



May 30, 2019

Planning Act Review  
Provincial Planning Policy Branch  
Municipal Affairs and Housing  
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RE: Proposed Bill 108 – More Homes, More Choice Act Consultation  
ERO Posting #019-0016 (Planning Act)  
ERO Posting #019-0017 (Development Charges Act)

Thank you for the opportunity to provide comments on several of the proposed changes to Provincial legislation as part of the proposed More Homes, More Choice Act (Bill 108).

The Housing Supply Action Plan and corresponding Bill 108 were publicly released on May 2, 2019. Bill 108 is an omnibus bill, proposing sweeping changes to provincial legislation that has the potential for far-reaching effects. There are no regulations posted to implement the proposed legislative changes in Bill 108. The above-noted ERO postings are open for comments for a period of 30 days, until June 1, 2019. It is unrealistic to expect municipalities to fully comprehend the impacts of the proposed changes in a short time period, with no detailed regulations provided, and without the opportunity for two-way dialogue with the Province. The Town requests that there be an extension to the commenting deadline, and more fulsome consultation with the province about the impact of the proposed changes on municipal finances and service-provision.

The proposed legislative changes through Bill 108 are aimed at reducing red tape, reverting to a simpler appeal process, and making it easier for the development industry to bring housing on stream. It is understood that the Province's ultimate goal of the Housing Supply Action Plan is to increase the housing supply in Ontario. This is a laudable goal; however, the Town is concerned that the proposed legislative changes will not result in a housing market that provides better affordability for the housing consumer and taxpayer.

The Town of Wasaga Beach is one of the fastest growing municipalities in Ontario. The proposed changes would have impacts on our community.

The Town provides the following comments in support of the above-noted statements:

- Ontario municipalities are being asked to process development applications faster and more efficiently, while providing and maintaining services through a revised Development Charge (DC) system. This new system maintains development charges for hard services only (i.e. roads, infrastructure, transit), while providing benefits to qualifying development projects (i.e. rental housing, commercial/industrial).
  - Clarification should be provided on whether “studies” for various capital improvements (i.e. wastewater or recreational infrastructure) are included or excluded from DC-eligible services in Section 2(4) of the Development Charge Act. Would “studies” be required to be funded through the Community Benefit Charge strategy and by-law?
- The Town is concerned about the limitations and uncertainty on how municipalities are to pay for ‘soft’ services (i.e. culture, recreation). Municipalities may only collect funds for soft services through a new tool called a Community Benefit Charge (CBC), which replaces Section 37 of the Planning Act. A CBC by-law and strategy must first be passed, and the amount paid will be based on an undefined percentage of the value of land being developed (prescribed through regulation). The DC system has been a predictable tool for municipal investment in community services, wherein ‘growth pays for growth’. There are many unknowns about the revised DC system and new CBC tool, making the implications to municipal finances unclear at this time. The Town has significant concerns that the CBC system could result in short-changing municipal reserves, and a financial shortfall in the ability to provide municipal services for our residents. Ultimately, the taxpayer should not be shouldering the burden of growth-related increases of municipal services.
  - What specific soft services are to be included in the CBC strategy/by-law?
  - What percentage of the value of land will be proposed for the CBC? If implemented, this percentage should not leave municipalities in a deficit for funding ‘soft’ community services.
  - We seek clarification on how current parkland dedications will continue to provide adequate lands and/or revenues to fund recreational opportunities for residents under the proposed CBC system.
- The requirement to spend 60% of the Community Benefit Charge collected annually does not permit municipalities to adequately save for long-term planning for capital improvements, such as cultural and recreational facilities, and parkland improvements. This is contrary to provincial Asset Management legislation requirements, which seeks to help municipalities make sound long-term financial decisions for community infrastructure.
- The Town welcomes the opportunity to work with the Province on streamlining the development process, timing and cost, but would like to continue the discourse on how cost-savings would ultimately be achieved for the housing consumer to assist with housing affordability. It is important to recognize that historically reducing

development charges has never resulted in reduced housing prices. The Association of Municipalities of Ontario (AMO) has stated that the benefits of a DC reduction are not passed on to the buyer. The broader tax-paying public would be burdened with additional property taxes to help make up the difference not covered by the Development Charge. With the Development Charge in place, the person benefitting from the capital impact (the homebuyer) is paying for that benefit, rather than existing taxpayers in the municipality.

- Specific changes proposed to the Planning Act relating to DC payment:
  - If DC rates are locked in at the date of application for site plan and zoning by-law amendments, there should be a sunset clause of three years where a current DC rate applies to applications that have not been brought to completion by the applicant. This will act as a deterrent for potential abuse of this provision, where (incomplete) applications would be submitted as placeholders to hold lower DC rates.
  - Delayed DC payments over 6 years will require significant collection oversight and increased administrative process, resulting in greater resource needs in municipal finance departments. Increased staffing will impact the tax-base, and is not consistent with the provincial mandate to find efficiencies.
  - If implemented, Bill 108 should clarify that the DC rates are locked in upon the 'date of complete application', which holds applicants to submitting the required reports, studies, plans and drawings determined through pre-consultation. The Planning Act (Section 41) should also be amended to include complete application requirements for Site Plan Approval, similar to those in Section 22 (Official Plan Amendments), Section 34 (Zoning By-law Amendments), and Section 51 (Subdivisions).
- Reduced timelines for processing development applications will require increased resources in municipal planning departments. The expected timelines to reach a decision are ambitious, particularly for plans of subdivision, and are setting the stage for more developer-driven non-decision appeals to the LPAT. Increased staffing requirements will impact the tax-base, and is not consistent with the provincial mandate to find efficiencies.
- The removal of appeal rights for third parties (residents, community/ratepayer groups), who may have an interest in a draft plan of subdivision, is a dramatic shift from the previous appeal regime. Coupled with the LPASC closure, the average resident's appeal rights and abilities for plans of subdivision (and other applications) has been removed. Proposed changes to the Local Planning Appeals Tribunal Act would remove municipal council control in the planning appeal process. This legislation tips the balance to the pre-Bill 139 appeal regime where planning applications were appealed as quickly as possible and planning was done through lengthy and costly appeal hearing processes. The Town does not see the benefit in going back to a

system that limits local municipal council and taxpayer/resident involvement in the appeals process.

Summary:

The proposed changes to the Development Charge/Community Benefit Charge system will negatively affect the Town's ability to conduct sound long-term financial planning for municipal (hard and soft) services. With the lack of information available (no regulations), it is premature for the province to state that Bill 108 legislation will achieve the supply and affordability goals of the Housing Supply Action Plan.

The most important deliverable for the province in the proposed legislative amendments is to ensure that the intended financial savings are passed down to the consumer to reduce housing prices and increase affordability. If municipalities are going to have restricted financial tools to deliver municipal (hard and soft) services, then there need to be assurances from the province that the benefits will be seen by the housing consumer through affordability, and not absorbed in profit to the development community with the taxpayer footing the bill.

The Town will work with the Province on streamlining the development process timing and cost, but would like to continue the discourse on how cost-savings would ultimately be achieved for the housing consumer to assist with housing affordability.

The Town respectfully requests that the Province conduct further consultation on the legislative changes proposed through Bill 108. Regulations should be released, and more information on the proposed DC/CBC system should be rolled out through consultation opportunities, prior to Royal Assent of Bill 108. This would allow municipalities and the province to gain a better understanding of the financial impacts to municipalities in long-term capital improvements and asset management planning.

Please take these comments and concerns into consideration in the implementation of the Housing Supply Action Plan, and related amendments to the Planning Act and Development Charges Act.

Sincerely,



George Vadeboncoeur  
Chief Administrative Officer

CC: Mayor and Council  
Doug Herron, Director of Planning and Economic Initiatives  
Jocelyn Lee, Director of Finance and Treasurer