Master Plan design and construction

completed at 7 locations, delivering ~10.4 km of roadway upgrades with new bike lanes & safety improvements



Left to right: Native Tree Planting Program at Bruce Boyd Parkette, new wetland habitat at Milne Dam Conservation Park, and in-stream restoration at Toogood Pond.

Sustainable

30,000+

trees and shrubs planted to create 14 hectares of forested area

80.4%

Waste Diversion Rate

1.4 hectares

of new wetland habitat created at Milne Dam Conservation Park

Year 6 of the 8-year Block Tree Pruning Program.

Elevated mature trees citywide to improve vehicle and pedestrian safety

Smart Building Technology

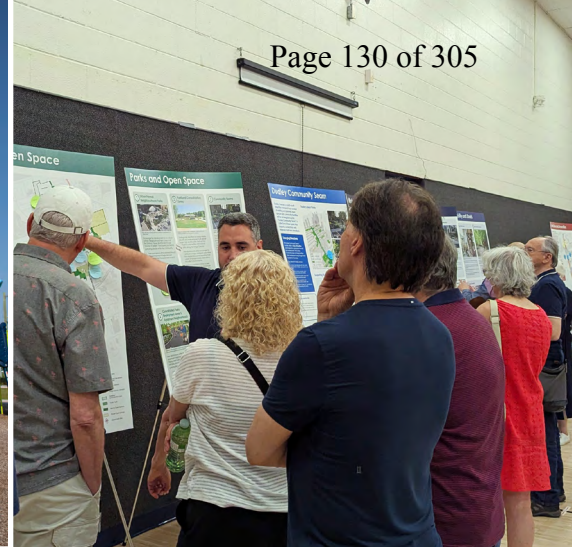
upgrades underway to reduce emissions, boost efficiency of City facilities

\$175,000

awarded by FCM-administered Green Municipal Fund for an innovative home energy retrofit feasibility study

3 major retrofit projects

completed (Thornhill CC, Clatworthy Arena & Mount Joy CC) totaling nearly \$8.6M, achieving over 65% GHG reductions and up to 35% energy savings



Left to right: Main Street Unionville Restoration project, Barney Danson Park, and Yonge Corridor Secondary Plan open house.



Complete Community

2,062
new housing unit
building permits issued

291
development
applications processed,
with 252 applications
approved, including
151,304 m² of non-
residential development

Implemented
7 Housing
Accelerator Fund
(HAF) initiatives,
leveraging \$58.8M to
support delivery of
1,641 residential units

Substantial completion of
Main Street
Unionville
Restoration

1,517
housing unit **occupancy**
permits issued

Planning & Urban
Design advanced
Secondary
Plan Program:
Markham Road-Mount
Joy, Milliken Centre,
Markville, Yonge
Corridor, Cornell Centre

10.7 acres
of **future parkland**
acquired

Rouge
Valley Trail
Highway 7 Underpass
and Bullock
Extension Design and
Construction completed

Markham Centre
Trail Phase 3
south of Rouge River
from Wardenview
Park to Verclaire Gate
completed



Stewardship of Money and Resources

We demonstrate exceptional leadership using sound, transparent and responsible fiscal & resource management, and policy development to mitigate risks while enabling efficient and effective service delivery.

Approval of 2026 Municipal Budget

with a capital budget of \$160.4 million and operating budget of \$309.3 million

\$37.2 million

(E3) Cumulative Savings and Revenue Enhancements, a tax rate increase avoidance of 29%

Government Finances Officers Association (GFOA) Distinguished Budget Award

– 25th Consecutive Year

Hermes Creative Gold Award

for 2025 Budget Book: A Markham Milestone

Government Finance Officers Association Canadian Award for Financial Reporting

- 24th Consecutive Year

Financial Information Return Recognition Award

from the Government of Ontario

Top 5

amongst large Canadian cities for **municipal fiscal transparency** from C.D. Howe Institute

\$3.76 billion

dollars of construction value reviewed & approved

City-wide erosion site inventory and prioritization

completed

12% increase

in City's advertising revenue, 37% in sponsorship revenue

Completed 2025 Tax-funded and Water-rate Lifecycle Reserve Study update

90%

of City's assets are in a good state of performance

\$17.5B

– combined current replacement value of City's assets

Procurement achieved

\$1 million

in negotiated savings and \$1.1 million in negotiated cost avoidance

Key Services

- Animal Services
- Building Permits and Inspections
- Bylaw Enforcement
- Culture and Events
- Economic Development
- Fire Services
- Local Road Maintenance
- Markham Public Library
- Organic, Garbage and Recycling Collections
- Parks and Forestry
- Planning and Development
- Property Tax
- Recreation and Community Centres
- Waterworks Services

Learn more about the different roles of each tier of government at markham.ca/About

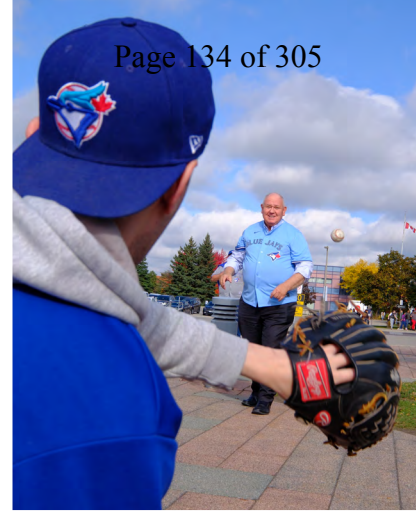




Mayor Frank Scarpitti tables Budget 2026: Markham Racing Forward on October 1, 2025



City of Markham Senior Leadership Team



MILE-STONES

35th
Anniversary of the
Markham Civic
Centre – Anthony
Roman Centre



50th
Anniversary of
Thornhill
Community
Centre



40th
Anniversary of
Flato Markham
Theatre



10th
Anniversary of
Markham
Pan Am Centre

40th
Anniversary of
AppleFest
at Markham
Museum



50th
Anniversary of
Heritage
Markham
Committee



Markham Civic Centre Anthony Roman Centre

101 Town Centre Blvd., Markham, ON, L3R 9W3
905.477.5530 | customerservice@markham.ca
markham.ca/StrategicPlan





Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: Celebrate Markham Grant Program 2026-2027 – May 1, 2026 – March 31, 2027 – Funding Approvals

PREPARED BY: Vinay Sharda, Director Economic Growth, Culture & Entrepreneurship and President, DMC, Ext. 4871

RECOMMENDATION:

1. THAT the report titled, “Celebrate Markham Grant Program 2026-2027 – May 1, 2026 – March 31, 2027 – Funding Approvals” be received; and,
2. THAT Council approve the recommendations of the Interdepartmental Staff Review Committee in *Attachment 1*, which includes 95 Celebrate Markham applicants for community-led events and programs, totaling \$327,000; and,
3. THAT Council approve \$105,500 for City-led events and programs; and,
4. THAT Council approve \$30,000 for the Markham Arts Council annual programs and activities; and,
5. THAT the unallocated funding from Seniors Clubs, Sports Events and Major Community Festivals totaling \$36,500, be transferred to the Culture Events and Programs funding stream; and,
6. THAT Council authorize delegated authority for the Director of Economic Development, Culture and Entrepreneurship and President, DMC, in consultation with the City Treasurer, to reallocate the funding envelope annually to better align resources with current demand and program uptake; and,
7. THAT the Celebrate Markham Guidelines be updated to allow only the City of Markham Business Improvement Area (BIA) to submit multiple applications across all funding programs within the annual funding cycle, and that all other organizations be eligible for only one grant application per funding cycle; and,
8. THAT funding disbursed under Celebrate Markham is conditional on recipients’ adherence to all program requirements contained in the Celebrate Markham Guidelines, including financial reporting, due diligence and relevant supporting documents as required by the City; and,
9. THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The Celebrate Markham Grant Program 2026-2027 contains recommendations for the funding cycle for events and programs that take place from May 1, 2026 to March 31, 2027.

PURPOSE:

To recommend Celebrate Markham Grant awards for events and programs between May 1, 2026, and March 31, 2027. Grant recommendations are included in *Attachment 1 – Celebrate Markham 2026-2027 Annual Funding Recommendations*.

BACKGROUND:**Funding Envelope**

On October 13, 2015, Council approved a revised Celebrate Markham Grant Program (Program) after conducting a comprehensive program review involving consultation with stakeholders. As part of this approval, the funding for the Celebrate Markham Grant was set at \$370,000.

On November 27, 2024, the City of Markham's Budget 2025 was adopted. As part of Budget 2025, the annual funding envelope for Celebrate Markham increased by \$92,500 from \$370,000 to \$462,500 based on a formula of \$1.25 per capita. The incremental \$92,500 went toward doubling the funding for the four major festivals (Markham Music Festival, Markham Jazz Festival, Taste of Asia and Unionville Festival) and increasing the funding for signature events of City-wide importance.

The Celebrate Markham Grant is divided into two funding streams: one for community programs and events and another for City-led events. Celebrate Markham also provides funding for Arts Councils.

Celebrate Markham Program Guidelines

The Program is a municipal grant program that provides funds for events, festivals, and activities to not-for-profit groups and organizations, including for start-up and early-stage organizations, held in the City of Markham. The intent of the Program is to encourage residents to participate in their community and connect with one another and, to attract visitors. The Program also encourages all organizers to work towards self-sufficiency for their projects.

As stipulated in the Celebrate Markham Guidelines, grant recipients must complete and submit a Project Outcome/Financial Report, which includes reporting on community partnerships, participation and attendee statistics, outcomes, community impact, learning and program feedback, as well as detailed reporting on actual expenses versus projected budget and associated variance explanations within 90 days of the event completion.

In addition, certain financial reporting information is required depending on the grant request amount, which is detailed in *Table 1*.

Table 1 – Current Reporting Requirements

| Revised Minimum Reporting Requirements | |
|--|---|
| Grant Threshold | Minimum Reporting Requirements |
| Less than \$10,000 | Financial statements (minimum of income statement and balance sheet) for the most recent fiscal year and the previous year, prepared by the organization and signed by the Board attesting to the statements' accuracy, appropriateness and fair representation |
| \$10,000 - \$19,999 | Complete set of the applicable financial statements for the most recent fiscal year and the previous year, prepared through a Compilation Engagement and completed by a Licensed Public Accountant** external to the organization. |
| \$20,000 & over | Complete set of the applicable financial statements for the most recent fiscal year and the previous year, prepared through a Review Engagement and completed by a Licensed Public Accountant** external to the organization. |

These are minimum requirements. Organizations may submit statements that provide higher levels of assurance (e.g., fully audited statements where available). ON a case-by-case basis, the City also reserves the right to request additional information, including financial statements that represent higher level of assurance, where required/warranted.

** Holds a Public Accounting License (PAL) issued by the Chartered Professional Accountants (CPA) of Ontario

A Staff Review Committee was formed to evaluate applications in these key areas:

1. Organizational Readiness
2. Project Merit
3. Community Impact
4. Partners and Inclusivity
5. Waste Planning (Zero Waste Event)
6. Work Plan
7. Project Budget

The Interdepartmental Staff Review Committee includes representation from the following City departments:

- Economic Growth, Culture and Entrepreneurship (3 Coordinators and a Manager)
- Financial Services (Financial Planning)
- Recreation (Senior Manager, Manager and Coordinator of Sport Development)

OPTIONS/ DISCUSSION:**Funding Envelope**

As part of Budget 2025, Celebrate Markham's annual funding envelope increased by \$92,500 from \$370,000 to \$462,500, based on a formula of \$1.25 per capita. The total funding envelope is \$462,500 for the 2026-2027 Celebrate Markham Grant Program (\$327,000 for the Community-led Programs & Events, and \$135,500 for City-led Events and Markham Arts Council).

The 2026-2027 funding envelope includes re-allocations among program areas to better align resources with current demand and program uptake. Funding was shifted from categories with lower utilization to those experiencing higher participation and demonstrated need, ensuring the overall envelope remains balanced.

Table 2 below overviews the available funding envelope and maximum amount per application, along with the revised allocation amounts, for the Community-Led Programs and Events stream.

Table 2 – Community-Led Programs and Events Funding

| Program | Annual Funding 2026-2027 | Funding Re-allocated | Re-allocated Annual Funding 2026-2027 | Maximum Amount Per Application |
|--|---------------------------------|-----------------------------|--|---------------------------------------|
| Culture Events and Programs | \$98,000 | \$36,500 | \$134,500 | \$5,000 |
| Major Community Festivals – Established* | \$80,000 | \$0 | \$80,000 | \$20,000 |
| Major Community Festivals – Other | \$60,000 | -\$17,000 | \$43,000 | \$10,000 |
| Seniors Clubs | \$47,000 | -\$2,500 | \$44,500 | \$3,000 |
| Sports Events | \$42,000 | -\$17,000 | \$25,000 | \$10,000 |
| | | | | \$20,000** |
| Total Community-Led Events | \$327,000 | | \$327,000 | |

*For Markham Music Festival, Markham Jazz Festival, Taste of Asia and Unionville Festival

** For international or world level sports events

Table 3 below overviews the funding allocated towards City-led events and Arts Councils.

Table 3 – City-Led Events and Markham Arts Council Funding

| | Events | Annual Funding 2026-2027 |
|--|--------------------------------------|---------------------------------|
| City Led Events | Black History Month | \$105,500 |
| | Canada Day | |
| | Doors Open Markham | |
| | Markham Milliken Children’s Festival | |
| | Markham Santa Claus Parade | |
| Total City Led Events | | \$105,500 |
| Arts Councils | Markham Arts Council | \$30,000 |
| Total Arts Councils | | \$30,000 |
| Total City Led Events and Arts Councils | | \$135,500 |

The most optimal allocation of Celebrate Markham funding to support City-led events will be finalized by Staff as initiatives are planned and implemented and costs (and any revenue offsets) are firmed up.

This funding is intended or expected to enable event/program delivery as proposed by the applicants, including any required operational needs related to Hostile Vehicle Mitigation (HVM) measures.

Outcome of the Review of Applications for the Community-Led Programs and Events Stream

For the 2026-2027 funding cycle, the City received 95 applications requesting \$546,000 under the Community-Led Programs and Events Stream. *Table 4* summarizes the requested funding and the Staff-recommended amounts based on the evaluation of the applications in key areas, as noted earlier in the report.

Table 4 – Community-Led Programs and Events Funding Allocations

| Grant Category | # of Applications Received | Funding Requested | # of Applications Recommended for Funding | Total Funding Recommended | Total Funding Envelope with Reallocated Funds | Funds Remaining |
|-----------------------------|-----------------------------------|--------------------------|--|----------------------------------|--|------------------------|
| Culture Events and Programs | 53 | \$271,000 | 31 | \$134,500 | \$134,500 | \$0 |
| Major Community Festivals | 12 | \$160,000 | 12 | \$123,000 | \$123,000 | \$0 |
| Senior's Clubs | 26 | \$80,000 | 20 | \$44,500 | \$44,500 | \$0 |
| Sport Events | 4 | \$35,000 | 3 | \$25,000 | \$25,000 | \$0 |
| Total | 95 | \$546,000 | 66 | \$327,000 | \$327,000 | \$0 |

Given the volume of applications and consistency with prior years' approach, some applicants will receive less than their requested amounts based on the Interdepartmental Staff Review Committee scoring.

There are 29 applications that are not recommended as they failed to meet one of the following criteria:

- Applicants applied multiple times and only one application was considered.
- Application did not meet the requirements specified under the funding category.
- Application was incomplete or was missing critical information.
- Application did not attain a high enough score to be eligible for funding consideration.

The Interdepartmental Staff Review Committee's recommended approvals are in *Attachment 1—Celebrate Markham 2026-2027 Annual Funding Recommendations*.

Enhancements to Celebrate Markham Program Guidelines

The City of Markham Business Improvement Area Committees (BIA's) play an important role in connecting the community and attracting visitors. BIA's have also demonstrated that they have the necessary resources, experience and support to deliver quality community events and programs that continue to grow in attendees and have positive economic impacts. It is recommended that BIA's be eligible for approval on multiple applications across all funding programs within the annual funding cycle and that all other organizations be

eligible for only one grant application per annual funding cycle.

While the Celebrate Markham program does not approve road closure decisions, Celebrate Markham staff will continue to support event organizers by connecting them with the City's Events and Operations teams, as appropriate, to review and clarify applicable requirements. Each event and location presents unique considerations, which will be assessed by Events and Operations staff to determine the most appropriate mitigation measures. Celebrate Markham will evaluate and continue to support the road closure costs associated with a select number of large-scale City and BIA related events; where additional funding might be required, the City Treasurer will determine and implement the most appropriate funding source / offset..

Next Steps

Staff will continue to review the program going forward and identify any further changes to streamline program administration, while ensuring appropriate due diligence and risk management considerations. Any administrative changes going forward will require the approval of the City Treasurer.

Upon approval of the staff report and funding allocations, staff will follow up with applicants to inform them of the decisions related to their applications.

Staff will continue to evaluate and implement continuous improvement processes to the grant program.

FINANCIAL CONSIDERATIONS

A total available funding envelope of \$462,500 is available for Celebrate Markham activities delivered between May 1, 2026 and March 31, 2027, and is provided in detail in *Table 5*.

Table 5 – 2026-2027 Celebrate Markham Funding Overview

| Funding Stream | \$ |
|---|------------------|
| Celebrate Markham 2026 Funding | \$462,500 |
| Total 2026 Funding Available | \$462,500 |
| Celebrate Markham Funding Recommended for Approval | |
| Community Events | \$327,000 |
| City Led Events | \$105,500 |
| Markham Arts Council | \$30,000 |
| Total 2026-2027 Celebrate Markham Spend | \$462,500 |
| Remaining Celebrate Markham Reserve | \$0 |

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This initiative aligns with the strategic focus for community engagement to promote meaningful involvement and participation of residents, businesses and organizations that result in improved citizen engagement.

BUSINESS UNITS CONSULTED AND AFFECTED:

Financial Services, Economic Growth, Culture and Entrepreneurship, Recreation, People Services Departments and Destination Markham Corporation.

RECOMMENDED BY:

Vinay Sharda
Director, Economic Growth
Culture & Entrepreneurship &
President, DMC

Andy Taylor
Chief Administrative Officer

ATTACHMENTS:

- Attachment 1 - Celebrate Markham 2026-2027 Annual Funding Recommendations

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

Seniors' Clubs

Funding Envelope: \$44,500

Maximum Per Applicant: \$3,000

26 Applications Received and 20 Recommended for Approval

Funding is conditional on applicants adhering to the Celebrate Markham Guidelines

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Angus Glen Older Adults Club (AGOAC) | AGOAC Seniors Club | \$1,500 | \$3,000 | 2024-2025 | \$1,500 |
| Armadale Older Adults Club | Heart & Harmony: Karaoke for Connection | \$3,000 | \$3,000 | 2024-2025 | \$1,500 |
| Boxgrove Seniors Community Wellness Club | Boxgrove Seniors: Community & Culture 2026 | \$2,500 | \$3,000 | 2025-2026 | \$1,500 |
| Canada Mindful Peace Association | Markham Senior Mindfulness Club | \$0 | \$3,000 | 2025-2026 | \$1,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|---|--------------------------------------|----------------------------|--|--|
| Canadian Healthy Aging Service Centre of Shaanxi | Smart Seniors @ Markham | \$2,000 | \$3,000 | New | \$0 |
| Canadian Senior Cooperation Association | Golden Together: Celebrating Seniors in Markham | \$1,500 | \$3,000 | 2025-2026 | \$1,000 |
| CHATS-Community & Home Assistance to Seniors | Seniors Celebrations & Entertainment | \$2,500 | \$3,000 | New | \$0 |
| CulturaArtLink Association | Boundless Energy: Pickleball and Air Volleyball Unite Markham | \$2,500 | \$3,000 | 2025-2026 | \$2,000 |
| Fengcai Senior Activity Centre | Celebrating Diversity, Promoting Inclusion and Healthy Aging | \$2,500 | \$3,000 | 2022-2023 | \$3,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|---|--------------------------------------|----------------------------|--|--|
| Good Neighbours of York Region Association | Harmony in Heritage: Seniors' Festival Celebrations | \$2,500 | \$3,000 | 2025-2026 | \$3,000 |
| Hong Kei Fitness & Dance Club | Senior Tai Chi Excercise | \$0 | \$3,000 | New | \$0 |
| J.A. Children's Public Foundation | Ageless Elegance Club | \$1,000 | \$3,000 | 2025-2026 | \$500 |
| JC Wonder Space | JC Wonder Seniors Club | \$0 | \$3,000 | 2023-2024 | \$3,500 |
| Maple Panda | 2026 Maple Panda Harmony Seniors Hub | \$0 | \$5,000 | 2019-2020 | \$4,500 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Markham Confederation of Seniors Association | Protecting the Sunset: Senior Rights Initiative | \$2,000 | \$3,000 | New | \$0 |
| Markham Dynamic Wellness Seniors Club | Healthy and Creative Aging for Seniors | \$2,000 | \$3,000 | 2025-2026 | \$2,000 |
| Markham Ward 6 Seniors Association | Heath Life with Fun | \$3,000 | \$3,000 | 2025-2026 | \$3,000 |
| Middlefield Seniors Wellness Club | MSWC - Celebrate Markham 2026-2027 | \$3,000 | \$3,000 | 2024-2025 | \$3,000 |
| Ontario Pui Ying Alumni Association | Seniors' Clubs - Ontario Pui Ying Alumni Association | \$2,000 | \$3,000 | New | \$0 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Panda Seniors Association | Celebrating Senior Spirit and Community | \$1,500 | \$3,000 | New | \$0 |
| Rainbow Bridge Community | Seasons of Kindness: A Rainbow Bridge Seniors Connection Project | \$0 | \$3,000 | New | \$0 |
| S.E.A.S. Centre | Twinkle Twinkle Senior Stars: Volunteers Recognition | \$0 | \$3,000 | 2024-2025 | \$2,500 |
| Second Step Community Services | Celebrate Chinese New Year | \$2,000 | \$3,000 | New | \$0 |
| Switched on Seniors (Under St. Andrew's Presbyterian Church) | Switched on Seniors | \$3,000 | \$3,000 | 2023-2024 | \$3,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Seniors' Clubs Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|--|--------------------------------------|----------------------------|--|--|
| Talent Show Canada | Golden Rackets & Ropes Markham | \$2,500 | \$3,000 | 2025-2026 | \$2,000 |
| The Home of the Multicultural Seniors | Golden Connections: Wellness & Community for Markham Seniors | \$2,000 | \$3,000 | 2025-2026 | \$2,500 |
| Subtotal | | \$44,500 | \$80,000 | | |
| Total 2026-2027 Funding Envelope | | \$44,500* | \$44,500 | | |
| Difference | | \$0 | \$35,500 | | |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

Sports Events

Funding Envelope: \$25,000

Maximum Per Applicant: \$10,000 (\$20,000 for International/World Level Sports Events)

4 Applications Received and 3 Recommended for Approval

Funding is conditional on applicants adhering to the Celebrate Markham Guidelines

| Sports Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Badminton Canada | Yonex Canadian International Challenge 2026 | \$10,000 | \$10,000 | 2025-2026 | \$10,000 |
| Canadian Association for DanceSport Athletes | CSIT World DanceSport Championships and World Cups | \$10,000 | \$10,000 | 2025-2026 | \$10,000 |
| Markham-Stouffville Ringette Association | U12 Provincial Championship | \$5,000 | \$5,000 | 2024-2025 | \$5,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| | | | | | |
|--|--|-----------|----------|-----|-----|
| Unionville Dragonfury Sports Club | Markham Friendship Sports Festival: Pickleball & Volleyball for Everyone | \$0 | \$10,000 | New | \$0 |
| Subtotal | | \$25,000 | \$35,000 | | |
| Total 2026-2027 Funding Envelope | | \$25,000* | \$25,000 | | |
| Difference | | \$0 | \$10,000 | | |

Culture Events and Programs

Funding Envelope: \$134,500

Maximum Per Applicant: \$5,000

53 Applications Received and 33 Recommended for Approval

Funding is conditional on applicants adhering to the Celebrate Markham Guidelines

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--------------------------|--------------------------------------|----------------------------|--|--|
| Active Community Engagement (A.C.E.) | Multicultural Event | \$4,500 | \$5,000 | 2022-2023 | \$4,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|---|--------------------------------------|----------------------------|--|--|
| Alumni of Wuhan University in Canada | Boundless Energy: Pickleball and Air Volleyball Unite Markham | \$4,000 | \$5,000 | 2025-2026 | \$3,000 |
| Alumni Performing Arts Troupe | Melodies of Remembrance2026—Honoring Elders Day | \$4,500 | \$5,000 | 2025-2026 | \$3,250 |
| Angel Multicultural Art Troupe | Harmony Resonance: Angel Multicultural Music Festival | \$4,500 | \$5,000 | 2025-2026 | \$3,000 |
| Bo Kang | Lantern Festival 2026 | \$4,000 | \$5,000 | New | \$0 |
| Canada Chinese Opera Arts Center | Peking Opera Heritage: Celebrate Markham | \$4,500 | \$5,000 | 2025-2026 | \$2,500 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|---|--------------------------------------|----------------------------|--|--|
| Canada Floral Beauty Chinese Culture and Arts Association | Markham Chinese Cultural Day | \$0 | \$5,000 | New | \$0 |
| Canadian Association of Chinese Performing Arts (CACPA) | Harmony Festival – Embracing Diversity in Markham | \$4,000 | \$5,000 | New | \$0 |
| Canadian Chinese Dance Culture and Arts Association | Canadian Chinese Dance Culture and Arts Association Presents: The Taoli Wor | \$0 | \$5,000 | New | \$0 |
| Canadian Community Table Tennis Association | Markham Table Tennis Community Festival | \$0 | \$8,000 | 2022-2023 | \$3,000 |
| Canadian Documentary Society | Moonlight Harmony: Celebrate Mid-Autumn in Markham | \$4,500 | \$5,000 | New | \$0 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|--|--------------------------------------|----------------------------|--|--|
| Canadian Literary Association of Higher Education | Markham Ink Festival 2026 : A Literary Harvest Celebration | \$4,500 | \$5,000 | 2025-2026 | \$4,000 |
| Care Bank | Caring Festival - Building Cultural Bridges Through Care | \$0 | \$9,500 | 2025-2026 | \$3,500 |
| Cherish Integrated Services | One and Only Artfest 2026 | \$0 | \$5,000 | 2025-2026 | \$3,250 |
| Chinese Autism Awareness Center | Chinese Autism Awareness Center | \$0 | \$5,000 | 2025-2026 | \$1,250 |
| Dandelion Autism Support Association | Weekly Social Group for Children with Autism | \$0 | \$5,000 | New | \$0 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Dorcas Centre | Annual community and cultural celebrations - Dorcas Centre | \$0 | \$5,000 | 2025-2026 | \$3,250 |
| Fengcao Arts Association | Markham Piano Festival – Harmony in the Keys | \$4,000 | \$5,000 | 2025-2026 | \$3,000 |
| Friends of the Markham Museum | Applefest 2026 | \$4,500 | \$5,000 | 2025-2026 | \$3,500 |
| Goldencarnival seniors association | Harmony in the Community: Thanksgiving Choir Contest | \$4,000 | \$5,000 | 2025-2026 | \$1,000 |
| GTA Community Engagement and Family Support Centre | Connell Community Gardening Festival | \$3,500 | \$5,000 | 2025-2026 | \$2,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|--|--------------------------------------|----------------------------|--|--|
| Help Group Friends Organization | Ping Pong Harmony: Table Tennis Festival | \$4,000 | \$5,000 | New | \$0 |
| International Chinese Writers Association of Canada | Cultural celebration in literature, poetry and performance | \$0 | \$5,000 | New | \$0 |
| International Psychology Association of Canada | Chinese Festival Cultural Celebration | \$4,000 | \$5,000 | 2000-2001 | \$2,000 |
| J.A. Children's Public Foundation | The 6th Markham Fest | \$0 | \$5,000 | 2025-2026 | \$1,000 |
| Kindred Spirits Orchestra | Presenting concert series at Flato Markham Theatre, Cornell CC, Unionville | \$4,500 | \$5,000 | 2025-2026 | \$4,100 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|--|--------------------------------------|----------------------------|--|--|
| Lake One Culture Association | Celebrate Markham: Stories, Arts, and Traditions | \$0 | \$2,500 | 2025-2026 | \$2,500 |
| Main Street International Inc | Markham Talent Season 4 - 2026 Open Casting Call & Film Festival | \$0 | \$5,000 | 2024-2025 | \$1,000 |
| Maple Blossom Performing Arts Group | Dragon Boat Festival | \$0 | \$5,000 | New | \$0 |
| Markham District Veterans Association | Remembrance Day 2025 | \$0 | \$5,000 | New | \$0 |
| Markham Dynamic Wellness Seniors Club | Bridging Cultures, Celebrating Community | \$0 | \$5,000 | 2025-2026 | \$2,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| Markham Federation of Filipino Canadians | 2026 Philippine Independence Day Celebration | \$4,000 | \$5,000 | 2025-2026 | \$3,250 |
| Markham Skating Club | Markham Skating Club 2026 Ice Show - Markham's got Talent | \$4,500 | \$5,000 | 2024-2025 | \$4,500 |
| Markham Stouffville Cruisers | Markham Stouffville Cruisers weekly Cruise-In at the MVCC | \$0 | \$5,000 | 2025-2026 | \$1,000 |
| Markham Tai-Chi Seniors Club | Cultural Theatre: Markham Joyful Living Workshop- Hug New Life Through Skits | \$4,500 | \$5,000 | 2025-2026 | \$1,500 |
| Markham Village BIA | Main Street Markham Festival of Lights | \$5,000 | \$5,000 | 2020-2021 | \$2,750 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|--|--------------------------------------|----------------------------|--|--|
| Markham Village BIA | Science Rendezvous | \$5,000 | \$5,000 | 2020-2021 | \$2,750 |
| ME & Lau Family Foundation | 2026 ME String Music Art Exhibition & Scholarship Presentation | \$1,500 | \$5,000 | 2025-2026 | \$4,100 |
| New Canadian Community Centre | 25th International Seniors' Day Festival | \$5,000 | \$5,000 | New | \$0 |
| North America Chinese Orchestra | Community Harmony -- Voices of Folk Music | \$4,500 | \$5,000 | 2025-2026 | \$3,500 |
| Nova Aurora Music and Performing Arts Group | Melodies for Mothers: Healthy Living through Music and Cooking | \$4,500 | \$5,000 | 2025-2026 | \$2,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|--|--------------------------------------|----------------------------|--|--|
| RougeValley culture & economic development association | Dragon Boat Festival Cultural Experience Day | \$4,500 | \$5,000 | New | \$0 |
| Senior and Children's Alliance Club | 2026 Intergenerational Cultural Heritage Festiva | \$4,000 | \$5,000 | 2025-2026 | \$3,250 |
| Shadowpath | The Plummet Summit | \$4,000 | \$5,000 | 2025-2026 | \$2,000 |
| The Home of the Multicultural Seniors | Markham Festival: Celebrating Arts, Heritage, and Culture | \$0 | \$3,000 | 2025-2026 | \$2,500 |
| The Markham Group of Artists | Markham Group of Artists Presents: The Unionville Plein Air Festival | \$0 | \$10,000 | 2024-2025 | \$3,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|--|---|--------------------------------------|----------------------------|--|--|
| Toronto Water-Cube Cultural & Arts Centre | Friendship through Music-Markham Singing Festival | \$4,000 | \$5,000 | 2025-2026 | \$3,000 |
| U+ Toastmasters Inc. | 2026 UPlus Spoken Word Showcase | \$0 | \$5,000 | 2023-2024 | \$2,500 |
| United Hindus Federation of Canada | Hindu Heritage Month | \$0 | \$4,000 | 2022-2023 | \$3,500 |
| Vedic Cultural Centre Arya Samaj | South Asian Heritage Month Celebrations in May 2026 | \$1,500 | \$5,000 | 2025-2026 | \$2,000 |
| Yellow Brick House | Celebration of Resilience Gala 2026 | \$5,000 | \$5,000 | 2025-2026 | \$2,500 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| Culture Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|---|---|--------------------------------------|----------------------------|--|--|
| York Region Educational Services | 2026 Markham's Youth Volunteer and Diversity Fair | \$1,500 | \$5,000 | 2024-2025 | \$2,750 |
| Youth Future Foundation | Celebrating Our Multiculturalism | \$4,000 | \$4,000 | New | \$0 |
| Subtotal | | \$134,500 | \$271,000 | | |
| Total 2026-2027 Funding Envelope | | \$134,500* | \$134,500 | | |
| Difference | | \$0 | \$136,500 | | |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

Major Community Festivals

Funding Envelope: \$123,000

Maximum Per Applicant: \$10,000

Maximum Per Established Applicant: \$20,000

12 Applications Received and 12 Recommended for Approval

Funding is conditional on applicants adhering to the Celebrate Markham Guidelines

| Organization | Application Title | 2026-2027 Funding Recommended | Total Grant Request | Most Recent Year Granted for Organization | Most Recent Grant Amount for Organization |
|----------------------------------|--|--|--------------------------------|--|--|
| Markham Jazz Festival | Markham Jazz Festival 2026 | \$20,000 | \$20,000 | 2025-2026 | \$20,000 |
| Unionville BIA | Thursday Night at the Bandstand 2026 | \$10,000 | \$10,000 | 2024-2025 | \$10,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| | | | | | |
|---|---------------------------------------|----------|----------|-----------|----------|
| Markham Village Festival Corporation | Markham Village Music Festival | \$20,000 | \$20,000 | 2025-2026 | \$20,000 |
| Federation of Chinese Canadians in Markham | Taste of Asia 2026 | \$20,000 | \$20,000 | 2025-2026 | \$10,000 |
| Unionville BIA | Unionville Festival 2026 | \$20,000 | \$20,000 | 2025-2026 | \$20,000 |
| Canada One Family Network | 11th Age of Literati Culture Festival | \$7,000 | \$10,000 | 2025-2026 | \$10,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| | | | | | |
|--|--|---------|----------|-----------|---------|
| Bo Kang Foundation | Canada International Chongyang Seniors' Festival | \$5,000 | \$10,000 | New | \$0 |
| Alumni Drum Troupe | Holiday Harmony: Markham Community Christmas Festival | \$4,000 | \$10,000 | 2025-2026 | \$3,250 |
| Canada Sonar Performing Arts | Markham Sonar Music Festival | \$3,000 | \$10,000 | 2025-2026 | \$3,250 |
| Fengcai Arts Association (FCAA) | : The 8th Canada International Double Fifth and Intangible Cultural Heritage | \$2,000 | \$10,000 | 2024-2025 | \$5,000 |

Attachment 1: Celebrate Markham 2026-2027 Annual Funding Recommendations

| | | | | | |
|---|--|------------|-----------|-----------|---------|
| Talkpower International Club | 2026 Markham Community Wellness Carnival | \$2,000 | \$10,000 | 2024-2025 | \$2,000 |
| Unionville BIA | Unwrap Unionville Christmas 2026: A Restored Main Street | \$10,000 | \$10,000 | 2025-2026 | \$6,000 |
| Subtotal | | \$123,000 | \$150,000 | | |
| Total 2026-2027 Funding Envelope | | \$123,000* | \$123,000 | | |
| Difference | | \$0 | \$27,000 | | |

* Revised envelope reflects reallocation from original amount as shown in Table 2 of the report.



Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: Regulation of Short-Term Rentals (STRs) in the City of Markham

PREPARED BY: Marco Francisco, Supervisor, Business Licensing and Standards
Martha Pettit, Deputy Clerk
Kimberley Kitteringham, City Clerk

RECOMMENDATION:

1. That the report entitled “Regulation of Short-Term Rentals in the City of Markham” be received; and,
2. That Development Services Commission staff be requested to prepare for consideration by the Development Services Committee, a proposed City-wide amendment to the City’s Comprehensive Zoning By-law to permit short-term rentals; and,
3. That Council approve the establishment of a regulatory framework for short-term rentals operating in the City of Markham as outlined in this report; and,
4. That once the necessary amendment to Markham’s Comprehensive Zoning By-law has been completed, Legislative Services staff bring forward to Council a Short-Term Rental Business Licensing By-law to regulate short term rental platforms operating within the City of Markham; and further,
5. That staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Short-term rental accommodations (STRs) are becoming increasingly common across Ontario, including in the City of Markham. Staff estimate that approximately 1,100 STR properties are currently operating within the City. In addition, the Contact Centre receives an average of approximately 95 STR-related complaints each year.

Markham’s Comprehensive Zoning By-law (CZB) currently does not permit STRs in any residential zone. As a result, the City’s ability to effectively regulate these operations and ensure consistent, equitable licensing requirements is limited. Despite this prohibition, STRs continue to operate in Markham. This disconnect between the existing regulatory framework and current activity highlights the need for a clear and enforceable approach



to manage STRs, establish standards, and ensure they operate only in appropriate locations with safeguards to protect the community.

This report recommends amending the CZB to permit STRs in Markham, alongside the introduction of a comprehensive business licensing framework. The proposed approach is designed to enhance operator accountability, ensure compliance with health and safety requirements, improve transparency, and protect neighbourhood character and livability.

The report also outlines key components of the proposed framework, including licensing requirements and fees, platform accountability measures, enforcement processes, and compliance monitoring tools. To allow time for public consultation, system development, and implementation, staff recommend that the new licensing framework come into effect on July 1, 2026, subject to Council approval of the necessary zoning amendments and the proposed Short-Term Rental Business Licensing By-law.

PURPOSE:

The purpose of this report is to obtain Council direction to proceed with proposed amendments to the City of Markham's Comprehensive Zoning By-law (CZB) respecting short-term rentals (STRs). Final approval of any zoning amendments would occur following the required statutory public meeting. The proposed amendments would enable STRs in Markham and support the implementation of a comprehensive licensing and regulatory framework for STR operators. This framework is intended to address community considerations such as public safety, and neighbourhood impacts, while ensuring STRs are operated responsibly and contribute positively to Markham's local economy.

BACKGROUND:

Short-term rentals (STRs) are residential properties rented for temporary stays, typically for less than 28 days. A short-term rental refers to all or part of a dwelling unit that is rented for fewer than 28 consecutive days in exchange for payment. Dwelling Unit means a unit consisting of one or more rooms, which contains cooking, eating, living and sanitary facilities and is not a large or small scale rooming house. This definition includes bed and breakfasts (B&Bs) but excludes hotels, motels, and dwelling units used as student residences that are owned or operated by publicly funded or not for profit educational institutions. It also excludes any accommodation provided without payment.

Markham City Council last considered STRs in May 2018 as part of the CZB deliberations and resolved not to allow them in Markham. Since this time, STRs have continued to grow in popularity in Markham (and elsewhere), driven by online platforms such as Airbnb, VRBO, and Booking.com. These platforms have also matured significantly over time and are now widely accepted and trusted by users, offering standardized booking processes,



user reviews, and enhanced consumer protections that have contributed to their mainstream adoption.

Based on a preliminary scan of publicly available online listings, staff estimate that 1,100 short term properties are currently being advertised in Markham across multiple platforms; however, the actual number of unique STR units is lower due to duplicate or overlapping listings appearing on more than one platform. Unlike hotels, unlicensed short term rental accommodation is not currently subject to the remittance of the Municipal Accommodation Tax (MAT).

The City receives approximately 95 inquiries or complaints each year through the Contact Centre that may be associated with short-term rentals. These calls represent a small fraction of overall service requests. Most concerns relate to common neighbourhood issues such as noise, parking, or property upkeep which can occur in any residential setting. Following investigation, many of these inquiries or complaints are found not to involve short-term rental activity at all. While STRs can generate economic benefits by supporting tourism, they have also raised concerns regarding public safety, infrastructure demands, and neighbourhood stability.

Currently, Markham's CZB does not permit STRs in any residential zone, which limits the City's ability to effectively regulate this activity and ensures that all accommodation providers operate under equitable licensing requirements. Municipalities across Ontario, including Toronto and Ottawa, have introduced zoning permissions and licensing systems to manage STRs in a controlled and balanced manner. To address similar challenges and ensure the responsible operation of STRs within Markham, a clear and modern regulatory framework is required, one that protects the integrity of residential neighbourhoods while enabling appropriate STR activity.

Current Assessment of STRs Operations in Markham:

Current information from major short-term rental platforms indicates that at any given time, approximately 1,100 short-term accommodation active listings are currently being offered in the City of Markham, with most listings advertised through (Airbnb, VRBO, and Booking.com). However, the true number of unique units is lower due to duplicate or overlapping listings. These accommodations are typically smaller units, including condominium apartments, basement suites, or private rooms within residential homes, with one-bedroom units representing the largest portion of listings.

Short-term rentals are most often located in areas with higher housing density and convenient access to transit and commercial services, including Unionville and Downtown Markham, the Highway 7 corridor near Markham Centre, the Cornell area near Markham Stouffville Hospital, parts of Thornhill near Yonge Street and Steeles Avenue, and the Milliken/Pacific Mall area near Kennedy Road and Steeles Avenue. While the overall



number of listings represents a small share of the City's total housing supply, they tend to concentrate in specific neighbourhoods close to transportation routes, commercial destinations, and City attractions.

From January 2023 to March 2026, the number of STR investigation files opened by By-law Services have declined (376 in 2023; 108 in 2024; 161 in 2025; 32 in 2026 to-date with only 1 charge laid). When inquiries or complaints are received, Officers review available evidence and online listings to determine whether a property is operating in violation of regulations. Where violations are identified, property owners are directed to remove listings and cease operations, with further enforcement measures available if compliance is not achieved. A small number of complaints referenced potential "party houses," though most were closed with no evidence of such activity and addressed through standard enforcement processes where required.

Municipal STR Regulatory Scan:

Many municipalities across Ontario have implemented regulatory frameworks to license short-term rentals (STRs) to balance tourism and homeowner benefits with concerns related to housing supply, neighbourhood character, and public safety (see jurisdictional scan attached as **Appendix A**).

For example, the City of Toronto requires STR operators to register and obtain a municipal license, and to display their registration number on all listings. Toronto permits STRs only within a host's principal residence (where the operator ordinarily resides); secondary or investment properties are not eligible. Entire-home rentals are limited to a maximum of 180 nights per calendar year, while room rentals within an occupied dwelling are permitted without the same cap¹. The City also enforces compliance with the Fire Code, requires emergency contact and exit information to be posted, and retains authority to conduct inspections.

Similarly, the City of Mississauga has established a licensing program that permits STRs only within a host's principal residence, whether a house, condominium, or apartment. The annual licence fee is \$250. Secondary suites or basement apartments may qualify where they form part of the principal residence, provided operators comply with zoning, safety requirements. Mississauga applies enforcement measures, including fines, to address non-compliance and deter unauthorized STR activity.

Other municipalities have adopted comparable regulatory approaches. For instance, the City of Hamilton implemented a licensing framework for both operators and online platforms in January 2023. In more rural or cottage-area municipalities, such as the Towns of Bracebridge, Gravenhurst, and Township of Muskoka Lakes, STR by-laws may include additional operational requirements, such as standards for parking, noise, garbage



management, and guest codes of conduct, often accompanied by higher licensing fees and stricter penalties for violations.

Overall, Municipalities that regulate STRs follow a common set of policy principles, which is supported by mandatory licensing or registration, enforcement of health and safety standards, and the application of usage limits or other operating conditions. While these core principles are widely shared, the specific regulatory details such as fee structures, enforcement models, and eligibility criteria vary significantly based on local housing conditions, community priorities, and municipal policy objectives.

OPTIONS/ DISCUSSION:

CZB Amendment:

To implement the proposed STR regulatory framework in Markham, the City is required to amend Markham's CZB to permit STRs via a City-Wide Zoning Amendment. To do so, Markham City Council could direct Development Services staff to amend the CZB to permit STRs City-wide.

In accordance with the *Planning Act*, any changes to the CZB will require a statutory public meeting to be held. This requires notice to be given no later than 20 days prior to the meeting. Once Council has passed the appropriate changes to the CZB, it would then be subject to an appeal process. Specifically, following the passing by Council of the amendment, there is a 20-day period during which any registered owner of the specific lands to which the amendment applies can appeal.

Proposed Licensing Framework:

Once the City's CZB is amended, a comprehensive licensing program would be implemented to regulate STRs in Markham. A draft STR Licensing By-law is attached as **Appendix B**. In accordance with the proposed regulatory framework, the City would regulate online STR platforms (such as Airbnb, VRBO, and Booking.com) and homeowners would be required to go through a licensed platform to rent their residence(s) as an STR and to display their registration number on all listings.

Entire-home rentals are limited to a maximum of 180 nights per calendar year, while room rentals within an occupied dwelling are permitted with the same cap. The City will also require emergency contact and exit information to be posted and retain authority to conduct inspections.

Other key components of the proposed regulatory framework include:

Licensing Fees: A fee structure based on the type and scale of STR platforms ranging from \$500 to \$12,000 annually. These fees, along with a per-night booking fee for platform operators (\$2), will cover administrative and enforcement costs.



| Platform size | Typical Annual | Fee |
|----------------------|-------------------------------|----------------------|
| Small platform | (<10 listings) | \$500 – \$1,000 |
| Medium platform | (10–50 listings) | \$1,000 – \$5,000 |
| Large platform | (50–100 listings) | \$5,000 – \$10,000 |
| Major platforms | (100+ listings or big cities) | \$10,000 – \$12,000+ |

Platform Accountability: STR platforms will be required to maintain a registry of all listings and ensure operators comply with the licensing requirements in addition to providing a declaration form from listed STR operators. The declaration shall indicate: 1. That the host complies with all applicable Fire Code and all other applicable municipal legislation and 2. That the host/platform will ensure any occupants comply with the City of Markham Bylaws such as, but not limited to, Noise By-law, Keep Markham Beautiful By-law, and Road Occupancy By-law. 3. As a condition of obtaining and maintaining a Short-Term Rental license in the City, each Online Platform shall be required to enter into a Municipal Accommodation Tax (MAT) Collection and Remittance Agreement with the City of Markham. Such agreement shall govern the Platform's mandatory obligations respecting the billing, collection, remittance, and audit functions related to the MAT.

Compliance/Enforcement: The Business Licensing and Standards Unit within the Legislative Services Department is responsible for enforcing the STR regulatory framework, with a focus on education, complaints, and fines, using AMPS as the enforcement vehicle for non-compliance. The City will utilize specialized data-monitoring software to identify STR listings operating within Markham.

- The By-law & Regulatory Services Division is responsible for enforcement of the Noise By-law and the Keep Markham Beautiful By-law.
- Markham Fire & Emergency Services is responsible for ensuring compliance with the Ontario Fire Code, when required.

A process diagram explaining the regulatory framework is attached to **Appendix C**.

The proposed short-term rental (STR) licensing framework emphasizes platform accountability, requiring operators such as Airbnb, VRBO, and Booking.com to ensure compliance with applicable municipal regulations. The framework also reflects the City's commitment to protecting public safety by ensuring that STR accommodation complies with applicable Fire Code, and other life-safety requirements.

The proposed approach is designed to avoid overly burdensome administrative requirements that have proven ineffective in some Ontario jurisdictions, while still enabling appropriate oversight and compliance. The framework aligns with the City's existing licensing model for private transportation platforms such as Uber, Lyft, and Hopp, which has successfully operated in Markham since 2022.



FINANCIAL CONSIDERATIONS

The proposed STR regulatory framework is designed to operate on a revenue neutral basis by establishing a fee structure that fully recovers the City's administrative and enforcement costs. The framework introduces tiered annual licensing fees for STR operators, a per night booking fee applied to platform operators, and the application of the 6%.

An 6% Municipal Accommodation Tax will apply to the purchase of all short-term rental nightly accommodation. This amount will be collected and remitted by licensed short-term rental platforms on behalf of registered hosts which are in alignment with current practices for hotel accommodation providers. The City will need to execute the necessary agreements with each licensed platform to support the billing, collection, remittance, and auditing of MAT monthly. In the absence of verified platform level data, staff have developed conservative revenue assumptions based on observed market activity and available public sources. Using a range of approximately 500 - 750 STR listings, and the licensing fees listed, staff estimate the annual revenue as follows:

| Revenue | Source Estimate Range | Notes |
|---|------------------------------|--|
| Licensing Fees | \$25,000 - \$55,000 | Tiered fees based on operator scale |
| Per-Night Booking Fees (\$2/night) | \$100,000 - \$150,000 | Assuming 500 - 750 STR property listing annually |
| Municipal Accommodation Tax (6%) | \$303,000 - \$454,000 | Assuming 500 - 750 STR property listing annually |
| Total Estimated Revenue | \$428,000 - \$659,000 | |

In conjunction with the Business Licensing and Standards Unit, the Revenue Division is responsible for administering and overseeing all financial components of the STR regulatory framework, including the collection, reconciliation, and auditing of Municipal Accommodation Tax (MAT) remittances. Staff will work directly with licensed STR platforms to ensure accurate monthly reporting, verify host submitted accommodation information, and identify discrepancies and/or non-remittance through financial review and compliance auditing. The MAT revenue is shared with Destination Markham Corporation to help fund investments in destination marketing and event hosting; the City's portion is directed to support tourism-related infrastructure.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.



ALIGNMENT WITH STRATEGIC PRIORITIES

The proposed STR regulatory framework aligns with the following strategic priorities:

- **Growth Management:** ensures that STRs are regulated and integrated into Markham's residential areas in a way that supports community development.
- **Municipal Services:** ensures STRs meet safety and compliance standards, helping to preserve public health and safety while maintaining neighborhood stability.
- **Public Safety and Diversity:** promotes safety through regulatory compliance for all STR operators, ensuring that the diverse needs of the community are considered and respected.

BUSINESS UNITS CONSULTED AND AFFECTED:

Feedback from the following Departments are reflected in this report:

- Building Standards Department
- By-law & Regulatory Services
- Financial Services
- Information and Technology Services
- Legal Services
- Markham Fire & Emergency Services
- Planning and Development

RECOMMENDED BY:

Kimberley Kitteringham, City Clerk & Director, Legislative Services

Trinela Cane, Commissioner, Corporate Services and Commissioner, Development Services

ATTACHMENTS:

Appendix "A" – Municipal STR Regulatory Scan

Appendix "B" – Draft STR Business Licensing By-law

Appendix "C" – STR Diagram



ⁱ Under the Residential Tenancies Act, 2006 (RTA), a stay is generally covered if it constitutes a true tenancy (i.e., where the unit is the occupant's primary residence), whereas short-term rentals are typically defined as stays of less than 28 consecutive days. The 180-night cap is therefore also intended to prevent full-time commercial activity (i.e., full-time Airbnb-type units) and reinforce the distinction between long-term housing and short-term accommodation use. Restrictions are intended to preserve long-term housing supply by preventing the conversion of residential units into dedicated short-term rentals and by requiring that such rentals operate primarily within a host's principal residence. Limiting the number of rental days helps ensure homes remain occupied by permanent residents while reducing neighbourhood impacts such as noise, security concerns, and parking pressures associated with high guest turnover. The proposed 180-day limit balances these objectives by enabling residents to earn supplemental income while maintaining housing availability for much of the year.

| Municipality | License Required? | Who is Licensed? | Platform Accountability | MAT |
|-----------------------|--------------------------|-------------------------|--|------------|
| Markham (Proposed) | Yes | Platforms Only | Strong | 6% |
| City of Vaughan | Yes | Platforms + Hosts | Medium (Platforms licensed as brokerages) | 4% |
| City of Toronto | Yes | Platforms + Hosts | Medium (Annual Licence + Nightly Fee) | 8.5% |
| City of Hamilton | Yes | Hosts Only | Medium (Platforms must ensure licence display) | 4% |
| City of Brampton | Yes | Hosts Only | Medium (Platform Cooperation Required) | 4% |
| City of Mississauga | Yes | Hosts Only | Limited | 6% |
| Niagara Region | Yes (Varies) | Hosts Only | Limited | 2-4% |
| City of Richmond Hill | No | None | None | N/A |

City of Markham

By-Law 2026-XX

A By-law to provide for the Licensing and Regulation to Short Term Rental Accommodation Platforms.

WHEREAS section 8 of the Municipal Act, 2001, S.O. 2001, c.25, as amended (the “Municipal Act, 2001”), provides that the powers of a municipality shall be interpreted broadly to govern its affairs and respond to municipal issues;

AND WHEREAS section 11 of the Municipal Act, 2001 authorizes a municipality to pass by-laws respecting the economic, social and environmental well-being of the municipality and the health, safety and well-being of persons;

AND WHEREAS section 151 of the Municipal Act, 2001 authorizes a municipality to establish a system of licences with respect to a business;

AND WHEREAS sections 391, 434.1, 436 and 444 of the Municipal Act, 2001 authorize the imposition of fees, administrative penalties, inspections, and compliance orders;

AND WHEREAS the Council of The Corporation of the City of Markham considers it necessary to regulate short-term rental accommodations through a platform-based licensing system to protect neighbourhoods, consumers, and the public interest;

NOW THEREFORE the Council of The Corporation of the City of Markham hereby enacts as follows:

PART 1 – DEFINITIONS

1. In this By-law:

“Administrative Penalty” means a monetary penalty imposed under the City of Markham’s Licensing Administrative Penalty By-law, as amended or replaced;

“Applicant” means a Person applying for a Platform Licence under this By-law;

“City” means The Corporation of the City of Markham;

“Clerk” means the Clerk of the City of Markham or their designate;

“Council” means the Council of the City of Markham;

“Criminal Record Check” means a criminal record check issued by a Canadian police service, where required by the Licence Manager;

“Dwellings” means and includes the following as regulated in this By-law, collectively and individually as the context requires:

- a) Apartment Dwelling means a dwelling unit in a building containing seven or more dwelling units that share a common external access to the outside through a common entrance and, or, a common corridor system, in which the dwelling units are arranged in any horizontal or vertical configuration.
- b) Coach House means a dwelling unit where the majority of the unit is located above a detached private garage in the rear yard of a lot that is accessed by a lane, and which is accessory to the principal use dwelling unit on the same lot.
- c) Detached Dwelling means a dwelling unit in a building containing only one dwelling unit.
- d) Dwelling Unit means a unit consisting of one or more rooms, which contains cooking, eating, living and sanitary facilities and is not a rooming house - large scale or rooming house - small scale.
- e) Garden Home means a dwelling unit located within an accessory building or structure in the rear yard of a lot that is not accessed by a lane and which is accessory to the principal use dwelling unit on the same lot.
- f) Garden Suite means a temporary dwelling unit regulated under the Planning Act that is accessory to the principal use dwelling unit on the same lot and which is designed to be portable. For the purposes of this definition, a garden suite may include a dwelling unit in a recreational motor vehicle.
- g) Multiple Dwelling means a dwelling unit in a building containing seven or more dwelling units that would not be considered as any other type of dwelling unit as defined in this By-law.
- h) Multiplex Dwelling means a dwelling unit in a building containing four to six dwelling units, each with an entrance that is independent or through a shared landing and, or, external stairwell.
- i) Semi-Detached Dwelling means a dwelling unit in a building that is divided vertically into two dwelling units that share a common wall above grade.
- j) Townhouse Dwelling, Back-to-Back means a dwelling unit in a building that is vertically divided above grade into a minimum of four dwelling units, each of which has an independent entrance to the outside to the front of the building, and shares a rear

wall. A maximum of two dwelling units within a back-to-back townhouse dwelling are permitted without sharing a common rear wall.

k) Townhouse Dwelling means a dwelling unit in a building that is vertically divided above grade into a minimum of three dwelling units, each of which has an independent entrance to the outside to the front and rear of the building.

“Licence” means a Platform Licence issued under this By-law;

“Licensee” means a Short Term Rental Platform licensed under this By-law;

“Licence Manager” means the City Clerk, Manager, Supervisor of Business Licensing Enforcement and Standards for the City of Markham or their designate;

“Officer” means a municipal law enforcement officer or police officer authorized to enforce City by-laws;

“Person” includes an owner, individual, corporation, partnership, or other legal entity;

“Platform” or “Short Term Rental Platform” means a digital, online, or web-based system that facilitates, advertises, brokers, processes payment for, or otherwise enables Short Term Rental Accommodations;

“Registered Host” means a Person/s whose Short Term Rental Accommodation is registered with and offered exclusively through a Licensed Platform;

“Short Term Rental Accommodation” means all or part of a Dwelling provided for temporary accommodation for 30 consecutive days or less in exchange for payment or service.

PART 2 – ADMINISTRATION AND ENFORCEMENT

2. This By-law shall be administered and enforced by the Licence Manager or delegate.
3. The Licence Manager may delegate duties under this By-law to City employees.

PART 3 – LICENCE REQUIRED (PLATFORM-BASED)

4. No Person shall operate, advertise, broker, facilitate, or enable Short Term Rental Accommodations in the City unless they are a Licensed Platform under this By-law.
5. No Person shall offer, advertise, or provide a Short-Term Rental Accommodation in the City unless the accommodation is listed through a Licensed Platform; individual property owners, tenants, or primary residents are not eligible for a Licence under this By-law.
6. For greater clarity, the following are not considered a Short-Term Rental Accommodation:

- (1) a hotel or motel or other Overnight Accommodation as defined in the City's Comprehensive Zoning By-law 2024-19 as amended; and
- (2) accommodations rented out to tenants in accordance with the *Residential Tenancies Act, 2006, S.O. 2006, c.17.*

PART 4 – PLATFORM REGISTRATION OF HOSTS

7. Every Licensed Platform shall ensure that each Short-Term Rental Accommodation listed on its platform within the City:

- (a). is registered with the Platform;
- (b). is assigned a unique registration number, to be designated by the platform; and
- (c). complies with all applicable City by-laws, Provincial and Federal Laws.

8. A Licensed Platform shall not permit a listing unless the Registered Host has provided information required by Schedule "A".

PART 5 – APPLICATIONS FOR PLATFORM LICENCES

9. An application for a Platform Licence or renewal shall be made to the Business Licensing Enforcement and Standards Department in the form required and accompanied by Schedule "A".

10. The City of Markham, Business Licensing Enforcement and Standards Department shall maintain complete records showing all applications received and Licences issued.

11. The Licence Manager shall have the power and authority to:

- (a) issue a new Licence;
- (b) renew a Licence;
- (c) deny the issuance or renewal of a Licence;
- (d) revoke a Licence;
- (e) suspend a Licence; and

- (f) impose terms or conditions on a Licence or a Licence renewal.

PART 6 – ISSUANCE AND TERM OF LICENCE

12. Upon satisfaction by an Applicant of the requirements of this By-law, the Licence Manager may issue a Platform Licence with a unique licence number.

13. A Platform Licence is valid for one (1) year from the prescribed renewal date.

14. A Licence is not transferable and remains the property of the City.

PART 7 – CONDITIONS AND RESPONSIBILITIES OF PLATFORMS

15. Notwithstanding any other provisions of this By-law, the Licence Manager may impose terms and conditions on any Licence at the time of issuance, renewal or any other time during the Licence period, including but not limited to, any conditions that are necessary to give effect to this By-law.

16. As a condition of obtaining and maintaining a Short-Term Rental license in the City, each Online Platform shall be required to enter into a Municipal Accommodation Tax (MAT) Collection and Remittance Agreement with the City of Markham. Such agreement shall govern the Platform's mandatory obligations respecting the billing, collection, remittance, and audit functions related to the MAT.

17. The Licence Manager may issue a conditional Platform Licence or place conditions on a Platform Licence if it is discovered that a registered owner listing a Short Term Rental Accommodation on the platform has applied for, or received, a record suspension from the Parole Board of Canada in accordance with the *Criminal Records Act*, listed under section 'C' of this by-law and documentation has not been provided to the satisfaction of the Licence Manager.

18. Every Licensed Platform shall:

- (a) display its City-issued licence number on all listings affecting Markham;
- (b) maintain accurate records of all Markham listings for a minimum of three (3) years;
- (c) provide data, reports, and records upon request within 30 days;
- (d) remove non-compliant listings within 24 hours of notice; and
- (e) ensure hosts comply with fire, zoning, and property standards laws.

19. Notwithstanding any other provision of this By-law, the Licence Manager may, at any time during the term of a licence, impose additional fees on a Licensee by issuing a notice where the City has incurred costs attributable to the activities of the Licensee. The Licensee shall pay the outstanding amount within sixty (60) days from the date of the notice.

PART 8 – GROUNDS FOR REFUSAL, SUSPENSION OR REVOCATION

20. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that a licensed Platform Operator has failed to ensure ongoing compliance by registered owners listing Short Term Rental Accommodations on its platform, including but not limited to circumstances where:

- (a) false or misleading information has been provided;
- (b) required fees or penalties have not been paid;
- (c) there is repeated non-compliance by one or more hosts;
- (d) unlawful listings have not been removed in a timely manner; or
- (e) the conduct of the Platform Operator or its hosts is contrary to the public interest or public safety.

21. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee (i.e., the licensed Platform Operator and all registered property owners listed under the licensed platform) is under 18 years of age or is a corporate entity, including but not limited to, a partnership or corporation.

22. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that an application or other document provided to the Licence Manager by or on behalf of the Applicant contains a false statement or false information;

23. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee has failed to ensure that any registered owner listed on its platform who has received a criminal conviction within five years of the date of application, or for any offence listed in Schedule “C” of this By-law, is prohibited from listing;

24. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee fails to ensure that all registered owners have paid any fine or administrative penalty imposed by a court or the City arising from contraventions of applicable laws or this By-law;

25. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee fails to ensure that all registered owners comply with:

- a) This By-law or any other applicable City by-law;

- b) Any applicable condominium laws, declarations, or by-laws; or
- c) Any other federal, provincial, or municipal laws;

26. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee fails to ensure that any Short Term Rental Accommodations listed on its platform do not negatively impact the health, safety, or well-being of the community, including but not limited to negative impacts to neighbouring properties;

27. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the financial position or management of the Applicant or Licensee affords reasonable grounds to believe that the Applicant or Licensee would not operate the platform responsibly, including ensuring that registered owners comply with all applicable requirements and that fees (such as the \$25 per booking fee) are collected and remitted;

28. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the past or present conduct of the Applicant or Licensee affords reasonable grounds to believe that the platform will not oversee registered owners' listings in accordance with this By-law or with integrity and honesty;

29. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee fails to ensure that the actions of registered owners on its platform do not violate the rights of other members of the public, including but not limited to human rights laws;

30. A Licence Manager may refuse to issue or renew, or may revoke or suspend, a Licence where there are reasonable grounds to believe that the Applicant or Licensee fails to implement or maintain policies, systems, or controls necessary to ensure that registered owners comply with all requirements of this By-law, including reporting, verification, and record-keeping obligations.

PART 9 – APPEALS

31. After a decision is made by the Licence Manager to refuse to issue, refuse to renew, revoke, or suspend a Platform Licence, written notice of that decision shall be given to the Platform Operator, advising them of the Licence Manager's decision with respect to the Platform Licence and the registered owners listed on the platform.

32. The written notice provided under section 30 shall:

1. Set out the grounds for the decision;

2. Provide reasonable particulars of the grounds, including any non-compliance by registered owners on the platform;
3. Be signed by the Licence Manager; and
4. Indicate the final date for giving notice of appeal from the decision.

33. A Platform Operator who has been served with notice of a decision under section 30 may appeal to the City of Markham Appeals and Property Standards Committee by sending a notice of appeal to the Committee Coordinator within 7 business days after being served with the notice and paying the appeal fee as set out in the User Fees By-law.

- (a) A decision that is not appealed within the time referred to in subsection (1) shall be final.
- (b). An appeal under subsection (1) shall be commenced by a notice of appeal in the form required by the rules of the City of Markham Licensing - Hearing Department, or if no such rule applies, in a written form setting out the reasons for the appeal, including steps the platform will take to ensure registered owners comply with the By-law.

34. Notwithstanding any other provision in this By-law, if the Licence Manager is satisfied that the continuation of a Short Term Rental Accommodation on a platform poses an immediate danger to the health or safety of any person or property, the Licence Manager may, for the time and on such conditions as considered appropriate, without a hearing, suspend the Platform Licence, subject to the following:

- (a). Before suspending the Platform Licence, the Licence Manager shall provide the Platform Operator with the reasons for the suspension, either orally or in writing, and an opportunity to respond; and
- (b). The suspension shall not exceed 14 days, during which the Platform Operator is responsible for restricting or removing listings from registered owners that are contributing to the immediate danger.

PART 10 – INSPECTIONS AND NOTICES

35. An Officer may, at any reasonable time, enter upon and inspect the land of any registered owner listed on a licensed platform to ensure that the provisions of this By-law are complied with. Such inspection may include a Dwelling if the consent of the occupier is obtained, the occupier first having been informed that the right of entry may be refused.

36. The Platform Operator is accountable for ensuring that all registered owners listed on its platform comply with this By-law and shall provide assistance, documentation, and access as required by an Officer to facilitate any inspection.

37. For the purposes of conducting an inspection pursuant to this By-law, an Officer may:

- (a). Require the production for inspection of documents or records relevant to the inspection, including records maintained by the licensed platform regarding all registered owners;
- (b). Inspect and remove documents or records relevant to the inspection for the purpose of making copies or extracts;
- (c). Require information from any person, including the Platform Operator and registered owners, concerning matters related to the inspection; and
- (d) . Alone, or in conjunction with a person possessing special or expert knowledge, make examinations or take tests, samples, or photographs necessary for the purposes of the inspection.

38. An Officer shall provide a receipt for any document or record removed under subsection 36(b), and the document or record shall be promptly returned after copies or extracts are made.

39. No Person, including a Platform Operator or registered owner, shall prevent, hinder, or obstruct, or attempt to prevent, hinder, or obstruct, an Officer who is lawfully exercising a power or performing a duty under this By-law. Failure by a Platform Operator to cooperate with an Officer constitutes a contravention of this By-law.

40. An Officer may:

- (a). Issue a Penalty Notice; and/or
- (b). Make a notice requiring the Person who contravened this By-law or the owners and/or occupier of the land on which the contravention occurred, to discontinue the contravening activity or to do work to correct the contravention.
- (c). The Platform Operator ensures compliance by all registered owners listed on its platform and may be held jointly liable for non-compliance.

41. A notice made pursuant to subsection 39(b) shall include:

- (a). The reasonable particulars of the contravention, adequate to identify the contravention and the location of the land or listing involved;

(b). The date by which there must be compliance with the notice, and/or the work to be done and the date by which the work must be done; and

(c). A direction that if the matter required to be done is not completed by the time set out in subsection 39(2), the matter or thing will be done by the City at the expense of the Person or Platform Operator directed or required to do it, and the City may recover the costs from that Person or Platform Operator by action or by adding the costs to the tax roll and collecting them in the same manner as property taxes.

42. Every Person, including a Platform Operator and all registered owners listed on a licensed platform, shall comply with a notice made pursuant to subsection 39(b).

PART 11 – DELIVERY

43. Any notice required to be given or served under this By-law is sufficiently given or served if:

(a). Delivered personally; or

(b). Sent by registered mail, addressed to the Person and/or the Platform Operator responsible for the registered owner to whom delivery or service is required to be made at the last address for service appearing on the records of the Licence Manager.

(c). The Platform Operator shall ensure that all registered owners listed on its platform receive any notice or order issued under this By-law. Failure by a Platform Operator to deliver notices to owners may be considered a contravention of this By-law.

44. Notwithstanding section 42, the notice provisions in the Administrative Monetary Penalty By-law XXXX-XX (or successor) shall be applicable for Penalty Notices issued pursuant to this By-law. The Platform Operator is responsible for forwarding any Penalty Notices issued to registered owners and ensuring payment or compliance.

PART 12 – PENALTY

45. Every Person, including a Platform Operator and any registered owner listed on the platform, who contravenes any provision of this By-law, when given an Administrative Monetary Penalty Notice, is liable to pay to the City in the amount specified.

46. The Platform Operator shall ensure that all registered owners pay any Administrative Penalties issued in accordance with the By-law.

47. If a Person or Platform Operator is required to pay an Administrative Penalty, the Person or Platform Operator shall not be charged with an offence in respect of the same contravention.

48. Notwithstanding section 44, every Person, including a Platform Operator and registered owners, who contravenes any provision of this By-law, and every director or officer of a corporation who knowingly concurs in such contravention by the corporation, is guilty of an offence and is liable to a fine, and such other penalties, as provided for in the Provincial Offences Act, R.S.O. 1990, c. P. 33, and the Municipal Act, 2001, as amended from time to time.

49. An offence under this By-law may be designated a continuing offence or a Multiple Offence. The Platform Operator is jointly accountable for all continuing or multiple offences committed by registered owners listed on its platform.

50. In addition to sections 44, 45, and 46, any Person or Platform Operator charged with an offence under this By-law and found guilty is liable, pursuant to the Municipal Act, 2001, to the following fines:

- (a) Minimum fine of \$500 and maximum fine not exceeding \$100,000;
- (b) In the case of a continuing offence, for each day or part of a day that the offence continues, minimum fine of \$500, maximum fine not exceeding \$10,000, with the total of all daily fines not limited to \$100,000;
- (c) In the case of a Multiple Offence, for each offence included in the Multiple Offence, minimum fine of \$500, maximum fine not exceeding \$10,000, with the total of all fines for each included offence not limited to \$100,000.

51. The Platform Operator may be held jointly liable with registered owners for fines arising from offences committed by owners on the platform.

PART 13 – MISCELLANEOUS

52. Any section of this By-law, or any part thereof, that is found by a court of competent jurisdiction to be invalid shall be severable, and the remainder of the By-law shall continue to be valid.

53. All schedules attached to this By-law shall form part of this By-law.

PART 14 - EFFECTIVE DATE AND SHORT TITLE

54. This by-law shall come into force and effect at 12:01 a.m. on May XX, 2026.

55. This By-law may be referred to as the Short-Term Rental Accommodation Licensing Bylaw.

ENACTED AND PASSED this XX-XX-XX Signed XX-XX-XX

SCHEDULE “A” – APPLICATION REQUIREMENTS – NEW LICENCES AND RENEWALS

GENERAL REQUIREMENTS

A Platform Operator wishing to operate or facilitate the booking of Short-Term Rental Accommodations (STAs) in the City of Markham shall apply for a new licence or renewal licence by providing the Licence Manager with the following:

- 1.1. A completed application in the form.
- 1.2. The name, telephone, and email address of the Applicant/Contact Person along with the legal name of the platform and its business address.
- 1.3. Proof of legal registration of the platform, including corporate registration documents or equivalent.
- 1.4. To confirm proof of insurance coverage, including commercial general liability insurance of at least \$2,000,000 per occurrence, with the City of Markham included as additional insured only with respect to all platform registered users.

1.5. An agreement from the platform to ensure all Short-Term Rental Accommodation owner listings are registered with the City of Markham and advertised exclusively through a licensed platform.

1.6. An agreement from the platform collects \$25 per booking fee from each Short-Term Rental Accommodation owner and remit the fees to the City monthly, by the 15th day of the following month.

1.7. A declaration that the platform will maintain records of all bookings for a period of 3 years and make these records available to the Licence Manager upon request.

1.8. An indemnity in favour of the City from and against claims, demands, losses, costs, damages, actions, suits, or proceedings that arise out of, or are attributable to, the platform's operations, in a form satisfactory to the Licence Manager.

1.9. Any other information or documentation required by the Licence Manager to demonstrate compliance with this By-law.

LICENCE RENEWALS

For greater clarity, a Platform Operator wishing to renew a licence shall comply with all application requirements set out in this Schedule "A"

SCHEDULE "B" – REQUIREMENTS AND PROHIBITIONS

GENERAL REQUIREMENTS

1. Every licensed Platform Operator shall ensure that all registered owners listing Short Term Rental Accommodations on the platform:

- (a). Include the valid business licence number issued by the City in a conspicuous place in any medium or material used to market, advertise, or broker a Short Term Rental Accommodation;
- (b). Operate, advertise, broker, or otherwise carry on the business of a Short Term Rental Accommodation in compliance with applicable laws, including but not limited to:
 - (a) The Ontario Fire Code,
 - (b) The City's Property Standards By-law, and
 - (c) The City's Zoning By-law;
- (c). Provide an emergency contact name and number to all guests;

- (d). Post an evacuation plan by all entrances and exits to a Short-Term Accommodation;
 - (e). Issue an invoice, contract, receipt, or similar document to all guests that includes the City's business licence number, owners registration number and;
 - (f). Ensure that the \$25 per booking fee is collected and remitted to the City monthly by the Platform Operator.
2. When a registered owner changes their address or any information relating to their registration or licence, the Platform Operator shall:
- (a) Notify the City of Markham within five (5) days of the change; and
 - (b) Ensure that the licence or registration details are updated on the platform, forthwith.
3. The Platform Operator shall ensure that any listing or advertisement for a Short-Term Rental Accommodation that is not in compliance with any applicable City by-law, is removed within 24 hours of being requested to do so by the Licence Manager.

RECORDS RETENTION

4. The Platform Operator shall ensure that each registered owner maintains a record of each concluded transaction related to their Short-Term Rental Accommodation for at least three (3) years following the date of the transaction. Records shall include:
- (a) The number of nights the Short-Term Rental Accommodation was rented in a calendar year;
 - (b) The nightly and total price charged for each rental, including any municipal accommodation tax;
 - (c) Whether the rental was an entire-unit or partial-unit rental; and
 - (d) Any other information required by the Licence Manager.
5. The Platform Operator shall provide the information referred to in section 4 on behalf of registered owners to the Licence Manager within 30 days of being requested to do so.

GENERAL PROHIBITIONS

6. No Person, including a Platform Operator, shall permit a registered owner to:

- (a). Operate, advertise, broker, carry on the business of, or permit the operation of a Short Term Rental Accommodation unless the property is the Principal Residence of the registered owner;
- (b). Operate, advertise, broker, or carry on the business of a Short-Term Rental Accommodation located within an Accessory Building; or
- (c). Operate, advertise, broker, or carry on the business of a Short-Term Rental Accommodation located within a property already occupied by any secondary use.
- (d). Represent to the public that the registered owner or Platform Operator is licensed under this By-law if not licensed.

7. The Platform Operator shall ensure that registered owners do not:

- (a) Rent out a Short-Term Rental Accommodation for more than 180 days in a calendar year;
- (b) Book or reserve separate guests in the same Short Term Rental Accommodation for the same days whereby two or more unrelated persons are accommodated in the same Dwelling at the same time;
- (c) Contravene or fail to comply with any term or condition of their licence;
- (d). Operate or advertise a Short-Term Rental Accommodation while the licence is suspended;
- (e). Advertise, broker, or otherwise carry on the business of more than one Short Term Rental Accommodation at the same time; or
- (f). Transfer a license and/or registration number to another Person.

PLATFORM ACCOUNTABILITY

8. The Platform Operator is jointly responsible for ensuring that all registered owners listed on its platform comply with the requirements and prohibitions set out in this Schedule.

9. Failure by the Platform Operator to enforce these provisions may result in suspension, revocation, or conditions being applied to the platform licence by the Licence Manager.

DRAFT

SCHEDULE “C” – CRIMINAL CODE OFFENCES (CANADA)

Licensed Platform Operators are responsible for ensuring that all registered owners listing Short Term Rental Accommodations on their platform have not been convicted of any Criminal Code offences listed in this schedule. Platforms must implement verification processes for all owners and may be subject to conditions, suspension, or revocation if owners listed on the platform violate this provision.

Criminal Code Offences (Canada)

- A. Explosives - Using explosives; possession of explosives.
- B. Terrorism - Providing or collecting property for terrorist activities; providing or making available property or services for terrorist purposes; using or possessing property for terrorist purposes; participation in activity of terrorist group; facilitating terrorist activity; instructing others to carry out activity for a terrorist group or terrorist activity.
- C. Firearms and Weapons - Using firearms (including imitation) in commission of offence; careless use of firearm; pointing a firearm; possession of weapon for dangerous purposes; carrying weapon while attending public meeting; carrying concealed weapon; unauthorized possession of firearm; possession of firearm knowing its possession is unauthorized; possession at unauthorized place; unauthorized possession in motor vehicle; possession of prohibited or restricted firearm with ammunition; possession of weapon obtained by commission of offence; breaking and entering to steal firearm; robbery to steal firearm; weapons trafficking; possession for purpose of weapons trafficking; transfer without authority; making automatic firearm; discharging firearm with intent; causing bodily harm with intent (air gun or pistol).
- D. Sexual Offences Against Minors - Sexual interference; invitation to sexual touching; sexual exploitation; sexual exploitation of person with disability; incest; making child pornography; parent or guardian procuring sexual activity; householder permitting sexual activity; corrupting children; luring a child; prostitution of person under eighteen.
- E. Sexual Offences Against Persons Other Than Minors - Sexual exploitation of person with disability; incest; indecent acts; sexual assault.
- F. Criminal Negligence - Causing death by criminal negligence; causing bodily harm by criminal negligence.
- G. Murder - Murder; manslaughter; infanticide; attempt to commit murder; accessory to murder.

H. Operation of Vehicles, Vessels, or Aircraft - Dangerous operation of motor vehicles, vessels, and aircraft; flight; causing death by criminal negligence (e.g., street racing); causing bodily harm by criminal negligence (street racing); dangerous operation of motor vehicle while street racing; failure to stop at scene of accident; operation while impaired; operation while disqualified.

I. Harassment and Threats - Criminal harassment; uttering threats; intimidation.

J. Assault - Assault; assaulting a peace officer.

K. Confinement - Kidnapping; trafficking in persons; hostage taking; abduction of person under sixteen; abduction of person under fourteen; abduction in contravention of custody order; abduction.

L. Theft, Forgery, and Fraud - Theft over; destroying documents of title; fraudulent concealment; theft and forgery of credit card; theft from mail; forgery; uttering forged document; drawing document without authority; fraud; using mail to defraud; arson for fraudulent purpose.

M. Robbery and Extortion - Robbery; extortion.

N. Breaking and Entering - Breaking and entering.

O. Possession of Property Obtained by Crime - Possession of property obtained by crime; possession of property obtained by excise offences.

P. Arson

Q. Counterfeit Money - Making counterfeit money.

R. Participation in Criminal Organization - Participation in a criminal organization; commission of offence for criminal organization; instructing commission of offence for criminal organization.

S. Trafficking Controlled Substances - Trafficking: Schedule I, II, III, IV controlled substances.

T. Importing and Exporting Controlled Substances - Importing and exporting: Schedule I, II, III, IV controlled substances.

U. Production of Controlled Substances - Production: Schedule I or II (except marihuana), Schedule III, Schedule IV controlled substances.

Appendix C

Proposed Short-term Rental Diagram

What is a platform?



A platform is a web-based application that connects registered landowners “hosts” with guests for short-term lodging.

Markham Staycation

Platform accountability



Licensed platforms must:

- Display City licence number on all listings.
- Assign unique registration numbers to hosts.
- Maintain booking records for 3 years.
- Ensure host compliance with all laws.

What are the requirements to licence a platform?



Application submission

Platforms must provide:

- Completed application form
- Corporate Registration documents
- Business contact information
- An agreement to collect the booking fee from their hosts and to remit the fee to the City of a monthly basis.
- An agreement to collect the booking fee from their hosts and to remit the fee to the City of a monthly basis.



Terms and Obligations

A licence term is valid for one (1) year, is non-transferable, and may be subject to suspension, revocation or conditions.

Platforms must agree to collect the per-night booking fee from the hosts and remit it monthly to the City.



Host Registration

Hosts must:

- Register their STR listing with the licensed platform.
- Be 18+ years old at the time of registration.
- Have no disqualifying Criminal Code convictions.
- Be in good standing with the platform.
- Operate only in the property that they live in.

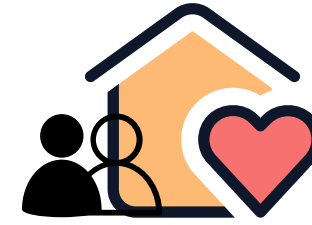


Mandatory Compliance Declaration

Before advertising a Short-Term Rental accommodation, every platform user must submit a formal declaration confirming pre-emptive compliance with:

- Ontario Fire Code
- Municipal Zoning By-Laws
- Property Standards By-laws
- All other applicable municipal, provincial and federal laws.

What is a host?



A host is the registered owner of a property listed in an STR platform.

Operating rules for hosts

Hosts must:

- Operate at a maximum of 180 day per calendar year,
- Have no overlapping unrelated guests bookings.
- Provide an emergency contact information in their listing.
- Issue invoice showing licence and registration numbers.

Enforcement & Penalties



Platforms and hosts are jointly liable for violations.

Administrative Monetary Penalty

- Minimum AMP fine of \$500
- Maximum AMP fine of \$100,000
- Daily AMP fine for continuing offences.
- Immediate suspension (up to 14 day) for public safety risks.



Report to: General Committee

Report Date: April 21, 2026

SUBJECT: 2025 Consolidated Financial Statements
PREPARED BY: Kishor Soneji, Senior Manager Financial Reporting

RECOMMENDATION:

- 1) That the presentation titled “2025 Consolidated Financial Statements” be received; and,
- 2) That the report titled “2025 Consolidated Financial Statements” be received; and,
- 3) That Council approve the draft Consolidated Financial Statements of The Corporation of the City of Markham (the City), including Community Boards, Business Improvement Areas (BIAs), Destination Markham Corporation and Investment in Markham Enterprises Corporation (MEC), for the fiscal year ended December 31, 2025; and,
- 4) That Council authorize Staff to publish the final audited Statements for the fiscal year ended December 31, 2025 upon receiving the Independent Auditor’s Report; and,
- 5) That the KPMG LLP Audit Findings Report for the year ended December 31, 2025 be received; and further,
- 6) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

KPMG LLP has completed an audit of the Consolidated Financial Statements of the City of Markham and has expressed an unqualified opinion that the Statements present fairly, in all material respects, the consolidated financial position of the City.

The audited Statements are a report card on the financial position, health and strength of the City. The 2025 financial results continue to demonstrate Markham’s strong leadership and excellence in financial planning and fiscal prudence.

Following approval, the audited Statements will be included in the 2025 Annual Report which will be published on the City’s website. A link to the Annual Report will be provided to Council members.

PURPOSE:

The purpose of this report is to obtain Council adoption of the 2025 Statements and to seek authority to publish the audited financial information as required by the Municipal Act (the Act).

BACKGROUND:

The 2025 Consolidated Financial Statements, this report and its appendices are prepared in accordance with the Act as follows:

- Section 286 (1) requires the Treasurer to report the financial affairs of the municipality to Council.
- Section 294.1 requires a municipality to prepare, for each fiscal year, annual financial statements in accordance with generally accepted accounting principles (GAAP) for local governments as recommended, and from time to time, by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).
- Section 296 (1) requires a municipality to appoint an auditor, licensed under the Public Accounting Act, who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit.

The Public Sector Accounting Board (PSAB) issues recommendations and reporting requirements that serve the public's interest by strengthening accountability in the public sector through the development, recommendation, and acceptance of accounting and financial reporting standards and guidelines.

The statements reflect the financial position of the City and its, operating results, and how the City financed its activities and met its cash requirements. Additionally, the statements confirm that the resources were obtained and used in a manner consistent with Council approved budgets.

The City engaged the external audit firm KPMG LLP, Chartered Professional Accountants to audit the Statements as at December 31, 2025 and their accompanying Notes to Financial Statements (Notes). The Notes comprise a summary of significant accounting policies and other explanatory information. The audit is conducted in accordance with Canadian Generally Accepted Auditing Standards to obtain reasonable assurance as to whether the Statements are free from material misstatement.

The City did not adopt any new public sector accounting standards ("PS"), as no new accounting standard or amendment is effective for the year ended December 31, 2025.

The statements include the City's wholly owned investment in Markham Enterprises Corporation (MEC), including MEC's shares in Alectra Inc. (Alectra) of 15% and Markham District Energy Inc. (MDE) of 100%.

DISCUSSION:**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Balance Sheet, Appendix A – Page 1)**

The Statement of Financial Position outlines the City's financial assets, financial liabilities and non-financial assets. The outcome of the statement shows an Accumulated Surplus and Accumulated Remeasurement of Gains (Losses) at year end of \$6,801.73M, an increase of \$351.43M (5.4%) over 2024.

| | \$ in millions | | |
|---|-----------------|-----------------|---------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr./ (Decr.)</u> |
| Financial Assets | 1,249.30 | 1,116.73 | 132.56 |
| Financial Liabilities | 576.82 | 536.41 | 40.41 |
| Net Financial Assets | 672.48 | 580.32 | 92.15 |
| Non-Financial Assets | 6,129.25 | 5,869.98 | 259.27 |
| | 6,801.73 | 6,450.30 | 351.43 |
| Accumulated Surplus | 6,717.97 | 6,414.79 | 303.18 |
| Accumulated Remeasurement of Gains | 83.76 | 35.51 | 48.25 |
| | 6,801.73 | 6,450.30 | 351.43 |

Financial Assets

Financial assets are the resources controlled by the organization as a result of past events and from which future economic benefits are expected. Financial assets include cash and other assets expected to be converted to cash, sold or consumed either within a year or in the operating cycle. These assets are continually turned over in the course of normal business activities.

The City ended the year with financial assets totalling \$1,249.30M, an increase of \$132.56M or 11.9% from 2024.

Cash & cash equivalents and investments increased in 2025 from \$622.57M to \$725.37M (\$102.79M, 16.5%). This increase was driven by higher investment income and the impact of remeasurement of gains on principal protected notes and share of changes to other comprehensive income (\$59.9M); an increase in deposits, grants and other revenues (\$27.1M), and lower payments to vendors for operating and constructions projects and Region (\$32.2M). These are offset by lower development charge collection when compared to 2024 (\$16.6M). The average rate of return on investments in the general portfolio in 2025 was 8.0% (2024 – 7.6%).

Property taxes receivable decreased from \$50.77M to \$46.27M (-\$4.5M, -8.9%) mainly due to higher property tax payments collected in 2025 when compared to 2024.

Accounts receivable increased from \$87.57M to \$97.75M (\$10.18M, 11.6%) in 2025, mainly due to an increase in interest accrued on investments and other receivables for associate entities.

Investment in MEC increased by \$24.09M (6.8%) in 2025. This increase in investment includes the 2025 equity income of \$35.94M, which is offset by a dividend payment of \$10.84M and a reduction in share capital of \$1.0M (Balance Sheet – Appendix A Page 19-20 Note 7).

Financial Liabilities

Financial liabilities are financial obligations to outside organizations or other individuals that are the result of transactions or events that occurred on or before the end of the accounting period.

Financial liabilities were \$576.82M at the end of 2025, an increase of \$40.41M (7.5%) from 2024.

Accounts payable and accrued liabilities increased in 2025 from \$186.43M to \$242.85M (\$56.42M, 30.3%) mainly due to an increase in amounts payable to Region for water (\$42.2M)

due to timing, and an increase in DC credit liabilities (\$33.6M) which are offset by a decrease in accrued liabilities related to vendor payments for construction projects (\$11.1M) and payable to the Region for tax levies (\$7.4M).

Deferred revenues decreased from \$278.87M to \$259.83M (-\$19.04M, -6.8%) in 2025. The decrease was mainly due to higher usage of Development Charges (\$16.6M), Canada Community Building Fund (\$7.5M), and Community Benefit charges (\$1.1M) to fund capital projects, offset by higher unspent grant and developers funding (\$6.4M).

Employee future benefits liabilities increased by \$3.94M or 8.8% to reflect updates to actuarial valuations.

Long-term liabilities decreased from \$6.74M to \$5.84M (-\$0.9M, -13.4%) in recognition of payments toward long-term loans from the Federation of Canadian Municipalities (FCM) and Canada Mortgage and Housing Corporation (CMHC).

Non-Financial Assets

Non-financial assets are assets with physical, rather than cash value. They include tangible capital assets (TCA) such as land and buildings, inventories of supplies such as salt and sand, as well as prepaid expenses.

Non-financial assets totalled \$6,129.25M at the end of 2025, an increase of \$259.27M (4.4%), which is almost entirely related to a net increase in tangible capital assets of \$211.6M in land and assets classified as works-in-progress. The major assets acquired through development, purchased or put into service following construction completion in 2025 include land, roads, stormwater & waterworks infrastructure and parks & pathways.

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (Income Statement, Appendix A – Page 2)

This statement accounts for the City's consolidated revenues and expenses from operations, and includes other accounting adjustments such as the value of contributed assets from developers of \$236.70M (2024 – \$612.28M), deferred revenues earned of \$49.69M (2024 – \$39.87M), equity income from MEC of \$35.09M (2024 – \$28.42M) and the amortization of TCA of \$87.38M (2024 – \$85.42M). The major components of the statement are illustrated in the chart below.

| | <u>\$ in millions</u> | | |
|--|-----------------------|-----------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Revenues | 858.65 | 1,192.27 | (333.62) |
| Less Expenses | 555.47 | 504.16 | 51.31 |
| Annual Surplus | 303.18 | 688.11 | (384.93) |
| Accumulated Surplus, Beginning of Year | 6,414.79 | 5,726.68 | 688.11 |
| Accumulated Surplus, End of Year | 6,717.97 | 6,414.79 | 303.18 |

Revenues

The year-over-year decrease in revenues of \$333.62M was driven by a decrease in contribution from developers (-\$375.57M, consisting mainly of land contributions), offset by increases in investment income (\$10.77M), deferred revenue earned (\$9.87M), property tax levies (\$8.19M), equity income from MEC (\$6.62M); and government transfers (\$5.43M).

Expenses

The expenses increased by \$51.31M in 2025 compared to 2024. This was driven by expense increases in the areas of Environmental Services (\$15.67M), Transportation Services (\$9.17M), Recreation and Culture Services (\$8.14M), Planning & Development Services (\$8.08M), Protection to Persons and Property (\$6.93M) and General Government (\$3.30M).

Accumulated Surplus (Appendix A – Page 29-30)

The accumulated surplus of \$6,717.97M consists of individual operating fund surpluses, equity in MEC, tangible capital assets, and reserves and reserve funds as outlined in the following table:

| | <u>\$ in millions</u> | | |
|--|------------------------|------------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Operating surplus (excl. waterworks) | 7.39 | 8.62 | (1.23) |
| Waterworks | 3.34 | 5.52 | (2.19) |
| Destination Markham Corporation | 4.00 | 3.81 | 0.19 |
| Community Boards and BIAs | <u>0.53</u> | <u>0.55</u> | <u>(0.02)</u> |
| Operating Surplus Total | 15.26 | 18.50 | (3.24) |
| Less Transferred to Life Cycle Replacement and Other reserve funds | (7.39) | (8.62) | 1.23 |
| Transferred to Waterworks reserve | <u>(3.34)</u> | <u>(5.52)</u> | <u>2.19</u> |
| | 4.53 | 4.36 | 0.17 |
| Equity income from Markham Enterprises Corporation | 379.91 | 355.82 | 24.09 |
| Invested in Tangible Capital Assets | 6,121.79 | 5,862.75 | 259.04 |
| Reserves and Reserve Funds | 303.63 | 284.10 | 19.54 |
| Other | <u>(91.89)</u> | <u>(92.23)</u> | <u>0.34</u> |
| Total Accumulated Surplus | <u>6,717.97</u> | <u>6,414.78</u> | <u>303.18</u> |

Operating Surplus

The unaudited 2025 year-end results of operations were presented to General Committee on March 10, 2026. Pending audit results, General Committee approved the transfer of operating surplus to various reserves. The actual surplus from operations (excluding waterworks) presented before the transfers was \$7.39M. The combined surplus of \$15.26M consists of: \$7.39M from operations, \$3.34M from Waterworks operations, \$4.0M from Destination Markham Corporation, and \$0.53M from the Community Boards and BIAs.

Equity in Markham Enterprises Corporation

This represents the value of the City's investment in MEC of \$379.91M as noted in the Financial Assets section on page 4 of this report (also refer to Appendix A – Page 19-20, note 7).

Invested in Tangible Capital Assets

The investment in tangible capital assets and other totaled \$6,121.79M. This represents the net book value of TCA such as land, buildings, equipment, infrastructure and other adjustments at year end.

Reserves and Reserve Funds

The Reserves and Reserve Funds represent the means by which the City keeps track of monetary resources set aside by Council for specific, future purposes. The inflows into these funds are largely from the operating budget and the outflows are generally to fund capital projects, employee future benefit requirements and other initiatives as directed by Council. The Reserves and Reserve Funds totalled \$303.33M at the close of 2025, an increase of \$19.53M (6.9%) from 2024.

Reserves totalled \$361.34M, an increase of \$20.64M over 2024. The net increase was the result of the following changes to the Reserves:

| | <u>\$ in millions</u> | | |
|----------------------------------|-----------------------|----------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Reserves | | | |
| Building fee | 21.27 | 18.40 | 2.87 |
| Capital gains | 41.20 | 22.35 | 18.85 |
| Corporate rate stabilization | 30.05 | 30.05 | 0.00 |
| Development fee | 47.82 | 62.24 | (14.42) |
| Facility ramp up | 44.62 | 42.64 | 1.99 |
| Firefighters sick leave benefits | 8.02 | 7.76 | 0.26 |
| Insurance | 6.68 | 5.65 | 1.03 |
| Long-term disability benefit | 25.69 | 25.69 | 0.00 |
| Waterworks | 134.22 | 124.54 | 9.69 |
| Other | 1.76 | 1.40 | 0.37 |
| Total Reserves | <u>361.34</u> | <u>340.71</u> | <u>20.64</u> |

Reserve Funds decreased by \$1.11M from 2024. The decrease was the result of the following changes to the Reserve Funds:

| | <u>\$ in millions</u> | | |
|------------------------------------|-----------------------|----------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Reserve Funds | | | |
| Environmental land acquisition | 14.71 | 13.97 | 0.74 |
| Land acquisition | (418.53) | (398.62) | (19.91) |
| Library infrastructure | 7.63 | 7.37 | 0.26 |
| Life cycle replacement and capital | 266.54 | 254.84 | 11.71 |
| Municipal accomodation tax | 2.55 | 0.00 | 2.55 |
| Non-DC growth | 25.76 | 23.54 | 2.22 |
| Post retirement benefits | 21.81 | 21.09 | 0.73 |
| Public art acquisition | 8.76 | 9.07 | (0.31) |
| Stormwater fee | (3.48) | (2.39) | (1.09) |
| Workplace Safety & Insurance Board | 9.56 | 8.04 | 1.53 |
| WSIB excess compensation | 3.29 | 3.17 | 0.12 |
| Other | 3.70 | 3.33 | 0.37 |
| Total Reserve Funds | <u>(57.71)</u> | <u>(56.60)</u> | <u>(1.11)</u> |

COMMUNICATION

Section 295 (1) of the Act requires municipalities to annually communicate to its taxpayers, the results of the municipality's year end. The financial statements will be published on the City's website upon receipt of the final audited version from KPMG LLP and will form an important part of the City's 2024 Annual Report, pulished online.

For the past twenty four consecutive years, the City has received the Government Finance Officers Association (GFOA) 'Canadian Award for Financial Reporting', most recently for the City's 2024 Annual Report and Financial Statements. The award provides recognition for excellence in governmental accounting and financial reporting. The receipt of this award signifies that Markham delivered a comprehensive annual financial report that demonstrates full transparency and disclosure over and above the minimum requirements of Generally Accepted Accounting Principles. Upon receiving the Independent Auditors' Report, the 2025 Annual Report and Financial Statements will again be submitted to the GFOA.

RECOMMENDED BY:

Joseph Silva
Treasurer

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

2025 Consolidated Financial Statements Presentation
Appendix A – 2025 Consolidated Financial Statements
Appendix B – 2025 Audit Findings Report

Appendix A

Consolidated Financial Statements of

THE CORPORATION OF THE CITY OF MARKHAM

And Independent Auditor's Report thereon

Year ended December 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the City of Markham

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Markham (the City), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated surplus for the for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of remeasurement of gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2025, and its consolidated results of operations and accumulated surplus, its consolidated change in net financial assets, its consolidated remeasurement of gains and losses and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Page 3

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

DRAFT

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

THE CORPORATION OF THE CITY OF MARKHAM

Consolidated Statement of Financial Position
(In thousands of dollars)

December 31, 2025, with comparative information for 2024

| | 2025 | 2024 |
|---|---------------------|---------------------|
| Financial Assets | | |
| Cash and cash equivalents (note 5) | \$ 259,073 | \$ 268,276 |
| Investments (note 5) | 466,292 | 354,296 |
| Property taxes receivable (note 6) | 46,270 | 50,766 |
| Accounts receivable | 97,750 | 87,573 |
| Investment in Markham Enterprises Corporation (note 7) | 379,910 | 355,822 |
| | 1,249,295 | 1,116,733 |
| Financial Liabilities | | |
| Accounts payable and accrued liabilities (note 8) | 242,849 | 186,429 |
| Liability for asset retirement obligation (note 12 (e)) | 19,571 | 19,571 |
| Deferred revenue (note 9) | 259,829 | 278,873 |
| Employee future benefits liabilities (note 10) | 48,735 | 44,799 |
| Long-term liabilities (note 11) | 5,836 | 6,738 |
| | 576,820 | 536,410 |
| Net financial assets | 672,475 | 580,323 |
| Non-Financial Assets | | |
| Tangible capital assets (note 12) | 6,121,793 | 5,862,749 |
| Inventories | 2,768 | 3,068 |
| Prepaid expenses | 4,691 | 4,163 |
| | 6,129,252 | 5,869,980 |
| Commitments (note 16) | | |
| Contingencies (note 17) | | |
| Contractual rights (note 21) | | |
| Accumulated surplus | \$ 6,801,727 | \$ 6,450,303 |
| Comprising: | | |
| Accumulated operating surplus (note 15) | \$ 6,717,972 | \$ 6,414,791 |
| Accumulated remeasurement gains | 83,755 | 35,512 |

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Consolidated Statement of Operations
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

| | December 31, 2025 | December 31, 2025 | December 31, 2024 |
|---|----------------------|----------------------|----------------------|
| | Budget (note 19) | Actual | Actual |
| Revenue: | | | |
| Property taxes | \$ 197,376 | \$ 200,555 | \$ 192,366 |
| User charges (note 13) | 239,802 | 231,495 | 231,050 |
| Government transfers (note 14) | 11,625 | 24,794 | 19,362 |
| Contributions from developers and others | 48,782 | 236,704 | 612,277 |
| Investment income | 23,872 | 50,437 | 39,671 |
| Tax penalties | 5,901 | 7,864 | 7,312 |
| Gain on sale of tangible capital assets | - | 323 | - |
| Deferred revenue earned | 39,886 | 49,689 | 39,817 |
| Equity income from Markham | | | |
| Enterprises Corporation (note 7) | 10,840 | 35,039 | 28,421 |
| Other | 5,844 | 21,753 | 21,994 |
| | 583,928 | 858,653 | 1,192,270 |
| Expenses: (note 18) | | | |
| General government | 84,901 | 76,013 | 72,708 |
| Protection to persons and property | 65,252 | 68,118 | 61,188 |
| Transportation services | 79,293 | 79,493 | 70,319 |
| Environmental services | 192,187 | 192,862 | 177,191 |
| Recreation and cultural services | 105,750 | 111,021 | 102,879 |
| Planning and development services | 21,241 | 27,935 | 19,856 |
| Other | 35 | 30 | 17 |
| | 548,659 | 555,472 | 504,158 |
| Annual surplus | \$35,269 | 303,181 | 688,112 |
| Accumulated operating surplus, beginning of year | | 6,414,791 | 5,726,679 |
| Accumulated operating surplus, end of year (note 15) | | \$ 6,717,972 | \$ 6,414,791 |

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Consolidated Statement of Change in Net Financial Assets
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

| | December 31, 2025 | December 31, 2025 | December 31, 2024 |
|---|----------------------|----------------------|----------------------|
| | Budget | Actual | Actual |
| Annual surplus | \$ 35,269 | \$ 303,181 | \$ 688,112 |
| Acquisition of tangible capital assets | (215,555) | (109,718) | (115,423) |
| Contributed tangible capital assets (note 12) | – | (236,704) | (612,277) |
| Amortization of tangible capital assets | 86,363 | 87,378 | 85,432 |
| Loss (gain) on disposal of tangible capital assets | – | – | 731 |
| Proceeds from disposal of tangible capital assets | – | – | 383 |
| | (93,923) | 44,137 | 46,958 |
| Acquisition of inventories | – | (2,768) | (3,068) |
| Acquisition of prepaid expenses | – | (4,691) | (4,163) |
| Consumption of inventories | – | 3,068 | 3,588 |
| Use of prepaid expenses | – | 4,163 | 3,793 |
| | – | (228) | 150 |
| Change in net financial assets excluding net remeasurement gains | (93,923) | 43,909 | 47,108 |
| Net remeasurement gains for the year | – | 48,243 | 25,189 |
| Net change in net financial assets | (93,923) | 92,152 | 72,297 |
| Net financial assets, beginning of year | 580,323 | 580,323 | 508,026 |
| Net financial assets, end of year | \$ 486,400 | \$ 672,475 | \$ 580,323 |

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Consolidated Statement of Remeasurement Gains and Losses
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

| | 2025 | 2024 |
|--|------------------|------------------|
| Accumulated remeasurement gains, beginning of year | \$ 35,512 | \$ 10,323 |
| Realized amounts reclassified | (13,893) | (2,002) |
| Unrealized gains in the current year attributable to portfolio investments | 61,236 | 26,891 |
| Share of other comprehensive income (loss) from Markham Enterprises Corporation | 900 | 300 |
| Accumulated remeasurement gains, end of year | \$ 83,755 | \$ 35,512 |

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Consolidated Statement of Cash Flows
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

| | 2025 | 2024 |
|---|-------------------|------------|
| Cash provided by (used in): | | |
| Operating activities: | | |
| Annual surplus | \$ 303,181 | \$ 688,112 |
| Add (deduct) items not involving cash: | | |
| Amortization of tangible capital assets | 87,378 | 85,432 |
| Loss (gain) on disposal of tangible capital assets | - | 731 |
| Employee future benefits liabilities | 3,936 | 1,535 |
| Equity income of Markham Enterprises Corporation | (35,039) | (28,421) |
| Contributed tangible capital assets | (236,704) | (612,277) |
| | 122,752 | 135,112 |
| Change in non-cash operating items: | | |
| Property taxes receivable | 4,496 | (7,236) |
| Accounts receivable | (10,177) | (4,688) |
| Accounts payable and accrued liabilities | 56,420 | 25,493 |
| Notes payable | - | (94,000) |
| Long-term liabilities | (902) | (870) |
| Deferred revenue | (19,044) | 97,651 |
| Inventories | 300 | 520 |
| Prepaid expenses | (528) | (370) |
| | 153,317 | 151,612 |
| Financing activities: | | |
| Dividend from Markham Enterprises Corporation | 10,841 | 11,966 |
| Proceeds from the refund of promissory notes from Alectra Inc. | - | 67,867 |
| Return of capital | 1,010 | 1,012 |
| | 11,851 | 80,845 |
| Capital activities: | | |
| Net of purchase of investments and proceeds | (64,653) | (63,907) |
| Investing activities: | | |
| Acquisition of tangible capital assets | (109,718) | (115,423) |
| Proceeds from disposal of tangible capital assets | - | 383 |
| | (109,718) | (115,040) |
| Increase in cash and cash equivalents | (9,203) | 53,510 |
| Cash and cash equivalents, beginning of year | 268,276 | 214,766 |
| Cash and cash equivalents, end of year | \$ 259,073 | \$ 268,276 |
| Supplementary information: | | |
| Interest paid | \$ 213 | \$ 245 |
| Interest received | 10,032 | 13,422 |

See accompanying notes to consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

The consolidated financial statements of The Corporation of the City of Markham (the "City") are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

1. Significant accounting policies:

(a) Basis of consolidation:

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of their financial affairs and resources, to the City, and which are owned or controlled by the City, including the following:

- City of Markham Public Library Board;
- Old Markham Village Business Improvement Area;
- Unionville Business Improvement Area; and
- Destination Markham Corporation.

Inter-entity transactions and balances are eliminated on consolidation.

(b) Investment in Markham Enterprises Corporation:

Markham Enterprises Corporation ("MEC") and its subsidiaries are accounted for on a modified equity basis, consistent with the Canadian public sector accounting standards as recommended by PSAB for government business enterprises. Under the modified equity basis of accounting, the business enterprise's accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of MEC in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. The share of other comprehensive income or loss in MEC is recognized in the City's consolidated statement of remeasurement gains and losses. Any dividends that the City may receive from MEC are reflected as reductions in the investment asset account.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(c) Accounting for Region and School Board transactions:

The property taxes, other revenue, expenses, assets and liabilities with respect to the operations of the Regional Municipality of York (the "Region") and the York Region District School Boards ("School Boards") are not reflected in the municipal fund balances of these consolidated financial statements.

(d) Trust funds:

Trust funds and their related operations administered by the municipality are not consolidated but are reported separately on the trust funds statement of financial position and the trust funds statement of operations and fund balances.

(e) Basis of accounting:

Revenue is recorded in the year in which the transactions or events occurred that gave rise to the revenue.

Expenses are the cost of goods and services acquired in the year whether or not payment has been made or invoices received.

(f) Financial instruments:

PS 3450, Financial Instruments, establishes standards on the recognition and measurement of different categories of financial instruments, including derivatives.

The City's investments in Principal Protected Notes ("PPNs") meet the criteria of a financial instrument with an embedded derivative. The standards permit financial instruments containing one or more embedded derivatives to be designated as a hybrid (combined) instrument and carried at fair value. This designation is irrevocable. The City has elected to record the PPNs at fair value. The cumulative change in fair value of these financial instruments is recorded in accumulated surplus as remeasurement gain and losses and is included in the value of the investments presented in the consolidated statement of financial position. Upon disposition of the PPNs, the cumulative remeasurement gains and losses are reclassified to the consolidated statement of operations, and all other gains and losses related to the disposition of the PPNs are directly recorded in the consolidated statement of operations.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

Investments also include bonds and debentures which are recorded and measured at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. If there is a loss of value that is other than a temporary decline in value, the respective investment will be written down to market value to recognize the loss in the consolidated statement of operations.

(g) Government transfers:

Government transfers are recognized in the consolidated financial statements in the year in which the events giving rise to the transfer occurred, providing that the transfers are authorized, any eligibility criteria and stipulations have been met, and reasonable estimates of the amounts can be made.

The City adopted PS 3410, Government Transfers, that establishes the recognition, measurement and disclosure requirements for government transfers. It provides specific revenue recognition criteria for transferring government and recipient government.

(h) Deferred revenue:

Funds received for specific purposes are accounted for as deferred revenue until the City discharges the obligation, which led to receipt of the funds.

(i) Property taxes and related revenue:

Property tax billings are prepared by the City based on assessment rolls compiled by the Municipal Property Assessment Corporation ("MPAC"). Property tax rates are established annually by City Council, incorporating amounts to be raised for local services and amounts that the City is required to collect on behalf of the Region and School Boards for education purposes. The realty taxes are billed based on the assessment rolls provided by MPAC.

A normal part of the assessment process is the issuance of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City determines the property taxes applicable and issues supplementary tax bills. These assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the impact shared with the Region and School Boards as appropriate.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

The City is entitled to collect interest and penalties on overdue property taxes. These revenues are recorded in the year the interest and penalties are levied.

(j) Employee future benefits liabilities:

The City accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS"), a multi-employer public sector pension fund, which is accounted for as a defined benefit plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the City's employment. Other employee future benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments. Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

Unamortized actuarial gains or losses for event-triggered liabilities, such as those determined as claims related to Workplace Safety and Insurance Board ("WSIB") are amortized over the average expected year during which the benefits will be paid. The cost of plan amendments is accounted for in the year they are adopted.

The City, on approval from City Council, has set aside funds specifically for the financing of future costs.

(k) Investment income:

Investment income is reported as revenue in the year earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue and/or obligatory reserve funds balance.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(l) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(m) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives in number of years as follows:

| | |
|---|----------|
| Buildings | 40 |
| Equipment | 5 - 20 |
| Furniture and fixtures | 10 - 15 |
| Infrastructure | 10 - 100 |
| Library materials, furniture and fixtures | 7 - 10 |
| Park and pathways | 10 - 60 |
| Vehicles | 7 - 9 |
| Waterworks equipment | 9 |
| Waterworks infrastructure | 15 - 100 |

Amortization is prorated to six months in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(i) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Tangible capital assets conveyed from developers are recorded at the estimated engineering value at the time of registration.

(ii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(iii) Interest capitalization:

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(n) Assets:

The assets standard provides additional guidance on the definition of assets and what is meant by economic resources, control, past transactions and events and from which future economic benefits are to be obtained. For the year ended December 31, 2025, all the material assets have been reported.

(o) Inventories:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost. Inventories of heritage land held for sale are recorded at lower of the cost or net realizable value.

(p) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenue and expenses during the year. Actual results could differ from these estimates.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(q) Budget figures:

The approved operating and capital budgets for 2025 are reflected on the consolidated statement of operations and on the consolidated statement of change in net financial assets. The capital budget is report on a project-oriented basis, the costs of which may be carried over one or multiple years and, therefore, may not be comparable with the current year actual amounts. The budget presented in these consolidated financial statements has been reconciled to the approved budgets to reflect the accrual basis of accounting in note 19. As a result of changes to the Municipal Act, 2001 (Part VI Special Powers and Duties of the Head of Council) that affected the associated impact to the City's budget process, City Council approved in-year additions to the 2025 capital budget plan resulting in a change to the 2025 capital budget from \$178,989 as originally approved to \$183,265.

(r) Segment disclosure:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of the segments used and presented financial information in segmented format in note 18.

(s) Contaminated sites:

Contaminated sites are defined as sites that are contaminated as a result of contamination being introduced in air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. This standard relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- an environmental standard exists;
- future economic benefits will be given up; and
- a reasonable estimate of the liability can be made.

(t) Asset retirement obligations:

PS 3280, Asset Retirement Obligations ("ARO"), is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The substantial portion of ARO liability for the City stems from the removal of asbestos in several of the buildings owned by the City. The ARO liability for removal of asbestos has been based on actual demolition cost of a building containing asbestos. The City has also identified associated costs related to the asbestos disposal and calculated a cost per square foot, which was applied to the remaining buildings built before 1990. Where renovations had taken place, the gross area of the structure was pro-rated to account for partial abatement. Assumptions used in the calculations are revised on an annual basis. However, there is no change in assumptions for the year ended December 31, 2025.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

The City elected not to apply present value technique to measuring ARO liability and as a result does not recognize any accretion expenses in the consolidated financial statements.

(u) Public Private Partnerships (“P3”):

PS 3160, Public Private Partnerships, provides for accounting and reporting infrastructure assets and liabilities arising from public private partnership (P3) arrangements in the public sector. It applies to arrangements where a public sector entity collaborates with a private sector partner to design, build, acquire, or improve infrastructure; finance the project beyond its readiness for use; and operate and/or maintain the infrastructure. The standard requires recognition of the infrastructure asset and a corresponding liability when the public sector entity controls the asset's purpose, use, and residual interest, and expects to benefit from its service potential while being exposed to related risks. The asset is initially measured at cost, representing its fair value at the recognition date, and subsequently amortized over its useful life. The liability is measured based on the nature of consideration provided to the private partner, following either the financial liability model or the user-pay model. There is no impact of this standard for the year ended December 31, 2025.

(v) Revenue:

PS 3400, Revenue, provides a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. It distinguishes between exchange transactions (with performance obligations) and non-exchange transactions (without performance obligations). Revenue from exchange transactions is recognized when performance obligations are satisfied, while revenue from non-exchange transactions is recognized when the public sector entity has the authority to claim or retain the resources and a past event has occurred. The standard also provides guidance on measuring revenue, including considerations for variable consideration and non-cash transactions.

(w) Purchased Intangibles:

PSG-8, Purchased Intangibles provides guidance on recognizing and accounting for purchased intangible assets in the public sector. It defines purchased intangibles as identifiable non-monetary economic resources acquired through an arm's length transaction. The guideline requires recognition when the asset meets the criteria under PS 1000, Financial Statement Concepts, and PS 3210, Assets. However, it does not prescribe detailed accounting treatment,

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. **Significant accounting policies (continued):**

instead directing entities to existing public sector accounting standards. PSG-8 does not apply to intangibles acquired through transfers, public private partnerships, or inter-entity transactions.

(x) Contractual rights and obligations:

Contractual rights reflect future rights to economic resources arising from contracts and/or agreements that will result in both an asset and revenue in future fiscal years. Contractual rights for the year ended on December 31, 2025, are disclosed in note 21.

Contractual obligations represent obligations, that will result in liabilities upon the completion of agreed upon terms specified in contracts and/or agreements in future fiscal years. For further details regarding the City's contractual obligations, including the nature, extent and timing of these types of transactions, please refer to note 16.

(y) Contingent assets and liabilities:

Contingent assets and contingent liabilities arise from circumstances when the City is uncertain whether it has an asset and/or liability on the date of the consolidated financial statements. The existence of the asset and/or liability is ultimately dependent upon the occurrence or non-occurrence of a future event that is outside of the entity's control.

For the year ended December 31, 2025, the City is not aware of any contingent asset. However, disclosure regarding the City's contingent liabilities, including the nature, extent, and basis of estimates (if available), can be found in note 17.

(z) Related party transactions:

A related party exists when one party has the ability to exercise control or shared control over the other. Related parties also include key management personnel, such as City Councilors, as well as their close family members.

PS 2200 - Related Party Disclosure, requires the City to disclose circumstances in which the entity enters into transactions with its related parties at a value different from that which would have been arrived at if the parties were unrelated (i.e. not at arm's length) and these transactions are considered to have a significant financial impact on the City's consolidated financial statements. In the event qualifying transactions are identified, the City would disclose the nature of relationships with all involved parties, type of related party transaction, and amounts recognized in the consolidated financial statements.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(aa) Reserves and reserve funds:

Reserve funds are comprised of funds set aside for specific purposes. The City Council has authorized the allocation of interest to reserve funds but not to reserves. There are two types of reserve funds:

- Obligatory reserve funds are funds received and set aside for specific purposes by legislation or contractual agreements. These funds can only be used for prescribed purposes and are reported as deferred revenue on the consolidated statement of financial position.
- Council directed reserve funds are created by council for specific purposes through bylaw and are reported in the accumulated surplus balance on the consolidated statement of financial position.

2. Future accounting pronouncements:

These standards and amendments were not yet effective for the year ended December 31, 2025, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of these accounting standards updates on future consolidated financial statements.

- (a) The Conceptual Framework for Financial Reporting in the Public Sector was revised and 2024-2025 Annual Improvements to Public Sector Accounting Standards were issued. The PSAB approved amendments providing terminology updates to align various sections of the PSAS Handbook with PSAB's Conceptual Framework and Reporting Model. These revisions and amendments are effective for fiscal years beginning on or after April 1, 2026 (the City's December 31, 2027 yearend).
- (b) PS 1202 - Financial Statement Presentation will replace the current section PS 1201. This guideline is effective for fiscal years beginning on or after April 1, 2026 (the City's December 31, 2027 yearend).
- (c) PS 3251 - Employee Benefits, will replace the current sections PS 3250 and PS 3255. The proposed section is currently pending final approval, with an expected effective date of April 1, 2029 (the City's December 31, 2030 yearend).

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

- (d) PS 3150, Tangible Capital Assets. The PSAB has issued amendments related to PS 3150 in May 2025 as a result of implementing its Government Not-for-Profit Strategy, which incorporates the PS 4200 series into public sector accounting standards with potential customization. The amendments to this section are effective for fiscal periods beginning on or after April 1, 2030 (the City's December 31, 2031 yearend).
- (e) PS 3155, Intangible Assets, will replace the current section PSG 8, Purchased Intangibles. The proposed section is currently pending final approval and an effective date for the proposed standard is currently not known.

3. Operations of School Boards and the Region of York:

Further to note 1, requisitions were made by the Region and School Boards requiring the City to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized as follows:

| | School Boards | Region | 2025 | 2024 |
|--------------------------|------------------|------------|------------|------------|
| Taxation | \$ 256,768 | \$ 423,735 | \$ 680,503 | \$ 655,724 |
| Payment in lieu of taxes | 339 | 1,370 | 1,709 | 1,496 |
| Supplementary taxes | 1,322 | 2,670 | 3,992 | 10,000 |
| | \$ 258,429 | \$ 427,775 | \$ 686,204 | \$ 667,220 |

4. Pension agreements:

The City makes contributions to the OMERS, which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employees based on the length of credited service and average earnings. Employees contribute between 9.0% and 15.9% of their salary and the City matches the employee contribution.

Total OMERS contributions amounted to \$33,491 (2024 - \$27,938) of which \$16,755 (2024 - \$13,969) represented the City's portion and \$16,736 (2024 - \$13,969) represented employees' portion. Since OMERS is a multi-employer pension plan, the City does not recognize any share of the pension plan deficit of \$1.3 billion as of December 31, 2025 (2024 - \$2.9 billion) based on the fair market value of the plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

5. Cash and cash equivalents and investments:

| | 2025 | 2024 |
|---------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 259,073 | \$ 268,276 |
| Investments | 466,292 | 354,296 |
| | \$ 725,365 | \$ 622,572 |

The cash and cash equivalent balance includes no investments (2024 - \$3,848) which have a maturity date of less than three months. Investments consist of authorized investments pursuant to the provisions of the Municipal Act and include short-term instruments of various financial institutions, government bonds and treasury bills. As at December 31, 2025, investments, which are reported at cost and amortized cost, Investments, had a market value of \$215,490 (2024 - \$146,177). Investments balance also includes PPN of \$222,244 (2024 - \$159,752) which are reported at fair market value and include \$82,705 (2024 - \$35,362) attributable to unrealized gain which is recorded through the accumulated remeasurement gains on the consolidated statement of remeasurement of gains and losses.

6. Property taxes receivable:

The balance in property taxes receivable, including penalties and interest, is comprised of the following:

| | 2025 | 2024 |
|--|------------------|------------------|
| Current year | \$ 35,093 | \$ 40,560 |
| Arrears prior years | 14,783 | 13,157 |
| | 49,876 | 53,717 |
| Less allowance for uncollectible taxes | 3,606 | 2,951 |
| | \$ 46,270 | \$ 50,766 |

The MPAC is responsible for current value assessment ("CVA") of all properties in Ontario. MPAC determines the CVA for all properties and provides it annually to municipalities in the form of an assessment roll, which the municipalities use to calculate property taxes for each individual property.

The most recent province-wide property assessment was made in 2016 which continues to be the basis for property assessments for property tax determination.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

6. Property taxes receivable (continued):

The City's property tax revenue and property tax receivables rely on the stability of the assessment roll, which is subject to annual assessment appeals that create an amount of uncertainty related to the amount of property tax receivables. Based on the current tax assessments, the City has provided a provision allowance in the amount of \$ 3,606 (2024 - \$2,951).

7. Investment in Markham Enterprises Corporation:

MEC is wholly owned by the City. MEC owns 100% (2024 - 100%) of Markham District Energy Inc. ("MDE") and 15% of Alectra Inc. ("Alectra") (2024 - 15%).

The following consolidated financial statements of MEC include the financial information of its subsidiaries MDE and Alectra for the period from January 1, 2025 to December 31, 2025.

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Assets | | |
| Current | \$ 23,744 | \$ 21,203 |
| Capital assets | 194,908 | 168,875 |
| Investment in Alectra | 351,133 | 328,725 |
| Other | 1,945 | 1,828 |
| Total assets | \$ 571,730 | \$ 520,631 |
| Liabilities and Shareholder's Equity | | |
| Liabilities: | | |
| Current | \$ 17,442 | \$ 47,472 |
| Non-current | 174,378 | 117,337 |
| Total liabilities | 191,820 | 164,809 |
| Shareholder's equity: | | |
| Common shares | 88,838 | 89,848 |
| Promissory notes payable | 11,317 | 11,317 |
| Retained earnings and contributed surplus | 279,755 | 254,657 |
| Total shareholder's equity | 379,910 | 355,822 |
| Total liabilities and shareholder's equity | \$ 571,730 | \$ 520,631 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

7. Investment in Markham Enterprises Corporation (continued):

| | 2025 | 2024 |
|--|-------------------|------------|
| Results of operations | | |
| Revenue | \$ 73,173 | \$ 60,330 |
| Operating expenses | 38,134 | 31,909 |
| Net income | 35,039 | 28,421 |
| Share of other comprehensive income (loss) | 900 | 300 |
| City's share of net income and other comprehensive income in MEC | \$ 35,939 | \$ 28,721 |
| Investment in MEC, beginning of year | \$ 355,822 | \$ 407,946 |
| City's share of net income and other comprehensive income in MEC | 35,939 | 28,721 |
| Dividend received | (10,841) | (11,966) |
| Proceeds from the refund of promissory note from Alectra | - | (67,867) |
| Return of capital | (1,010) | (1,012) |
| Investment in MEC, end of year | \$ 379,910 | \$ 355,822 |

8. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities include financial obligations to outside organizations and individuals as a result of transactions and events on or before the end of the accounting year. They are the result of contracts, agreements and legislation in force at the end of the year that require the City to pay for goods and services acquired or provided prior to year end. A breakdown of accounts payable and accrued liabilities is as follows:

| | 2025 | 2024 |
|------------------------------|-------------------|------------|
| Payable to other governments | \$ 129,816 | \$ 61,959 |
| Trade accounts payable | 90,718 | 86,612 |
| Accrued liabilities | 14,926 | 26,066 |
| Payroll liabilities | 7,389 | 11,792 |
| | \$ 242,849 | \$ 186,429 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

9. Deferred revenue:

Deferred revenue - obligatory reserve funds constitute funds received that have been set aside for specific purposes as outlined in provincial legislation (such as Community Benefit Charge and Section 37 funds), City by-laws and third-party agreements. Deferred revenue - general includes cash received for user charges and security deposits. These amounts will be recognized as revenue in the fiscal year the services are performed, or eligible expenses are incurred. The following represents the activity and year end balances for deferred revenue.

| | Balance, beginning of year | Receipts | Revenue earned | Balance, end of year |
|-----------------------------------|----------------------------------|------------------|-------------------|-------------------------|
| Obligatory reserve funds | | | | |
| Development charges | \$ 205,082 | \$ 16,349 | \$ 32,948 | \$ 188,483 |
| Canada Community Building Fund | 16,957 | 11,633 | 19,149 | 9,441 |
| Section 37 funds | 9,205 | - | 125 | 9,080 |
| Community benefit charge | 2,273 | - | 1,175 | 1,098 |
| Other | 3 | - | - | 3 |
| | 233,520 | 27,982 | 53,397 | 208,105 |
| General | | | | |
| Deferred revenue and deposits | 45,353 | 52,650 | 46,279 | 51,724 |
| | \$ 278,873 | \$ 80,632 | \$ 99,676 | \$ 259,829 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

10. Employee future benefits liabilities:

| | 2025 | 2024 |
|--|------------------|------------------|
| Long-term disability benefits (note 10(a)) | \$ 6,677 | \$ 6,405 |
| Post-employment benefits (note 10(b)) | 20,970 | 19,169 |
| Vested sick leave benefits (note 10 (c)) | 7,663 | 7,260 |
| Workplace Safety and Insurance Board (note 10 (d)) | 8,213 | 7,570 |
| | 43,523 | 40,404 |
| Vacation pay - City | 5,015 | 4,208 |
| Vacation pay - Library | 197 | 187 |
| | \$ 48,735 | \$ 44,799 |

(a) Long-term disability benefits ("LTD"):

The City provides LTD benefits to eligible employees. As at December 31, 2025, the accrued liability of \$ 6,677 (2024 - \$6,405) represents the actuarial valuation of benefits to be paid, based on the history of claims with employees. The City has established a LTD reserve to reduce the future impact of these obligations. The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2023 and projected to December 2025.

(b) Post-employment benefits:

The City provides for post-employment benefits extended health and dental benefits to eligible retiring employees to age 65. The City recognizes these post-employment costs as they are earned during the employee's tenure of service. As at December 31, 2025, the post-employment benefit liability is \$20,970 (2024 - \$19,169). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2024 and projected to December 2025.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

10. Employee future benefits liabilities (continued):

(c) Vested sick-leave benefits:

Under the sick-leave benefit plan, which is available only to the City's firefighters, employees can accumulate unused sick leave and may become entitled to a cash payment when they leave the City's employment. As at December 31, 2025, the liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$ 7,663 (2024 - \$7,260). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2024 and projected to December 2025.

(d) Workplace Safety and Insurance Board ("WSIB") Obligations:

Effective January 1, 1999, the City became a Schedule II employer under the Workplace Safety and Insurance Act and follows a policy of self-insurance for all its employees. The City remits payments to the WSIB as required to fund disability payments. As at December 31, 2025, the estimated future liability relating to the WSIB claims amounted to \$ 8,213 (2024 - \$7,570) and was determined by an actuarial valuation. A Workplace Safety and Insurance Reserve Fund, funded by annual contributions from the Operating Fund, has been established to protect against any unknown future liability. The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2022 and projected to December 2025.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

10. Employee future benefits liabilities (continued):

Information about the City's self-insured, defined benefit plans is as follows:

| | LTD | Post- employment benefits | Vested sick leave | WSIB | 2025 | 2024 |
|--|----------------|---------------------------------|-------------------------|----------------|-----------------|-----------------|
| Accrued benefit liability, beginning of year | \$ 6,405 | \$ 19,169 | \$ 7,260 | \$ 7,570 | \$ 40,404 | \$ 39,074 |
| Service cost | 1,133 | 1,142 | 615 | 943 | 3,833 | 3,628 |
| Interest cost | 296 | 813 | 317 | 433 | 1,859 | 1,750 |
| Increase due to plan amendment/survivor awards | – | 1,462 | – | – | 1,462 | – |
| Benefit payments | (1,216) | (1,545) | (597) | (990) | (4,348) | (4,390) |
| Amortization of actuarial loss (gain) | 59 | (71) | 68 | 257 | 313 | 342 |
| Accrued benefit liability, end of year | 6,677 | 20,970 | 7,663 | 8,213 | 43,523 | 40,404 |
| Unamortized actuarial loss (gain) | 173 | (231) | (133) | (1,821) | (2,012) | (2,354) |
| Accrued benefit obligation, end of year | \$6,850 | \$20,739 | \$7,530 | \$6,392 | \$41,511 | \$38,050 |

The actuarial valuations of the plans were based upon a number of assumptions about the future events, which reflect management's best estimates. The following represents the significant assumptions made:

| | LTD | Post- employment benefits | Vested sick leave | WSIB |
|---|-------|---------------------------------|-------------------------|-------|
| Expected inflation rate | N/A | 2.00% | 2.00% | 2.50% |
| Expected level of salary increase | N/A | 3.00% | 3.00% | 3.00% |
| Interest discount rate | 4.50% | 4.25% | 4.25% | 4.50% |
| Expected Average Remaining Service Life in years | N/A | 13 | 14 | 11 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

11. Long-term liabilities:

As a lower-tier municipality the City does not have the ability to borrow long-term funds, and as such the borrowing is done through the Region. The long-term liabilities issued and outstanding are as follows:

| | 2025 | 2024 |
|--|-----------------|-----------------|
| Canada Mortgage Housing Corporation loan (a) | \$ 3,940 | \$ 4,639 |
| Federation of Canadian Municipalities loan (b) | 1,896 | 2,099 |
| | \$ 5,836 | \$ 6,738 |

(a) The loan of \$12,000 received on July 1, 2010 from Canada Mortgage Housing Corporation through the Region, was used to fund the purchase of the Markham District Energy Birchmount plant. The plant was subsequently leased back to MDE, a 100% owned subsidiary of MEC. The loan is to be amortized over a period of 20 years, at an interest rate of 4.04%. An annual payment to the Region of \$886 consists of principal and interest.

(b) The loan of \$4,000 received on April 14, 2014 from Federation of Canadian Municipalities through the Region was used to fund the cost of Cornell Community Centre. The loan is to be amortized over a period of 20 years, at an interest rate of 2%. An annual payment to the Region of \$244 consists of principal and interest.

Principal payments are repayable annually as follows:

| | |
|------------|-----------------|
| 2026 | \$ 934 |
| 2027 | 967 |
| 2028 | 1,002 |
| 2029 | 1,038 |
| 2030 | 1,076 |
| Thereafter | 819 |
| | \$ 5,836 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

12. Tangible capital assets:

(a) Assets under construction:

Assets under construction having a value of \$100,642 (2024 - \$51,249) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. If the fair market value estimate cannot be reasonably made at the time of contribution, these assets are recorded at nominal value initially and the estimate is updated when a reasonable fair market value estimate can be made. The value of contributed assets received during the year is \$ 236,704 (2024 - \$612,277) comprised of land in the amount of \$ 210,984 (2024 - \$576,098), infrastructure in the amount of \$ 17,470 (2024 - \$7,197) and waterworks equipment and infrastructure in the amount of \$ 7,950 (2024 - \$26,562) and other developers' contributions of \$300 (2024 - \$2,420).

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value cannot be made, the tangible capital asset is recognized at a nominal value. Land is the only asset where nominal values are assigned.

(d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(e) Asset retirement obligations:

The cost of tangible capital assets and accumulated depreciation for buildings and infrastructure includes \$ 19,571 (2024 - \$19,571) and \$ 19,331 (2024 - \$19,250) respectively, attributable to asset retirement costs. As at December 31, 2025, these buildings and infrastructure assets remained in productive use, thus the carrying value of the liability for the asset retirement obligation remained consistent with the values reported in 2024.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

12. Tangible capital assets (continued):

| | Cost | | | Balance, end of year | Accumulated depreciation | | | Net book value | | |
|---|----------------------------------|----------------------------|---------------------------------|----------------------------|----------------------------------|------------------|---------------------------------|----------------------------|---------------------|---------------------|
| | Balance, beginning of year | Additions and transfers | Disposals and adjustments | | Balance, beginning of year | For the year | Disposals and adjustments | Balance, end of year | 2025 | 2024 |
| Land | \$ 3,668,311 | \$ 211,578 | \$ - | \$ 3,879,889 | \$ - | \$ - | \$ - | \$ - | \$ 3,879,889 | \$ 3,668,311 |
| Buildings | 491,548 | 358 | - | 491,906 | 207,923 | 10,903 | - | 218,826 | 273,080 | 283,625 |
| Equipment | 53,461 | 15,768 | (3,480) | 65,749 | 23,604 | 6,468 | (3,480) | 26,592 | 39,157 | 29,857 |
| Furniture and fixtures | 2,504 | 162 | (723) | 1,943 | 1,792 | 161 | (723) | 1,230 | 713 | 712 |
| Infrastructure | 1,643,055 | 38,360 | (10,339) | 1,671,076 | 660,366 | 40,592 | (10,339) | 690,619 | 980,457 | 982,689 |
| Library materials, furniture and fixtures | 16,672 | 2,064 | (3,435) | 15,301 | 10,517 | 1,764 | (3,435) | 8,846 | 6,455 | 6,155 |
| Parks and Pathways | 132,643 | 4,934 | (5,073) | 132,504 | 50,609 | 6,821 | (5,073) | 52,357 | 80,147 | 82,034 |
| Vehicles | 22,195 | 3,766 | (2,884) | 23,077 | 8,538 | 2,573 | (2,884) | 8,227 | 14,850 | 13,657 |
| Waterworks equipment and infrastructure | 1,180,047 | 20,039 | (2,252) | 1,197,834 | 435,587 | 18,096 | (2,252) | 451,431 | 746,403 | 744,460 |
| Total | 7,210,436 | 297,029 | (28,186) | 7,479,279 | 1,398,936 | 87,378 | (28,186) | 1,458,128 | 6,021,151 | 5,811,500 |
| Capital work in progress | 51,249 | 49,393 | - | 100,642 | - | - | - | - | 100,642 | 51,249 |
| | \$ 7,261,685 | \$ 346,422 | \$ (28,186) | \$ 7,579,921 | \$ 1,398,936 | \$ 87,378 | \$ (28,186) | \$ 1,458,128 | \$ 6,121,793 | \$ 5,862,749 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

13. User charges:

| | 2025 | 2024 |
|---------------------------------------|-------------------|-------------------|
| Water and sewer billing to ratepayers | \$ 157,326 | \$ 148,995 |
| Recreation programs | 17,753 | 16,280 |
| Building permits | 16,053 | 14,242 |
| Facility rentals | 13,836 | 13,057 |
| Other | 6,111 | 5,379 |
| Planning and landscaping | 5,639 | 10,752 |
| Engineering | 4,782 | 12,800 |
| Culture venues | 4,259 | 3,872 |
| Parking violations | 3,338 | 3,358 |
| Licenses | 2,398 | 2,315 |
| Total | \$ 231,495 | \$ 231,050 |

Other user charges include property tax administration fees, waterworks services and legal administration fees.

14. Government transfers:

The City recognizes the transfer of government funding as revenue in the year the events giving rise to the transfer occur. The details of government transfers for December 31 are:

| | 2025 | 2024 |
|-----------------------------------|------------------|------------------|
| Provincial grants: | | |
| General government | \$ - | \$ 100 |
| Environmental services | 2,645 | 2,464 |
| Recreation and cultural services | 407 | 407 |
| Planning and development services | 772 | 770 |
| | 3,824 | 3,741 |
| Federal grants: | | |
| General government | 19,151 | 14,184 |
| Environmental services | 1,643 | 1,295 |
| Recreation and cultural services | 176 | 130 |
| Planning and development services | - | 12 |
| | 20,970 | 15,621 |
| | \$ 24,794 | \$ 19,362 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

15. Accumulated operating surplus:

Accumulated operating surplus consists of individual fund surplus and reserves and reserve funds as follows:

| | 2025 | 2024 |
|---|------------------|-----------|
| City operating fund surplus including library, community boards, Destination Markham Corporation and business improvement areas | \$ 15,255 | \$ 18,498 |
| Less transferred to reserve and reserve funds | 10,727 | 14,141 |
| | 4,528 | 4,357 |
| Equity in Markham Enterprises Corporation | 379,910 | 355,822 |
| Invested in tangible capital assets | 6,121,793 | 5,862,749 |
| Other | (91,889) | (92,233) |
| | 6,414,342 | 6,130,695 |
| Reserves set aside for specific purposes by council: | | |
| Berczy landscape feature | 203 | 203 |
| Building fee | 21,267 | 18,401 |
| Capital gains | 41,204 | 22,352 |
| Corporate rate stabilization | 30,046 | 30,046 |
| Development fee | 47,823 | 62,238 |
| Election expenses | 840 | 540 |
| Election rebates | 721 | 658 |
| Facility ramp up | 44,622 | 42,636 |
| Firefighters sick leave benefits | 8,024 | 7,760 |
| Insurance | 6,684 | 5,651 |
| Long-term disability benefits | 25,685 | 25,685 |
| Waterworks | 134,224 | 124,538 |
| | 361,343 | 340,708 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

15. Accumulated operating surplus (continued):

| | 2025 | 2024 |
|---|---------------------|---------------------|
| Reserve funds set aside for specific purposes by council: | | |
| Cemetery expenses | 144 | 139 |
| Emerald Ash Borer | 192 | 192 |
| Environmental land acquisition | 14,707 | 13,969 |
| Environmental sustainability fund | 64 | 62 |
| Heritage | 856 | 485 |
| Heritage land acquisition | 863 | 863 |
| Land acquisition | (418,533) | (398,622) |
| Library infrastructure | 7,627 | 7,374 |
| Life cycle replacement and capital | 266,542 | 254,836 |
| Municipal accommodation tax | 2,543 | - |
| Non-DC growth | 25,755 | 23,536 |
| Post-retirement benefits | 21,811 | 21,086 |
| Public art acquisition | 8,755 | 9,068 |
| Stormwater fee | (3,475) | (2,387) |
| Theatre | 1,231 | 1,147 |
| Trees for Tomorrow program | 369 | 439 |
| WSIB | 9,563 | 8,037 |
| WSIB excess compensation | 3,273 | 3,164 |
| | (57,713) | (56,612) |
| Total | \$ 6,717,972 | \$ 6,414,791 |

16. Commitments:

As at December 31, 2025, the City is committed to minimum annual operating lease payments for premises and equipment as follows:

| | | |
|------|----|-----|
| 2026 | \$ | 114 |
| 2027 | | 100 |
| 2028 | | 52 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

17. Contingencies:

Unsettled legal claims and potential other claims:

The City has been named as the defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable at this time and, accordingly, no provision has been made in these consolidated financial statements for any liability that may result.

18. Segmented information:

The City is a diverse municipal government that provides a wide range of services to its citizens. For management reporting purposes, the City's operations and activities are organized functionally based on services provided. Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenues are allocated to the segments based upon the segment that generated the revenue. Government transfers are allocated to the segment based upon the purpose for which the transfer was made. Deferred revenues earned and developer contributions are allocated to general government.

The segmented information of revenues and expenses with a brief description of the service area, is as follows:

(a) General government:

General government service area includes the Office of Mayor and Members of Council, Chief Administrative Officer, People Services (Human Resources), Legal, Sustainability and Asset Management Office, Legislative Services, Financial Services, Corporate Communications and Community Engagement and Information Technology Services. The departments are responsible for general governance and corporate management.

(b) Protection to persons and property:

Protection service area includes Fire and Emergency Services and Building Standards. The departments are responsible to perform fire prevention and protection, fire alarm, building services and other auxiliary services.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2025

18. Segmented information (continued):

(c) Transportation services:

Transportation service area includes roads, parking control and asset management. The departments are responsible for road maintenance, hard-top and loose-top maintenance, winter patrol, salt, sanding, snow removal, street lighting and administration of facilities and parking.

(d) Environmental services:

Environmental service area includes Waterworks and Waste Management. The departments are responsible for the administration of the sanitary and storm sewer system, distribution of water, and the administration of garbage collection and garbage recycling.

(e) Recreation and cultural services:

The recreation and cultural service area includes park, recreation services, culture services and Markham Public Libraries. The departments are responsible for providing and facilitating the development and maintenance of high-quality parks, recreation services and cultural services and administration of libraries.

(f) Planning and development services:

Planning and development services area includes planning and urban design and engineering. The departments are responsible for administration of land use plans and policies for sustainable development of the City.

(g) Other:

The Legislative Services department is responsible for administration of cemetery maintenance and morgues.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

18. Segmented information (continued):

| | General government | Protection to persons and Transportation property | Environmental services | Recreation and cultural services | Planning and development services | Other | 2025 | 2024 | |
|---|-----------------------|--|---------------------------|---|--|-------------|------------|------------|------------|
| Revenue: | | | | | | | | | |
| Property taxes | \$ 200,555 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 200,555 | \$ 192,366 | |
| User charges | 11,402 | 16,624 | 1,089 | 158,901 | 33,053 | 10,426 | 231,495 | 231,050 | |
| Government transfers | 19,152 | - | - | 4,287 | 583 | 772 | 24,794 | 19,362 | |
| Contribution from developers and others | 236,704 | - | - | - | - | - | 236,704 | 612,277 | |
| Investment income | 50,437 | - | - | - | - | - | 50,437 | 39,671 | |
| Tax penalties | 7,864 | - | - | - | - | - | 7,864 | 7,312 | |
| Gain on sale of tangible capital assets | 323 | - | - | - | - | - | 323 | - | |
| Deferred revenue earned | 49,689 | - | - | - | - | - | 49,689 | 39,817 | |
| Equity income from Markham Enterprises Corporation | 35,039 | - | - | - | - | - | 35,039 | 28,421 | |
| Other | 16,940 | 470 | 1,189 | 236 | 1,151 | 1,767 | 21,753 | 21,994 | |
| | 628,105 | 17,094 | 2,278 | 163,424 | 34,787 | 12,965 | 858,653 | 1,192,270 | |
| Expenses: | | | | | | | | | |
| Salaries, wages and employee benefits | 44,847 | 61,795 | 21,256 | 10,037 | 60,110 | 11,697 | 209,742 | 190,671 | |
| Operating materials and supplies | 15,139 | 2,006 | 8,436 | 1,692 | 15,144 | 1,141 | 43,588 | 37,982 | |
| Contracted services | 13,351 | 1,651 | 16,195 | 151,554 | 13,230 | 14,961 | 210,942 | 187,048 | |
| Rents and financial | (2,699) | 296 | 398 | 3,828 | 1,187 | 136 | 3,146 | 2,425 | |
| External transfers to others | 463 | - | - | - | - | - | 463 | 370 | |
| Long-term debt charges | 213 | - | - | - | - | - | 213 | 245 | |
| Amortization of tangible capital assets | 4,699 | 2,370 | 33,208 | 25,751 | 21,350 | - | 87,378 | 85,417 | |
| | 76,013 | 68,118 | 79,493 | 192,862 | 111,021 | 27,935 | 555,472 | 504,158 | |
| Annual surplus (deficit) | \$ 552,092 | \$ (51,024) | \$ (77,215) | \$ (29,438) | \$ (76,234) | \$ (14,970) | \$ (30) | \$ 303,181 | \$ 688,112 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

19. Budget figures:

The budget figures presented in these consolidated financial statements are based on the Council approved 2025 budget, inclusive of in-year additions to the capital budget due to change in Municipal Act, 2001 (note 1(q)). The following table reconciles the approved budget figures as presented in these consolidated financial statements using the accrual basis of accounting.

| | 2025 | 2024 |
|-----------------------------|------------------|------------|
| Revenue: | | |
| Approved operating budget | \$ 496,183 | \$ 469,433 |
| Approved capital budget | 183,265 | 128,195 |
| Transfer from reserve funds | (95,520) | (65,651) |
| | 583,928 | 531,977 |
| Expenses: | | |
| Approved operating budget | 496,183 | 469,433 |
| Transfer to reserve funds | (66,569) | (64,371) |
| Expenses not capitalized | 31,724 | 30,502 |
| Post-employment benefit | 958 | 361 |
| Amortization | 86,363 | 84,830 |
| | 548,659 | 520,755 |
| Annual surplus (deficit) | \$ 35,269 | \$ 11,222 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

20. Trust funds:

Trust funds administered by the City for the benefit of others amounting to \$2,507 (2024 - \$2,462) have not been included in the consolidated statement of financial position of the City nor have their operations been included in the consolidated statement of operations of the City. The details of the trust funds are as follows:

(a) Morgan Park Trust Fund:

The T. & G. Morgan Memorial Fund in Markham Village was established in 1918 as a result of the last Will and Testament of George Morgan to hold funds, the interest earned on which can be used to offset certain maintenance costs of Morgan Park. As at December 31, 2025, the trust fund balance was \$97 (2024 - \$94).

(b) Varley-McKay Art Foundation Trust Fund:

The Varley-McKay Art Foundation Trust Fund was established by Council Resolution on December 11, 2001. The Varley-McKay Art Foundation Trust Fund is funded by the amount received from the Estate of Kathleen G. McKay. Interest earned on these funds is available to the Varley-McKay Art Foundation of Markham to fund art appreciation and development. As at December 31, 2025, the trust fund balance was \$1,351 (2024 - \$1,299).

(c) Markham Environmental Advisory Committee Trust Fund:

The Markham Environmental Advisory Committee (previously the Markham Conservation Committee) Trust Fund was established by Council Resolution on April 15, 1992 to receive donations, grants, subsidies, and other amounts, to be used to cover costs associated with conservation and naturalization programs and projects undertaken by the Markham Environmental Advisory Committee. As at December 31, 2025, the trust fund balance was nil (2024 - nil).

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

20. Trust funds (continued):

(d) Cemetery Trust Funds:

The Cemetery Trust Funds was established under the Regulations of the Cemeteries Act (the "Regulations") to accumulate certain funds from the sale or transfer of an interment right to a purchaser in accordance with the Regulations. These funds are to be held in trust for the care and maintenance of the cemetery. Interest earned on amounts held by the Cemetery Trust Funds is used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations. As at December 31, 2025, the trust fund balance was \$945 (2024 - \$945).

(e) Older Adults In Action Trust Fund:

Council Resolution established the Older Adults in Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre. As at December 31, 2025, the trust fund balance was \$12 (2024 - \$12).

(f) Markham History - Research and Publication Trust Fund:

The Markham History – Research and Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham's history. As at December 31, 2025, the trust fund balance was \$102 (2024 - \$112).

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

21. Contractual rights:

The City revenue to be generated in the future, in relation to existing lease agreements are approximately \$24,525. The City has also entered into Provincial funding agreements, whereby the estimated future funding is \$ 34,144.

| | Lease agreements | Provincial funding agreements |
|--------------|---------------------|-------------------------------------|
| 2026 | \$ 4,368 | \$ 11,086 |
| 2027 | 4,066 | 11,529 |
| 2028 | 4,018 | 11,529 |
| 2029 | 3,572 | - |
| 2030 | 2,554 | - |
| Thereafter | 5,947 | - |
| Total | \$ 24,525 | \$ 34,144 |

22. Financial instruments:

(a) Fair value measurement hierarchy:

All financial instruments must be classified in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- Level 1 - when valuation can be based on quoted prices in active markets for identical assets and liabilities;
- Level 2 - when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable; and
- Level 3 - when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

22. Financial instruments (continued):

Fair value inputs are taken from observable markets where possible, but if they are unavailable, judgement is required in establishing fair value. The City's fair value hierarchy is classified as Level 2 for PPN. The classification for disclosure purposes has been determined in accordance with generally accepted pricing models, based on discounted cash flow analysis, with the most significant inputs being the contractual terms of the instrument and the market discount rates that reflect the credit risk of counterparties.

| 2025 | Level 1 | Level 2 | Level 3 | Total |
|--|------------|---------|---------|------------|
| Financial assets | | | | |
| Cash and cash equivalents | \$ 259,073 | \$ – | \$ – | \$ 259,073 |
| Investments | 244,048 | 222,244 | – | 466,292 |
| Property taxes receivable | 46,270 | – | – | 46,270 |
| Accounts receivable | 97,750 | – | – | 97,750 |
| Financial liabilities | | | | |
| Accounts payable and accrued liabilities | 242,849 | – | – | 242,849 |
| Long-term liabilities | 5,836 | – | – | 5,836 |
| <hr/> | | | | |
| 2024 | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | |
| Cash and cash equivalents | \$ 268,276 | \$ – | \$ – | \$ 268,276 |
| Investments | 194,544 | 159,752 | – | 354,296 |
| Property taxes receivable | 50,766 | – | – | 50,766 |
| Accounts receivable | 87,573 | – | – | 87,573 |
| Financial liabilities | | | | |
| Accounts payable and accrued liabilities | 186,429 | – | – | 186,429 |
| Long-term liabilities | 6,738 | – | – | 6,738 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

22. Financial instruments (continued):

The carrying amount of cash and cash equivalents, investments excluding those as disclosed in note 5, property taxes receivables, accounts receivable, accounts payable and accrued liabilities and long-term liabilities approximate their fair value due to the short-term maturity of these financial instruments.

The carrying value and fair value of the City's other financial instruments are as follows:

| | 2025 | | 2024 | |
|---------------------------|----------------|------------|----------------|------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| Principal protected notes | \$137,500 | \$222,444 | \$ 125,400 | \$ 159,752 |
| Bonds | 199,048 | 215,490 | 151,212 | 146,177 |
| GICs | 45,000 | 45,000 | 45,000 | 45,000 |
| | \$381,548 | \$482,734 | \$ 321,612 | \$ 350,929 |

(b) Credit risk:

Credit risk is the risk of a financial loss to the City if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the City consisting of accounts receivable.

As at December 31, 2025, there were no significant balances of accounts receivable due from any single customer. There was nil (2024 - nil) of write-offs during the year except for the write offs of \$541 (2024 - \$636) related to Section 354 of the Municipal Act, 2001 which was approved by the City Council . The City actively monitors accounts receivable and has the right to enforce payment as per the contract. Management has reviewed the outstanding accounts receivable and determined that no allowance for doubtful accounts is required, as all amounts are expected to be collected. Accounts receivable consist primarily of amounts due from related parties that are profitable entities, as well as accrued interest on investments, which is expected to be collected upon the maturity of the underlying investments. Based on the nature of these balances and the financial position of the counterparties, management considers the risk of non-collection to be minimal.

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

22. Financial instruments (continued):

(c) Liquidity risk:

Liquidity risk is the risk that the City will not be able to meet its obligations as they become due. The City's objective is to have sufficient liquidity to meet these liabilities when due. The City monitors its cash balance and cash flows generated from operations to meet its liquidity requirements.

Contractual cash flows:

| 2025 | Carrying value | Within 1 year | 1 - 5 years | > 5 years | Total |
|---|----------------|---------------|-------------|-----------|------------|
| Accounts payable and accrued liabilities | \$242,849 | \$242,849 | \$ - | \$ - | \$ 242,849 |
| Liability for asset retirement obligation | 19,571 | - | - | 19,571 | 19,571 |
| Long-term liabilities | 5,836 | 934 | 4,083 | 819 | 5,836 |
| | \$268,256 | \$243,783 | \$4,083 | \$20,390 | \$ 268,256 |

| 2024 | Carrying value | Within 1 year | 1 - 5 years | > 5 years | Total |
|---|----------------|---------------|-------------|-----------|------------|
| Accounts payable and accrued liabilities | \$ 186,429 | \$ 186,429 | \$ - | \$ - | \$ 186,429 |
| Liability for asset retirement obligation | 19,571 | - | - | 19,571 | 19,571 |
| Long-term liabilities | 6,738 | 901 | 5,015 | 822 | 6,738 |
| | \$ 212,738 | \$ 187,330 | \$ 5,015 | \$ 20,393 | \$ 212,738 |

THE CORPORATION OF THE CITY OF MARKHAM

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2025

22. Financial instruments (continued):

(d) Market risk:

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the City's net results of operations or the fair value of its holdings of financial instruments.

- Foreign currency risk - the City is not exposed to any significant currency risk due to limited foreign currency transactions.
- Interest rate risk - the City limits its exposure to interest rate risk by issuing long-term fixed rate debt in the form of debentures, and promissory notes. At December 31, 2025, the City did not hold financial assets or financial liabilities that expose it to significant variation in cash flow due to fluctuations in interest rates.
- Other price risk - other price risk arises when the fair value of equity funds changes due to a decrease in a stock market index or other risk variables. The City's exposure to this type of risk is limited to investments in PPN.



The Corporation of the City of Markham

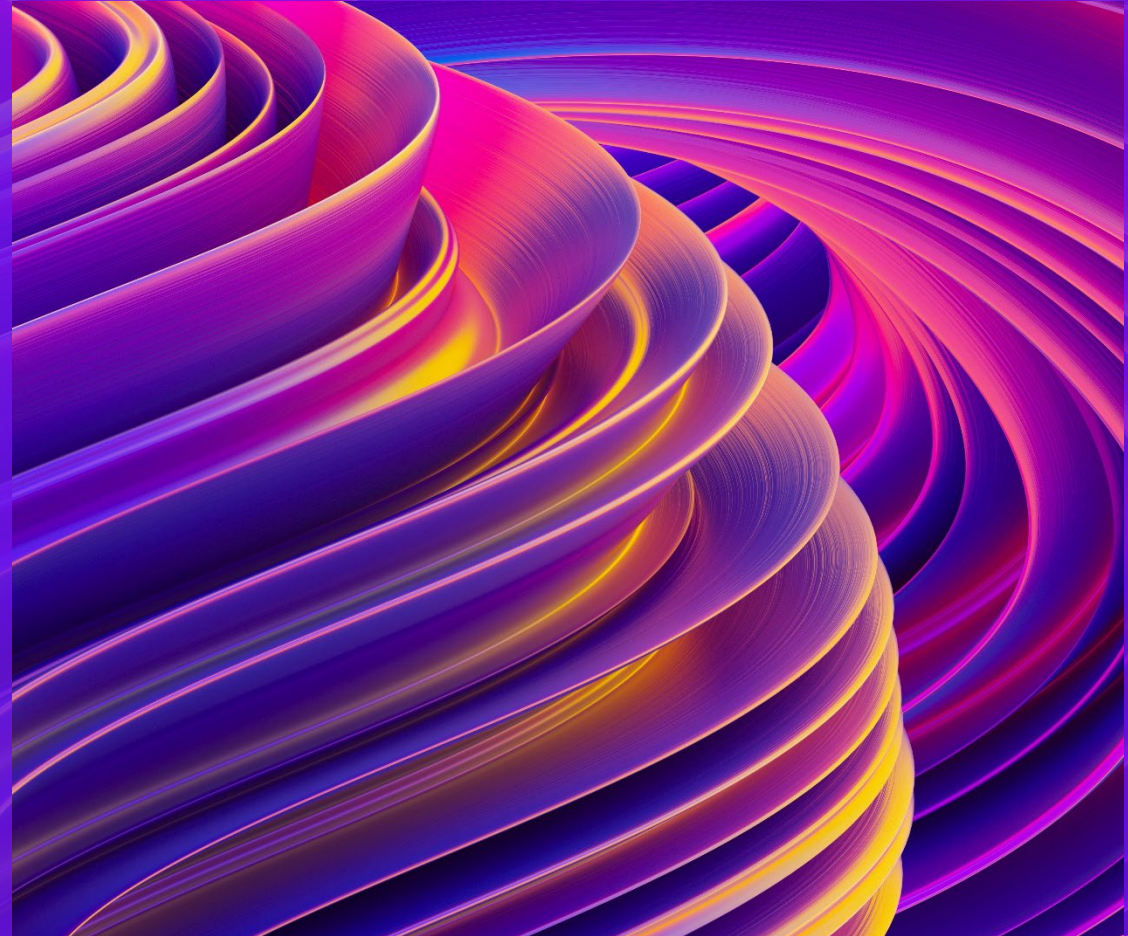
Audit Findings Report
for the year ended
December 31, 2025

KPMG LLP

Licensed Public Accountants

Prepared as of April 6, 2026 for presentation to the General
Committee on April 21, 2026

kpmg.ca/audit



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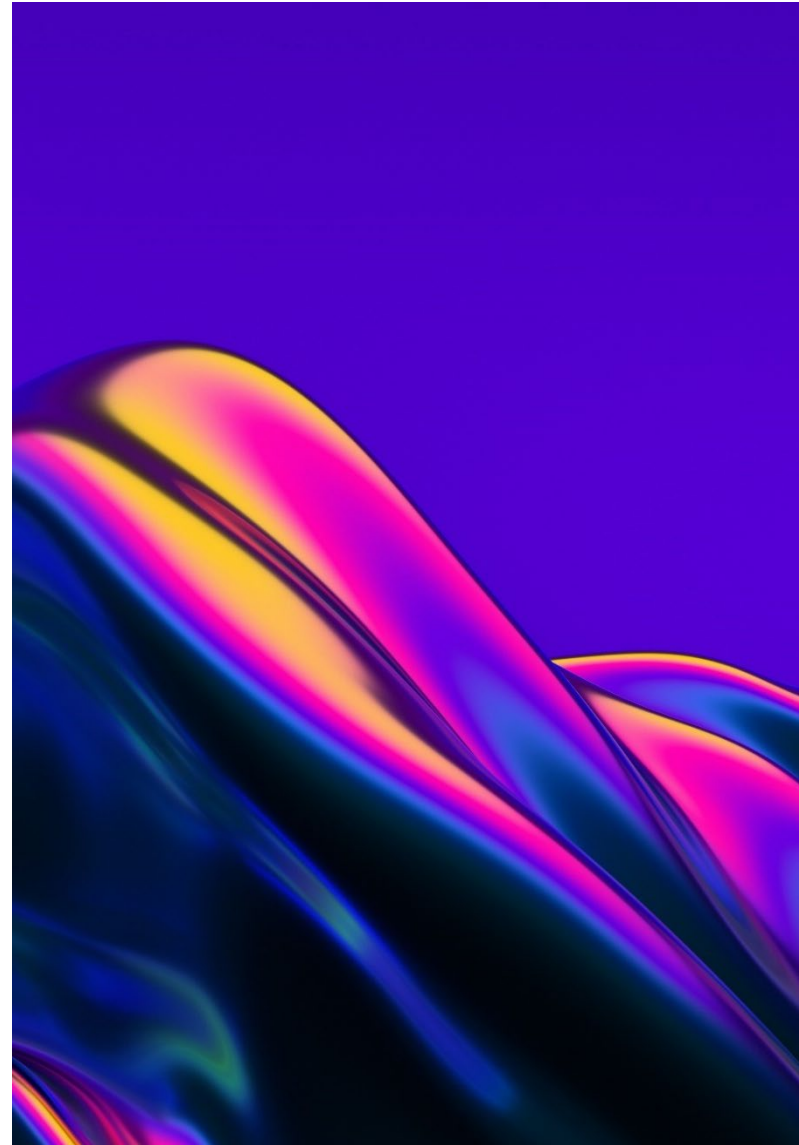


Table of contents

Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.



Highlights



Status



Risks and results



Control deficiencies



Audit quality



Appendices

Audit highlights




No matters to report



Matters to report – see link for details

Status

We have completed the audit of the consolidated financial statements (“financial statements”), with the exception of certain remaining outstanding procedures, which are highlighted on the ‘Status’ slide of this report.




Significant changes


Significant changes since our audit plan

There were no significant changes to our audit plan which was originally communicated in the audit planning report.

Risks and results

Presumption of the risk of fraud involving improper revenue recognition

Management override of controls 

Other significant findings and results 

- Tangible capital assets
- Deferred revenue earned
- Employee future benefits liabilities
- Investments
- Contingencies
- Markham Enterprise Corporation (MEC)

Policies and practices


Accounting policies and practices

Control deficiencies

Significant deficiencies

- We did not identify any significant control deficiencies that we determined to be significant deficiencies in internal control over financial reporting. See slide 13 for certain required communications regarding control deficiencies.

Audit Quality

Learn more about how we deliver audit quality 



The purpose of this report is to assist you, as a member of the General Committee, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management and the General Committee, and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Status

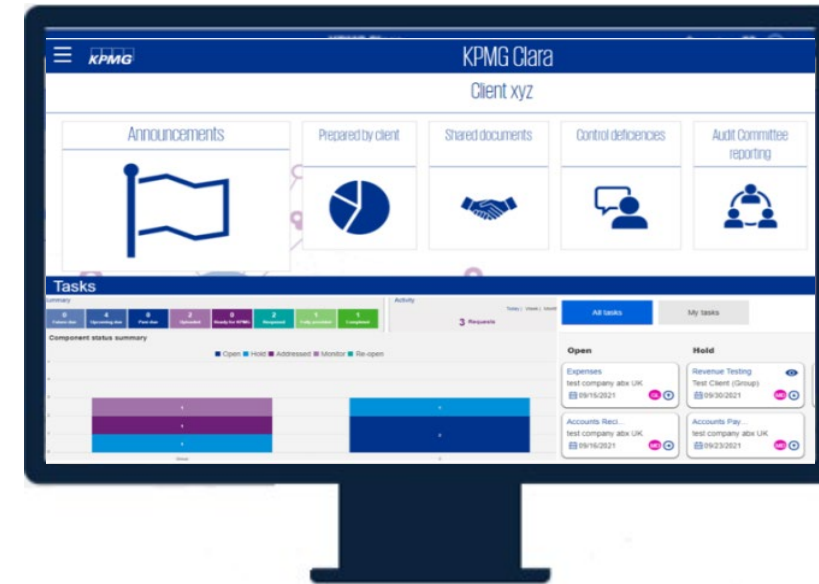
As of the preparation of this Audit Findings Report, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the General Committee
- Obtaining evidence of management's approval of the financial statements
- Completion of subsequent event review procedures
- Receipt of outstanding legal confirmation and completion of legal inquiries follow-up procedures
- Receipt of the signed management representation letter (to be signed upon the approval of the financial statements)

We will update the General Committee, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

Our auditor's report will be dated upon the completion of any remaining procedures.

KPMG Clara for Clients (KCc)



Real-time collaboration and transparency

We leveraged **KCc** to facilitate real-time collaboration with management and provide visual insights into the status of the audit!

On our audit we used KCc to coordinate requests with management.



Significant risks and results

We highlight our significant findings in respect of **significant risks**.



Management override of controls

RISK OF
FRAUD

Significant risk

Estimate?

No

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our response


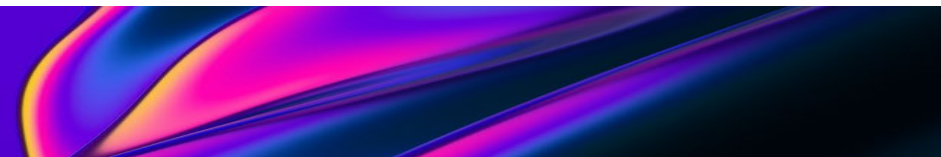
- As this risk is not rebuttable, our audit methodology incorporated the required procedures in professional standards to address this risk.
- We performed procedures consistent with professional standards to address this risk. These procedures include the following:
 - testing of journal entries and other adjustments;
 - performing retrospective review of estimates;
 - evaluating the business rationale of significant unusual transactions.

Significant findings

We did not identify any issues or concerns regarding management override of controls.

Other significant findings and results

We highlight **other significant findings**, including such findings in other areas of focus as identified in the Audit Plan as follows:

|  | Tangible capital assets | |
|--|-------------------------|--|
| Other significant findings | Estimate? | |
| <p>Tangible capital assets present the biggest non-financial asset for the City. There is a risk of material misstatement related to the existence and accuracy of tangible capital assets and accuracy of timing of revenue recognition, particularly related to funds intended for tangible capital assets.</p> | No | |
| Our response and significant findings | | |
| <ul style="list-style-type: none"> We reviewed on a sample basis the additions to tangible capital assets and noted that management has appropriately capitalized the additions including transfers from work in progress to tangible capital assets. We obtained assurance related to the accuracy and existence of these additions and also assessed if these additions met the criteria for capitalization. For each sample of additions to tangible capital assets reviewed, we also assessed whether any of the additions related to a procurement contract for infrastructure or a betterment to infrastructure with private sector partners that would meet the recognition criteria under PS 3160, Private Public Partnership and PSG-8, Purchased Intangibles. We reviewed work in progress additions to ensure amounts are properly transferred to correct capital asset classes and amortization commences on a timely basis. We obtained amortization policy and assessed reasonableness of estimated useful lives in use and to address the requirements of CAS540, Auditing Accounting Estimates and Related Disclosure related to useful lives. There were no other significant findings as a result of our audit procedures for tangible capital assets. The amounts reported for tangible capital assets are reasonable and disclosures in the financial statements are in accordance with the Public Sector Accounting Standards. | | |
|  | | |

Other significant findings and results



Deferred revenue earned

Other significant findings

Estimate?

Recognition of revenue relating to amounts previously deferred as a result of legislation or contractual agreements. During our substantive testing, we noted that the City recognized \$50M (2024 - \$40M) of deferred revenue earned.

No

Our response and significant findings

- We obtained the deferred revenue continuity schedule and selected samples for testing to determine if the selected amounts had been recognized in the current year in accordance with the appropriate legislation or agreements that the revenues pertain to.
- We recalculated management's calculation of deferred revenue – obligatory reserve funds as at year-end.
- We also selected a sample of the increases (cash receipts) and decreases (revenue recognized) for deferred revenue during the current year to ensure appropriate revenue recognition.
- No exceptions were noted during testing.

Other significant findings and results



Employee future benefits liabilities

Other significant findings

Employee future benefits represent a liability computed by management's actuarial experts. As the employee future benefits liabilities are significant and complex estimates, KPMG actuarial specialists were involved in completing the audit procedures.

Estimate?

Yes – Employee future benefits is a calculation as determined by actuarial experts. This involved numerous inputs and assumptions.

Our response

- We assessed the participant data supplied by management to the Actuary for completeness and accuracy.
- We obtained the actuarial valuation report and engaged our KPMG actuarial specialist team to audit the method and assumptions applied in the valuation.
- We evaluated the discount rate in comparison with rates issued by the Canadian Institute of Actuaries ("CIA") and KPMG LLP.
- We assessed the qualifications, competence and objectivity of the actuary as required by the Canadian auditing standards.
- We assessed the disclosures in the financial statements against the requirements of the PSAS.

Significant findings

- Based on our review of the memo prepared by the Actuary, we noted that method applied for the estimate is acceptable per CIA and PSAS 3250 Retirement Benefits.
- KPMG actuarial specialist team assessed the key assumptions including discount rate used by the Actuary in light of the City's financial results. KPMG specialists noted that the assumptions used were set at the time of the most recent full valuation of the Plans (December 31, 2024). This is not in accordance with the Accounting Standard for an unfunded plan which requires assumptions to be appropriate at the measurement date. Some assumptions may not need to be updated annually but certain assumptions such as the discount rate for the funded plans can differ significantly year-over-year due to change in market conditions and thus need to be reassessed and re-determined on an annual basis at each measurement date. For 2025 year-end, this issue has immaterial impact on financial reporting.
- The disclosures included in the financial statements are in accordance with the requirements of the PSAS.

Other significant findings and results



Investments

Other significant findings

In accordance with PS 3450 Financial Instruments, investments with embedded derivative components must be recorded at fair value. PS 3450 allows the City to either bifurcate the embedded derivatives from the host contract or value the entire contract at fair value. The City has elected to designate the entire instrument at fair value.

The City records the Principal Protected Notes (PPNs) at fair value due to that embedded derivatives that fall under the requirements of PS 3450. The cumulative change in fair value of the instrument is recorded in accumulated surplus as remeasurement gains and losses.

During the year, the City recognized \$61.2M (2024 – \$26.9M) as unrealized gain attributable to revaluation of PPNs, as reflected in the Statement of Remeasurement Gains and Losses.

The other remaining investments are carried at cost and amortized cost but have their fair value disclosed in the Financial statement notes.

Estimate?

Yes – PPNs are hybrid structured products combining a zero-coupon bond with an embedded derivative linked to an underlying asset.

Valuation of the embedded derivative requires decomposing the note and isolating the option-based return feature, often requiring complex, fair-value-based modeling.

Our response and significant findings

- We obtained and reviewed management's support for fair value reported by the City for PPNs.
- We confirmed all of the investment balances with investment managers, CIBC Wood Gundy and BMO Nesbitt Burns.
- We performed testing on a sample of PPNs by agreeing the values reported on confirmations to the financial institution's website to assess comparability.
- We assessed the fair value of the other remaining investments using observable, independent market pricing data obtained from S&P Global Market Intelligence (Capital IQ).
- We engaged the financial instruments valuation specialist to assist us with the assessment of the fair market value of the bond instruments.
- We reviewed financial statement note disclosure in line with the PSAS.
- No matters to report.

Other significant findings and results



Contingencies

Other significant findings

Estimate?

PSAS 3300 Contingent Liabilities requires that the City recognize a liability when “it is likely that a future event will confirm that a liability has been incurred at the date of the financial statements; and the amount can be reasonably estimated.” At any point in time, the City is subject to a number of matters which could potentially result in the determination of a contingent liability as defined above, including, but not limited to matters such as legal claims, etc.

Yes

At year end, no provision has been made in the financial statements for any liability that may result.

Our response and significant findings

- We reviewed the City’s assessments of contingent liabilities and the process employed to develop and record the estimated liabilities. Where applicable, we met with the individuals responsible for the process and are satisfied that the methodology used is consistent with the approach taken in prior years and has been appropriately reviewed.
- We obtained external legal confirmations and reviewed the pending legal matters in terms of determination of likelihood and measurability.
- We did not note any issues in the City’s assessment of contingent liabilities and amount of related liabilities for the year-ended December 31, 2025.

Other significant findings and results



Markham Enterprise Corporation (MEC)

Other risk of material misstatement

Estimate?

No

The City recognizes its investment in MEC using the modified equity method. We reviewed the criteria per PS 3070, Investment in Government Business Enterprises and noted the City's investment in MEC continues to meet the criteria of the section and therefore it is appropriate to continue to record the investment in MEC using the modified equity method of accounting.

Included in the annual surplus for the City for the year is \$35.0M (2024 - \$28.4M), which represents 100% of the net income of MEC for the year. The City's share of MEC's other comprehensive gain of \$900K (2024 - \$300K) is reported in the Statement of Remeasurement Gains and Losses.

During the year, MEC paid the City dividends of \$10.8M (2024 - \$12.0M), which are treated as a reduction to the investment under the modified equity method. There was a return of capital to the City of \$1M (2024 - \$1M), which is also treated as a reduction to the investment.

Our response and significant findings

- We reviewed the MEC modified equity method calculation for above transactions.
- We reviewed notes disclosures and noted these transactions are disclosed properly in Note 7 of the consolidated financial statements
- Based on the audit work performed, there were no other items of significance to be reported.

Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

No significant deficiencies in internal control were noted during the audit.



Our commitment to delivering audit quality

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

Businesses are integrating technology in ways once unimaginable. Geopolitical changes and inflationary pressures continue to drive uncertainty, and businesses need to take action to respond to societal threats like climate change.

The pace and scale of change only strengthens our resolve to ensure the quality, consistency and adaptability of our services are fit for this new future. Audit and assurance quality remains the highest priority at KPMG.

Through sustained innovation, we aim to consistently deliver superior audit quality. Across the global organization:

- KPMG firms have implemented a consistent risk-based approach to our system of quality management to drive audit and assurance quality, enabling us to meet the requirements of the International Standard on Quality Management 1 (ISQM 1).
- We are utilising powerful technologies on audit and assurance engagements, including artificial intelligence, and leveraging our alliances with technology leaders such as Microsoft to further enhance quality and provide even more value through deeper analysis of businesses, no matter their size.
- We believe the same level of rigour, quality, consistency and trust that is applied to financial statement information by companies should also apply to ESG reporting. Therefore, across the global organization we have deployed an assurance methodology, KPMG Clara workflow and learning tools to upskill and build teams to provide assurance on ESG reporting that helps our clients build a more sustainable future.

We encourage you to read our Transparency Report to learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:




[KPMG Canada Transparency Report](#)


How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. We have strengthened the consistency and robustness of our system of quality management to meet the requirements of ISQM 1 (CSQM 1), issued by the International Audit and Assurance Standards Board. Foundational for quality management, KPMG's globally consistent approach to ISQM 1 drives compliance with the standard and our efforts to strengthen trust and transparency with clients, the capital markets and the public we serve.

Aligned with ISQM 1 (CSQM 1), our SoQM meets the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements.

Our **Global Quality Framework** outlines how we deliver quality and how every KPMG professional contributes to its delivery.

 **'Perform quality engagements'** sits at the core, along with our commitment to continually monitor and remediate to fulfil our quality drivers.

 Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.

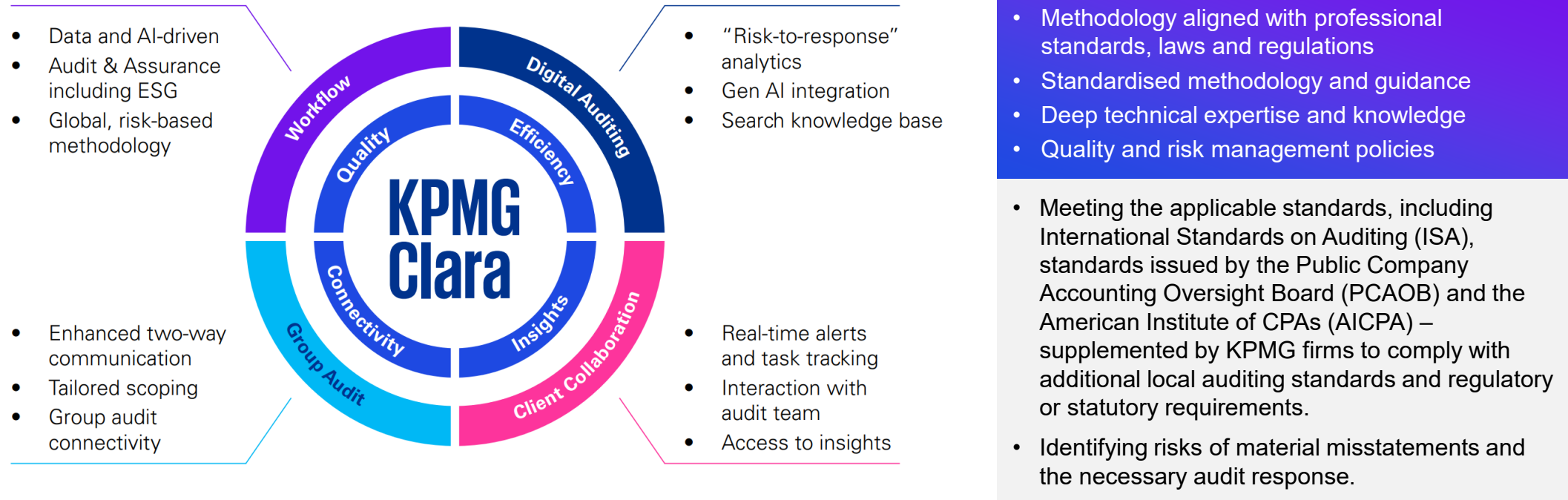


Doing the right thing. Always.

The KPMG Audit

Globally consistent audit and assurance methodology and tools

As a scalable, intuitive cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which align with the applicable audit and assurance standards and provide an improved experience to audit and assurance professionals.



Appendices

A Other required communications

B Required inquiries

C Future changes in accounting standards

D Insights

E Cyber for Municipality

F Municipal Government Service Offering

G Unleashing tomorrow – today with AI



Appendix A: Other required communications



Engagement terms

A copy of the engagement letter and any subsequent amendments has been provided to the General Committee.



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Regulatory Oversight Report: 2023 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2024 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2024 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2025 Interim Inspections Results](#)

Appendix B: Required inquiries of the General Committee



Inquiries regarding risk assessment, including fraud risks

- What are the General Committee's views about fraud risks, including management override of controls, in the City? And have you taken any actions to respond to any identified fraud risks?
- Is the General Committee aware of, or has the General Committee identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
 - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the General Committee exercise oversight over management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Is the General Committee aware of any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
- Is the General Committee aware of any correspondence with regulators or licensing authorities?
- Is the General Committee aware of any additional matters relevant to the audit?



Inquiries regarding company processes

- Is the General Committee aware of or have they received tips or complaints regarding the City's financial reporting (including those received through the General Committee's internal whistleblower program, if such programs exist)? If so, what was the General Committee's responses to such tips and complaints?
- Has the City complied with all covenants during the financial statement period and before the date of the auditor's report? Have there been any events of default during the financial statement period and before the dates of the auditor's report?



Inquires regarding related parties and significant unusual transactions

- Is the General Committee aware of any instances where the City entered into any significant unusual transactions?
- What is the General Committee's understanding of the City's relationships and transactions with related parties that are significant to the City?
- Is the General Committee concerned regarding relationships or transactions with related parties? If so, what is the substance of those concerns?

Appendix C: Future changes in accounting standards

| Standard | Summary and implications |
|--|---|
| Financial Statement Presentation | <ul style="list-style-type: none"> The proposed section PS 1202 <i>Financial statement presentation</i> will replace the current section PS 1201 <i>Financial statement presentation</i>. PS 1202 <i>Financial statement presentation</i> will apply to fiscal years beginning on or after April 1, 2026 (<i>the City's December 31, 2027 year-end</i>) to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted. The section includes the following: <ul style="list-style-type: none"> Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained. Separating liabilities into financial liabilities and non-financial liabilities. Restructuring the statement of financial position to present total assets followed by total liabilities. Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called "accumulated other". A new provision whereby an entity can use an amended budget in certain circumstances. Inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position. |
| Concepts Underlying Financial Performance | <ul style="list-style-type: none"> The revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026 (<i>the City's December 31, 2027 year-end</i>) with earlier adoption permitted. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards. The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced. |

Appendix C : Future changes in accounting standards (continued)

| Standard | Summary and implications |
|--------------------------|---|
| Employee benefits | <ul style="list-style-type: none">• The Public Sector Accounting Board has initiated a review of sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>.• The intention is to use principles from International Public Sector Accounting Standard 39 <i>Employee benefits</i> as a starting point to develop the Canadian standard.• Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, the new standards will be implemented in a multi-release strategy. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues.• The proposed section PS 3251 <i>Employee benefits</i> will replace the current sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>.• This proposed section would result in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. Organizations would also assess the funding status of their post-employment benefit plans to determine the appropriate rate for discounting post-employment benefit obligations.• Final approval of the standard is expected in Spring 2026, with an effective date of April 1, 2029 (<i>the City's December 31, 2030 year-end</i>). |



Appendix C : Future changes in accounting standards (continued)

| Standard | Summary and implications |
|--|--|
| 2024-2025 Annual Improvements to Public Sector Accounting Standards | <ul style="list-style-type: none"> The Public Sector Accounting Board has issued an exposure draft proposing terminology updates and amendments to align various sections of the PSA Handbook with PSAB's Conceptual Framework and Reporting Model. The comment period is closed. Final amendments are expected to be issued in November 2025, with an effective date of April 1, 2026 (<i>the City's December 31, 2027 year-end</i>). |
| Tangible Capital Assets | <ul style="list-style-type: none"> The Public Sector Accounting Board has issued amendments to Section PS 3150 in May 2025 as part of implementing its Government Not-for-Profit Strategy, which incorporates the PS 4200 series into public sector accounting standards with potential customizations. The amendments add: <ul style="list-style-type: none"> a new criterion to the definition of a tangible capital asset; a new definition of a collection; new disclosure requirements for works of art, historical treasures and/or collections; new guidance for situations where an entity purchases a tangible capital asset at substantially below fair value; and new guidance for situations where an entity receives contributed materials and/or labour when constructing or developing a tangible capital asset For public sector entities that have not applied the PS 4200 series, the amendments to this Section are effective for fiscal periods beginning on or after April 1, 2030 (<i>the City's December 31, 2031 year-end</i>). The amendments would be applied retroactively with restatement of prior periods except for the amendments related to purchases of tangible capital assets at substantially below fair value and including in the cost of a constructed or developed tangible capital asset, the contributed materials and/or labour, which are applied only to new transactions or events from the date of change. |

Appendix C : Future changes in accounting standards (continued)

| Standard | Summary and implications |
|--|---|
| Elevation of GAAP Designation of Application Guidance | <ul style="list-style-type: none"> The Public Sector Accounting Board has issued amendments to elevate the level of generally accepted accounting principles (GAAP) designated for four CPA Canada Public Sector Accounting Handbook Appendices (i.e., what level of GAAP an appendix comprises). The GAAP designation level (i) per GAAP hierarchy in paragraph 03(d) of Section PS 1150, Generally Accepted Accounting Principles has been specified and paragraphs renumbered as AG.02, AG.02, etc. for four application guidance appendices: <ul style="list-style-type: none"> Appendix A to Section PS 3400, <i>Revenue</i>; Appendix B to Section PS 3410, <i>Government Transfers</i>; Appendix A to Section PS 3450, <i>Financial Instruments</i>; and Appendix A to Section PS 4270, <i>Disclosure of Allocated Expenses by Not-for-Profit Organizations</i>. The elevation of the GAAP designation of these four application guidance appendices is effective for fiscal years beginning on or after April 1, 2026 (<i>the City's December 31, 2027 year-end</i>). |
| Lessee Accounting for Operating Leases of Tangible Capital Assets | <ul style="list-style-type: none"> The Public Sector Accounting Board has issued the following amendments to PSG-2, <i>Leased Tangible Capital Assets</i> <ul style="list-style-type: none"> deleted an outdated cross-reference to Section 3065, <i>Leases</i> in former Part V of the CPA Canada Handbook – Accounting, pre-changeover accounting standards, in Appendix A to PSG-2, <i>Leased Tangible Capital Assets</i>; renamed Appendix A as the glossary is no longer identified as an appendix, consistent with other glossaries in the PSA Handbook; added paragraphs PSG-2.4A-4C of to set out minimal requirements for lessee accounting for operating leases of tangible capital assets; and replaced the deleted cross-reference in the appendix with a reference to new paragraphs PSG-2.4A-4C These changes do not comprise a change in practice and are effective immediately. |

Appendix C : Future changes in accounting standards (continued)

| Standard | Summary and implications |
|---|--|
| Intangible Assets, Proposed Section 3155 | <ul style="list-style-type: none"> • The Public Sector Accounting Board has issued an exposure draft proposing a new intangible assets standard that will replace Public Sector Guideline (PSG) 8, Purchased Intangibles. • The proposed standard provides foundational guidance on intangible assets including the definition, recognition, measurement and required disclosures of intangible assets. • The proposed standard covers both acquired and internally generated intangible assets. • PSG-8 content has been incorporated into the new section, ensuring continuity of recognition for purchased intangibles. • The scope of the proposed standard excludes intangible assets addressed in other Sections of the PSA Handbook, as well as other intangible items such as exploration and extraction costs for non-renewable resources or intangible assets related to insurance contracts. • In alignment with PSAB's international strategy, the proposed guidance leveraged principles from the existing International Public Sector Accounting Standard (IPSAS) 31, Intangible Assets. • The comment period is closed and under review. |



Appendix D: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, board of directors and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Accelerate - The key issues driving the audit committee agenda

Discover the most pressing risks and opportunities that face audit committees, boards and management teams.

Sustainability Reporting

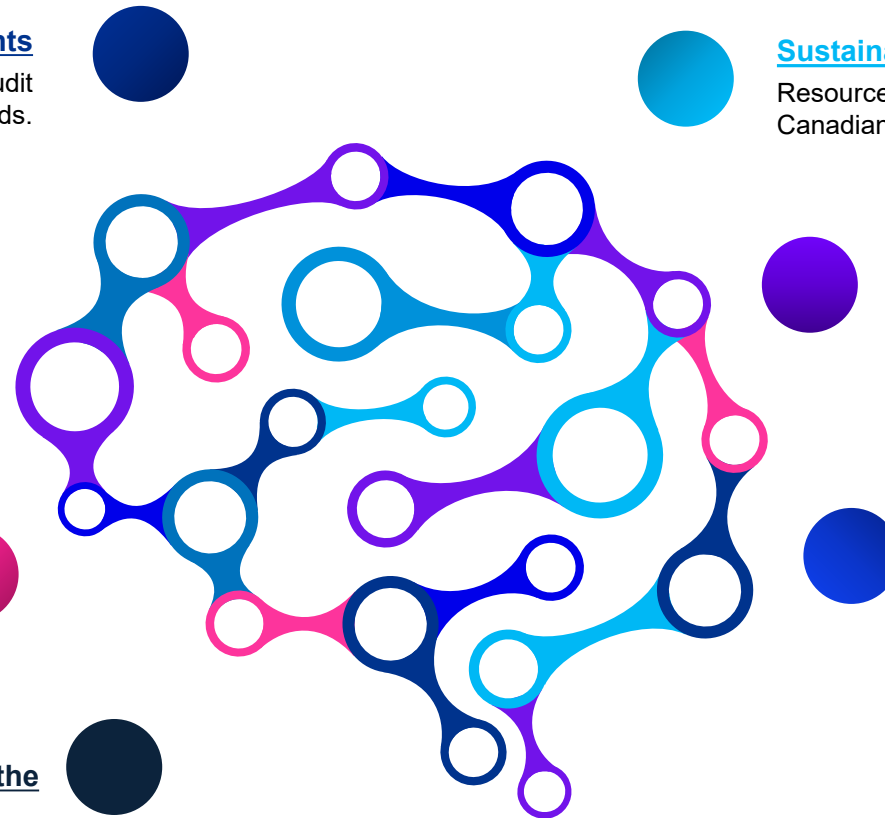
Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.



Appendix E: Cyber for Municipality

(see attachment below)

Municipalities in the news

Town of Huntsville closes municipal office for 2nd day amid cybersecurity incident

Huntsville is the 2nd Ontario municipality to report hack in 3 weeks

Fakiha Baig · The Canadian Press · Posted: Mar 12, 2024 11:05 AM EDT

Town of Greater Napanee targeted by hackers, impact as yet unknown



By Shane Gibson · Global News
Posted January 12, 2024 6:49 pm · 1 min read

Second Ontario municipality reports cybersecurity incident within three weeks

By Fakiha Baig · The Canadian Press
Posted March 12, 2024 10:42 am · Updated March 12, 2024 11:43 am · 2 min read

Hamilton cyberattack shows municipalities need to shore up digital defences: expert

TORONTO – A recent ransomware attack that knocked out several online services in one of Ontario's largest cities has brought into sharp focus the need for municipalities to have a plan to respond to what's become an unavoidable – and increasingly sophisticated – threat, a top cybersecurity expert said.

By Paola Loriggio The Canadian Press
Monday, March 11, 2024 | 3 min to read
Article was updated Mar 11, 2024

NORTHERN ONTARIO | News

'It's really a coin flip': Experts weigh in on if Sudbury will recover \$1.5M lost to fraud

Cyberattack cost local town \$1.3M, including \$290k in Bitcoin ransom

A cyberattack on the Town of St. Marys that encrypted municipal systems and stole sensitive data cost the local government roughly \$1.3 million, including a \$290,000 Bitcoin ransom payment made to the hackers, officials have revealed.

Galen Simmons · Stratford Beacon Herald
Published Apr 13, 2023 · Last updated Apr

Hamilton cybersecurity breach continues to paralyze city services

Public, councillors left in the dark as to nature of incident that has hampered communications, transit and payment processing

Email hack may have revealed personal information, B.C. city warns residents

WARD SOLOMON

JULY 11, 2023

Nova Scotia

Personal information 'likely stolen' in Kings County cyberattack

Councillors, staff and others impacted by July incident

Haley Ryan · CBC News · Posted: Aug 14, 2023 4:38 PM EDT | Last Updated: August 14, 2023

Canadian city says timeline for recovery from ransomware attack 'unknown'

The city of Hamilton, Canada, is still recovering from a ransomware attack that has affected nearly every facet of government functions.

How can a cyber attack impact you?



Organizational Disruption

Technology is a main enablement tool used in our cities, many core services rely on technology to deliver services.

When access to technology is disrupted it can have severe impacts to public services, emergency services, infrastructure and sensitive information.



Associated Costs

Cyber incidents have a variety of costs associated with recovery, which include:

- Ransom Payments
- System Restoration
- Security Upgrades
- Legal & Professional Services
- Follow-on Monitoring
- Loss of Revenue
- Financial Fraud/Theft

These costs start to balloon quickly and can have long lasting effects.



Reputational Damage & Residents Impact

A cyber incident can cause significant reputational damage to a city, leading to a loss of trust among residents and potential investors, which can indirectly impact the city's financial health. For residents, the breach of their personal information can lead to a loss of confidence in the city's ability to protect their data, potentially resulting in decreased use of city services that require personal information.

What is a cyber resilient organization?

Preparation

This involves understanding your organization's risk profile, identifying business critical assets, and developing a comprehensive cybersecurity strategy. It includes training employees on cybersecurity best practices and implementing robust security measures where possible.

Protection

This entails implementing measures to prevent cyber attacks. It includes maintaining up-to-date security software, regularly patching vulnerabilities, and controlling access to sensitive information. Protecting your organization requires cybersecurity to be a part of all business conversations.

Detection

This includes continuously monitoring systems and networks for signs of a cyber attack. It calls for the use of security tools, conducting regular security audits and making consistent updates to improve detection capabilities.

Response & Recovery

This consists of having a plan in place to respond to a cyber attack and recover from it. It is made up of incident response plans, disaster recovery plans, and business continuity plans. These plans should be regularly tested and improved upon.

What is a cyber resilient municipality?

01

Risk Prioritization

To be a cyber resilient municipality, you must be able to prioritize your resources to address the risks that threaten you. To prioritize risks, you must understand all the risks currently facing your organization.

02

Implement the Basics

Implementing basic cyber security practices like training, maintaining security software, regularly patching and multifactor authentication can be cost effective ways to dramatically improve cybersecurity resilience.

03

Defence in Depth

This is a crucial strategy for municipalities as it reduces the risk of a single point of failure, enhances efficiency in threat detection and response, increase resilience to attacks, and provide protection against advanced cyber threats.

Steps to building cyber resilience

The following principles serve as the bedrock for establishing a continuous lifecycle that fosters cyber resilience. These principles provide a consistent framework of actions to progressively build and enhance cyber resilience.

1 – Understand Current State

To build a robust cyber resilience framework, it is imperative to start with a comprehensive understanding of your current cybersecurity status. This includes an evaluation of the protective measures already implemented, identification of critical assets, understanding the policies and procedures that regulate your operations, and an assessment of system vulnerabilities. By gaining these insights, you can make risk informed decisions that protect your organization and efficiently allocate the resources available.

4 – Increase Resilience

Increasing resilience and developing business continuity is an important part of building cyber resilience. It ensures uninterrupted business operations even in the face of cyber threats and allows organizations to quickly recover from cyber incidents, minimizing downtime and associated costs. Furthermore, a robust business continuity plan demonstrates an organization's commitment to security, which can enhance its reputation among stakeholders.



2 – Test your Technology

Testing technology is crucial for building cyber resilience as it helps identify potential vulnerabilities and weaknesses in the system that could be exploited by cyber threats. It also allows organizations to evaluate the effectiveness of their current security measures and protocols. By testing your technology, you can deepen the understanding of risks your organization faces and perform ongoing risk management. These tests allow for an unbiased look at your infrastructure and contribute to a proactive prevention of unauthorized users.

3 – Validate Response

Validating response efforts is a crucial part of building cyber resilience as it ensures that the organization's incident response plan is effective and efficient. It allows for the identification of any gaps or weaknesses in the response strategy, enabling improvements to be made. Furthermore, it provides an opportunity for staff to practice and refine their skills in a controlled environment, enhancing their readiness for real cyber incidents.

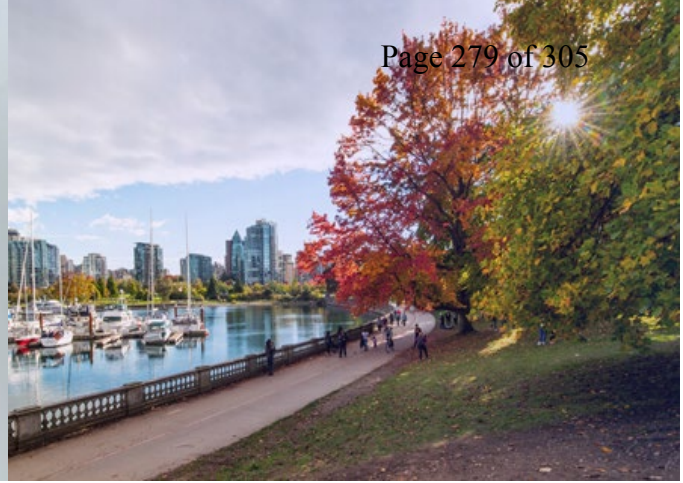
Appendix F: Municipal Government Service Offerings

(see attachment below)



Municipal Government Service Offerings

Governance, Risk and Compliance Services



Overview

KPMG’s Governance, Risk and Compliance services team has vast experience working with clients across the municipal government sector, assessing organizations risk management, internal control and governance processes and providing value adding insight across our municipal government clients. KPMG has a successful track record and are the leading service provider of municipal government services across a variety of audit areas including operations, finance, service delivery reviews, cyber security and HR. KPMG also provides full outsourced and co-sourced audit services to a number of municipalities, helping clients to identify more efficient and effective ways of delivering their services and streamlining costs. Below we have provided further details of our service offerings to municipalities.

Experience

KPMG brings a wealth of practical experience delivering services to municipal government clients. We have listed some example audited areas below.

| | | | |
|---|-----------------------|------------------------|-----------------------------|
| • Absence Management | • Cyber Security | • Insurance | • Real Estate |
| • Accounts Payable | • Enforcement | • IT Governance | • Reserves |
| • Accounts Receivable and Cash Handling | • Facility Management | • Overtime | • Recruitment and Retention |
| • Asset Management | • Fleet Inventory | • Parks and Recreation | • Remuneration |
| • By-Law Compliance | • Fleet Management | • Physical Security | • Snow Clearing |
| • Councillor Budgets | • Health and Safety | • Procurement | • Support Functions |

Client list

We are the leading municipal government advisor in Ontario in relation to internal audit, compliance, service delivery and process reviews. We have shown below a summary of the municipalities we have provided services to.



Appendix G: Unleashing tomorrow – today with AI

(see attachment below)



Unleashing tomorrow, today with AI

Business strategy with AI disruption



Turn AI into a cornerstone of sustainable, competitive growth.

A comprehensive business strategy can seamlessly intertwine technology with your business's **goals, transform AI from a concept into a key driver of your objectives, strategy and ROI.**

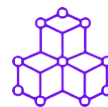
It's not just about tech; it's about people, striving to ensure smooth transitions and unlocking human potential alongside AI innovations.

This holistic approach can extend to governance, supply chain, data analytics, implementation and more, solidifying your operations against future challenges.



Assessing opportunities

Seek to understand how AI can impact or disrupt your business and what the existing opportunities are.



Scaling AI initiatives

Scaling up existing AI projects, aligned to the overall business strategy to help ensure success.



Competitive edge

Staying competitive in a rapidly evolving market where AI is disrupting business operations is key.

Brighter business intelligence, powered by AI

Your company's strategy and business intelligence are at the heart of your business decisions. It should be intimately linked to your artificial intelligence (AI) strategy, efforts, and goals.

Executive training

Explore and test

Evolving the operating model (Technology)

Implementing solutions

Business strategy - AI disruption

Optimizing data structure

Maximizing Microsoft Copilot integration

Governing and managing risk



4 key phases of a successful AI strategy



Understand

01

Hyper Diagnostic

Demonstrate the "art of the possible" and the current AI landscape, explore diverse use cases, and assess peer adoption.

AI readiness assessment

Deploy AI readiness assessment to ensure the company is prepared from a tech, data, governance and people perspective.

Perspective on AI strategy

Assess AI's disruptive potential across core and support functions, demonstrate its impact on operations and costs, and establish an initial AI strategy aligned with company priorities.



Design

02

Risk Assessment

Discuss the potential risks and opportunities associated with the key scenarios.

Opportunity assessment

Pinpoint quick wins, evaluating their potential benefits, and conduct a high-level feasibility assessment.

Present available subsidy and grant options for relevant AI projects.



Initiate

03

Stakeholder involvement

Provide recommendations for engaging internal stakeholders and collect insights on AI adoption throughout the company's value chain.

Financial implications and opportunity validation

Quantify the impact of various AI scenarios, calculating ROI. Identify and engage necessary people, processes, and technologies for execution.

Strategic roadmap

Create a concise strategic plan, encompassing vision, values, competitive advantage, key initiatives, and a roadmap with resource allocation and KPIs.



Operationalize

04

Transform technology services with generative AI

Assessment of current IT capabilities and the foundations necessary for the implementation of the selected generative AI solutions

Define the IT delivery model for solutions.

Enterprise architecture adapted to AI

Support for the integration of Gen AI into the enterprise architecture and into the organization's roadmap.

Define a Target Operating Model

Orchestrate business capabilities

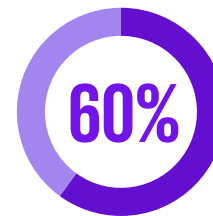
Orchestration of all business practices and underlying IT capabilities necessary for operationalization.

AI Education and Training for executives and boards

Start your AI journey with confidence.



Embrace the future with AI, the driving force of the new economy, set to help transform your business model. This transformative power can drive your organization's position in the market. Consider the impending changes and strategize for the years ahead, helping to ensure a seamless and secure integration of this groundbreaking technology.



of organizations plan to adopt generative AI within 6 to 12 months*.

Change starts with you

| | | | | | |
|--|---|--|---|---|---|
| <p>01</p> <p>Understand the impact and trends of generative AI adoption in your organization and industry</p> | <p>02</p> <p>Foster a continuous learning culture and manage change for successful AI implementation</p> | <p>03</p> <p>Discover the commercial and competitive potential of working with AI</p> | <p>04</p> <p>Learn how to manage AI risk and governance as a business leader</p> | <p>05</p> <p>Identify your productivity and automation challenges and take corrective action</p> | <p>06</p> <p>Redefine your business model holistically</p> |
|--|---|--|---|---|---|

A first step in the adoption of AI in your business

Implementing generative AI starts with your business priorities, supported by executive and board engagement to drive a transformation aligned with your corporate ambitions.



*KPMG survey of 300 executives on generative AI, March 2023

A three-part training program

Discover real-life uses of generative AI, tailored to your business sector



Updated overview of this fast-paced technology

- Learn what is new in the world of AI
- Explore industry-specific use cases that could benefit your organization
- Manage AI risk and governance adequately



Technology demonstrations

- See the impact of generative AI on the future of your organization through concrete, contextualized demonstrations
- Assess the potential benefits for your organization



Brainstorming workshops

- Identify organizational priorities for AI adoption and how to prepare your teams for change upstream
- Educate and empower key stakeholders to drive AI strategy and the governance framework at the executive level

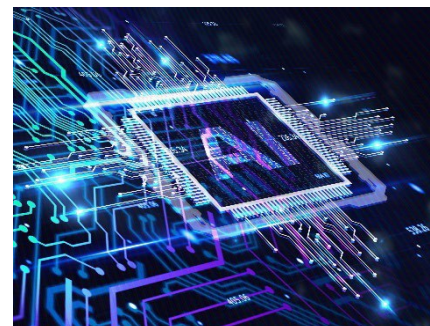
KPMG, a leader in generative AI

200+

Professionals dedicated to generative AI recognized for their technical skills and innovative strategic vision.

800+

Tailor-made use cases for all business sectors.



50+

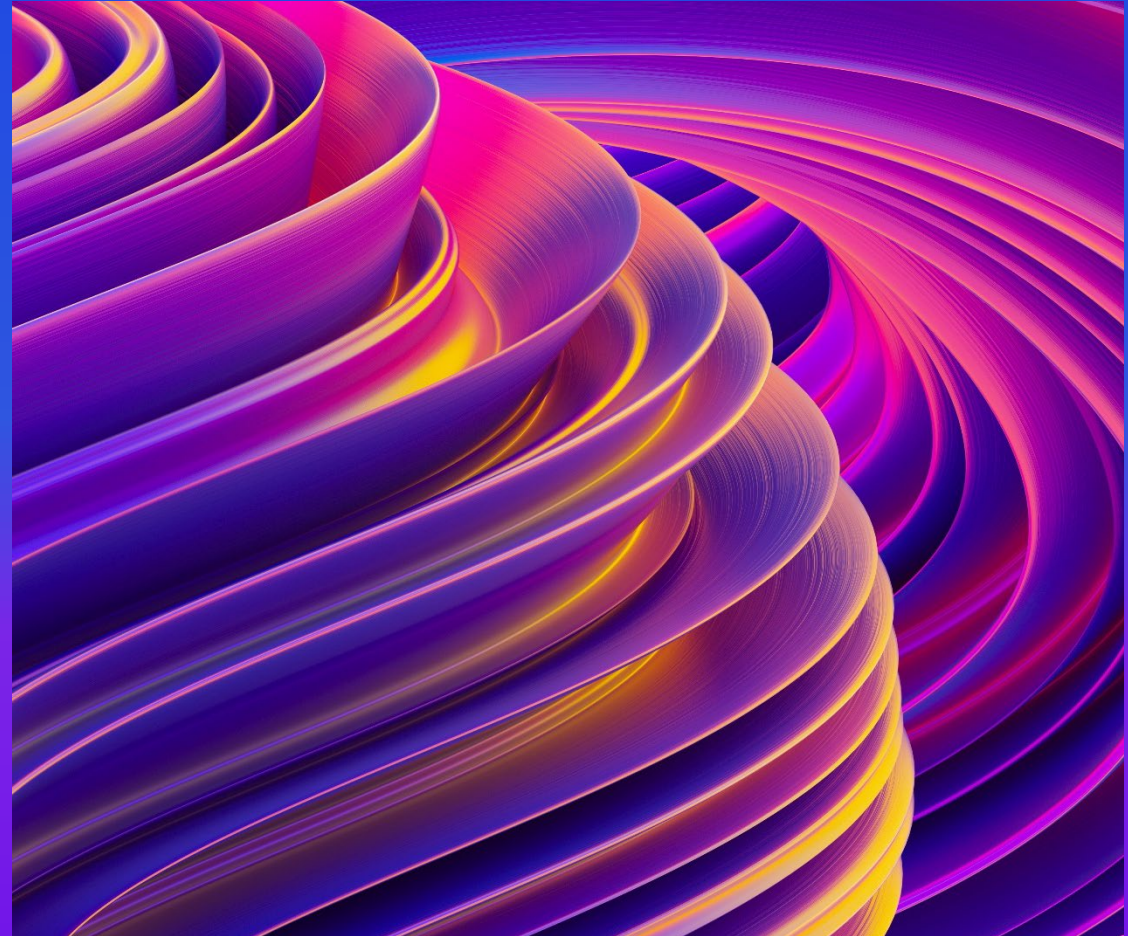
Board and executive education and training sessions delivered in the last year. Our team understands the challenges you face as an executive or board member and can help you build confidence and accelerate the value AI can bring to your business.





<https://kpmg.com/ca/en/home.html>

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2025 Consolidated Financial Statements

Presentation to General Committee

APRIL 21, 2026



Agenda

- 1. Introduction**
- 2. Requirements**
- 3. Audit Summary**
- 4. Financial Results Discussions**
- 5. Presentation by Ms Maria Khoushnood, Partner, KPMG LLP – Audit Findings Report**



1. Introduction

The Financial Statements are a report card on the financial position, health and strength of the City:

- reflect the financial position of the organization, the operating results, and how the City financed its activities and met its cash requirements
- confirm that the resources were obtained and used consistent with the budgets approved by Council

Statements consolidate the financial activities of:

- City of Markham
- Community Boards and Business Improvement Areas (BIAs)
- Destination Markham Corporation
- City's investment in Markham Enterprises Corporation (MEC)



2. Requirements

The City is required by The *Municipal Act* to :

- ✓ prepare annual financial statements in accordance with Canadian Generally Accepted Accounting Principles for governments as recommended by the Public Sector Accounting Board,
- ✓ have the financial statements audited by a licensed auditor,
- ✓ report the financials to Council, and
- ✓ publish the statements



3. Audit Summary

Schedule:

The KPMG audit team was on-site one week in November 2025 performing interim and preliminary year-end work.

The KMPG team continued the audit of the financial records of the City and associate corporations from February 23 to April 3, 2026.

KPMG provided a clean audit opinion on the City's 2025 Financial Statements.

KPMG did not identify any misstatements that were subsequently corrected.



4. Financial Results

Consolidated Statement of Financial Position (Balance Sheet)

| | \$ in millions | | |
|---|-----------------|-----------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Financial Assets | 1,249.30 | 1,116.73 | 132.56 |
| Financial Liabilities | <u>576.82</u> | <u>536.41</u> | <u>40.41</u> |
| Net Financial Assets | 672.48 | 580.32 | 92.15 |
| Non-Financial Assets | 6,129.25 | 5,869.98 | 259.27 |
| | 6,801.73 | 6,450.30 | 351.43 |
| Accumulated Surplus | 6,717.97 | 6,414.79 | 303.18 |
| Accumulated Remeasurement of Gains | 83.76 | 35.51 | 48.25 |
| | 6,801.73 | 6,450.30 | 351.43 |



4. Financial Results

Consolidated Statement of Financial Position (Balance Sheet) cont'd

Financial Assets increased by \$132.56M

| Financial Assets | Incr. / (Decry.) | Significant change drivers |
|---------------------------|------------------|--|
| Cash & investments | \$102.8 | <ul style="list-style-type: none"> • Increase in investment income, increase due to unrealized gain on investments (Principal Protected Notes) and other Comprehensive income \$59.9M • Increase in other revenue and deposits \$27.1M, • Lower payment to Region for water \$20.8M, lower payments to vendors for operating & construction projects \$11.4M • Lower development charge collection \$16.6M |
| Property taxes receivable | (\$4.5) | <ul style="list-style-type: none"> • Of the total decrease in property tax receivable of \$4.5M was due to higher property tax payments collected in 2025 when compared to 2024 |
| Accounts receivable | \$10.2 | <ul style="list-style-type: none"> • Increase in receivables was mainly due to interest accrued on investments \$4.7M, associate entities receivable \$2.2M, and developers due to timing |
| Investment in MEC | \$24.1 | <ul style="list-style-type: none"> • Equity pick up \$35.9M, offset by reduction in share capital (\$1.0M) and dividend paid (\$10.8M) |



4. Financial Results

Consolidated Statement of Financial Position (Balance Sheet) cont'd

Financial Liabilities increased by \$40.41M

| Financial Liabilities | Incr. / (Decr.) | Significant change drivers |
|--|-----------------|--|
| Accounts payable & accrued liabilities | \$56.4 | <ul style="list-style-type: none">• Increase in amount payable to Region for water \$42.2M, DC credit liabilities \$33.6M• Offset by decrease tax levies payable to Region \$7.4M & accrued liabilities for construction projects \$11.1M |
| Deferred revenues | -\$19.0 | <ul style="list-style-type: none">• Inflows \$79.4M• Outflows (\$98.4M) including capital project spending |
| Long term liabilities | -\$0.9 | <ul style="list-style-type: none">• Scheduled payments for FCM & CMHC loans |
| Employee future benefits liabilities | \$3.9 | <ul style="list-style-type: none">• Increase as per actuarial valuations for post employment & sick leave benefits \$2.2M, WSIB \$0.6M, Long term disability \$0.3M and vacation accrual \$0.8M |



4. Financial Results

Consolidated Statement of Financial Position (Balance Sheet) cont'd

Non- Financial Assets increased by \$259.27M

| Non-Financial Assets | Incr. / (Decr.) | Significant change drivers |
|----------------------------------|-----------------|--|
| Tangible Capital Assets (TCA) | \$259.0 | •Significant change drivers - Additions to Land \$211.6M, and Works-in-progress \$49.4M |
| Prepaid expenses and inventories | \$0.2 | • Use/consumption of winter control inventory (salt, sand) and other pre-paid expenses such as Computer software licenses, insurance, maintenance agreements |



4. Financial Results

Consolidated Statement of Operations and Accumulated Surplus (Income Statement)

| | <u>\$ in millions</u> | | |
|--|------------------------|------------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Revenues | 858.65 | 1,192.27 | (333.62) |
| Less Expenses | <u>555.47</u> | <u>504.16</u> | <u>51.31</u> |
| Annual Surplus | 303.18 | 688.11 | (384.93) |
| Accumulated Surplus, Beginning of Year | <u>6,414.79</u> | <u>5,726.68</u> | <u>688.11</u> |
| Accumulated Surplus, End of Year | <u>6,717.97</u> | <u>6,414.79</u> | <u>303.18</u> |



4. Financial Results

Details of Accumulated Surplus

| | <u>\$ in millions</u> | | |
|--|------------------------|------------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Operating surplus (excl. waterworks) | 7.39 | 8.62 | (1.23) |
| Waterworks | 3.34 | 5.52 | (2.19) |
| Destination Markham Corporation | 4.00 | 3.81 | 0.19 |
| Community Boards and BIAs | 0.53 | <u>0.55</u> | <u>(0.02)</u> |
| Operating Surplus Total | 15.25 | 18.50 | (3.24) |
| Less Transferred to Life Cycle Replacement and Other reserve f | (7.39) | (8.62) | 1.23 |
| Transferred to Waterworks reserve | <u>(3.34)</u> | <u>(5.52)</u> | <u>2.19</u> |
| | 4.53 | 4.36 | 0.17 |
| Equity income from Markham Enterprises Corporation | 379.91 | 355.82 | 24.09 |
| Invested in Tangible Capital Assets | 6,121.79 | 5,862.75 | 259.04 |
| Reserves and Reserve Funds | 303.63 | 284.10 | 19.54 |
| Other | (91.89) | (92.23) | 0.34 |
| Total Accumulated Surplus | <u>6,717.98</u> | <u>6,414.79</u> | <u>303.18</u> |



4. Financial Results

Details of Reserves

| | \$ in millions | | |
|----------------------------------|----------------------|----------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Reserves | | | |
| Building fee | 21.27 | 18.40 | 2.87 |
| Capital gains | 41.20 | 22.35 | 18.85 |
| Corporate rate stabilization | 30.05 | 30.05 | 0.00 |
| Development fee | 47.82 | 62.24 | (14.42) |
| Facility ramp up | 44.62 | 42.64 | 1.99 |
| Firefighters sick leave benefits | 8.02 | 7.76 | 0.26 |
| Insurance | 6.68 | 5.65 | 1.03 |
| Long-term disability benefit | 25.69 | 25.69 | 0.00 |
| Waterworks | 134.22 | 124.54 | 9.69 |
| Other | 1.76 | 1.40 | 0.37 |
| Total Reserves | <u>361.34</u> | <u>340.71</u> | <u>20.64</u> |



4. Financial Results

Details of Reserve Funds

| | <u>\$ in millions</u> | | |
|------------------------------------|-----------------------|-----------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Reserve Funds | | | |
| Environmental land acquisition | 14.71 | 13.97 | 0.74 |
| Land acquisition | (418.53) | (398.62) | (19.91) |
| Library infrastructure | 7.63 | 7.37 | 0.26 |
| Life cycle replacement and capital | 266.54 | 254.84 | 11.71 |
| Municipal accomodation tax | 2.55 | 0.00 | 2.55 |
| Non-DC growth | 25.76 | 23.54 | 2.22 |
| Post retirement benefits | 21.81 | 21.09 | 0.73 |
| Public art acquisition | 8.76 | 9.07 | (0.31) |
| Stormwater fee | (3.48) | (2.39) | (1.09) |
| Workplace Safety & Insurance Board | 9.56 | 8.04 | 1.53 |
| WSIB excess compensation | 3.29 | 3.17 | 0.12 |
| Other | 3.70 | 3.33 | 0.37 |
| Total Reserve Funds | <u>(57.71)</u> | <u>(56.60)</u> | <u>(1.11)</u> |



4. Financial Results

Details of Deferred revenue

| | <u>\$ in millions</u> | | |
|--|-----------------------|----------------------|----------------------------|
| | <u>2025</u> | <u>2024</u> | <u>Incr. / (Decr.)</u> |
| Obligatory reserve funds: | | | |
| Development charges | 188.48 | 205.08 | (16.60) |
| Canada Community Building Fund (Gas Tax) | 9.44 | 16.96 | (7.52) |
| Canada benefit charge | 1.10 | 2.27 | (1.17) |
| Section 37 funds | 9.08 | 9.21 | (0.13) |
| | <u>208.10</u> | <u>233.52</u> | <u>(25.42)</u> |
| General: | | | |
| Deferred revenue and deposits | 51.72 | 45.35 | 6.37 |
| | <u>259.83</u> | <u>278.87</u> | <u>(19.04)</u> |



5. Presentation of Audit Findings Report

– Maria Khoushnood, Partner, KPMG LLP



Report to: General Committee

Meeting Date: April 21, 2026

SUBJECT: Development Charges Deferral – 8636 Reesor Road

PREPARED BY: Kevin Ross, Manager, Development Finance, ext. 2126

RECOMMENDATION:

- 1) That the report entitled “Development Charges Deferral – 8636 Reesor Road” be received;
- 2) That Council authorize staff to extend the current Development Charge Deferral for Varlese Brothers Limited for a farmworker accommodation building located at 8636 Reesor Road for an additional two-year period under the same terms and conditions, to expire on April 22, 2028;
- 3) That Council authorize the Mayor and City Clerk to execute an amendment to the existing agreement with Varlese Brothers Limited, pursuant to Section 27 of the *Development Charges Act, 1997, as amended*, to authorize the extension of the current Development Charge Deferral for two years, all to the satisfaction of the Treasurer and the City Solicitor, or their delegates;
- 4) That in the event that Provincial legislation is amended in the future to exempt farmworker accommodations while this development charge deferral is in effect, such exemption will be applied retroactively to the farmworker accommodation located at 8636 Reesor Road, provided that the premises comply with all provisions of the legislative amendment;
- 5) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

N/A

PURPOSE:

The purpose of this report is to obtain Council’s authorization to provide Varlese Brothers Limited, the owners of Valleyview Gardens located at 8636 Reesor Road, with an extension of their current Development Charge Deferral for farmworker accommodation for another two years to expire on April 22, 2028, under the same terms and conditions and to amend the existing development charge deferral agreement to give effect to the extension.

BACKGROUND:

Varlese Brothers Limited (the “Owner”) constructed a farmworker housing building without the requisite approvals and the City was made aware of this in November 2022. The Owner subsequently applied for a building permit to regularize the construction of the structure, which was designed to house 14 persons, in March 2023. When the building permit was ready for issuance in September 2024 the City assessed development charges (“DCs”) for the City, Region and School Boards in accordance with the respective by-laws as follows:

| Jurisdiction | Development Charges |
|---------------------|----------------------------|
| City of Markham | \$ 74,787 |
| Region of York ** | \$ 54,755 |
| School Boards | \$ 8,184 |
| Total | \$ 137,726 |

** Regional development charges levied excluded the water/wastewater component as the property is serviced by a private well and septic.

The Owner objected to the assessment of the DCs on the basis that there were other (rural) municipalities that exempted farmworker accommodations and it desired the City to do the same. There is no exemption in the *Development Charges Act 1997, as amended* for farmworker accommodations, and the by-laws for the City, Region and School Boards also had no such exemptions, therefore the charge was levied as appropriate.

The Owner raised the case with Council on October 9, 2024 and following discussions Council authorized a six-month deferral of the development charges owing. The deferral was provided in order to allow additional time for the Ontario Federation of Agriculture to continue its lobbying efforts for the establishment of Provincial legislation to exempt farmworker accommodations in the *Development Charges Act 1997, as amended*.

In accordance with the October 9, 2024 Council Resolution, the Owner entered into a DC Deferral Agreement for the City Wide Hard and City Wide Soft development charges, to be effective from the date of building permit issuance, for a term of six months. The Regional and School Boards DCs were paid, and the building permit was issued on April 22, 2025. The deferred DCs were therefore due to be paid on or before October 22, 2025 as per the deferral agreement.

At the October 7, 2025 General Committee meeting, Council authorized an extension of the DC Deferral for another six months, with payment of the charges to be due by April 22, 2026. This was to allow for further efforts by the Ontario Federation of Agriculture to seek an amendment to the DC legislation to exempt farmworker accommodations. The resolution was approved by Council on October 8, 2025 and the owner subsequently executed an amending DC Deferral agreement with the City.

To date, there has been no Provincial legislation introduced to exempt farmworker accommodations and therefore the deferred DCs will be due and payable on April 22, 2026 in accordance with the DC Deferral Agreement.

OPTIONS/ DISCUSSION:

The Owner has again approached the City for an extension of the DC Deferral as they believe that Provincial legislation to exempt farmworker accommodations will be tabled in the future.

Staff are amenable to further extending the DC Deferral, in order to provide the Ontario Federation of Agriculture additional time to lobby the Province for a change in the treatment of farmworker accommodation in the *Development Charges Act 1997, as amended*.

The DC Deferral will be extended for a period of two years under the same terms and conditions as the existing agreement set to expire on April, 22, 2026, following which the payment of City-Wide Hard and City-Wide Soft DCs will become due and payable, subject to a change in legislation.

Should there be a change to the legislation to exempt farmworker accommodation within the two-year term of the DC Deferral, staff support the application of the exemption to this farmworker accommodation building retroactively, subject to compliance with all other provisions of the legislative amendment.

FINANCIAL CONSIDERATIONS

The deferral of development charges is essentially a cashflow issue which results in a delay in the receipt of the funds by the City. If Council agrees to extend the DC Deferral for an additional two-years, the charges will then become due at a later date as opposed to April 22, 2026 – the expiration date of the current agreement.

The Owner will be required to pay Legal fees plus HST for costs incurred to extend the agreement.

HUMAN RESOURCES CONSIDERATIONS

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

N/A

BUSINESS UNITS CONSULTED AND AFFECTED:

The Legal Department has been consulted and their input has been incorporated in the report.

RECOMMENDED BY:

Trinela Cane, Commissioner,
Development Services and Corporate
Services

Joseph Silva, Treasurer

ATTACHMENTS:

N/A