



August 16, 2019

John Ballantine, Manager
Municipal Finance Policy Branch
Municipal Affairs and Housing
13th Floor, 777 Bay Street
Toronto ON M5G 2E5
Canada

Dear Mr. Ballantine:

**RE: Proposed Bill 108 Regulations Consultation – More Homes, More Choice Act
ERO Posting #019-0184 (Development Charges Act O.Reg 82/98)
ERO Posting #019-0183 (Planning Act - New Community Benefit Authority
O.Reg.)**

Thank you for the opportunity to provide comments on proposed regulations that implement the More Homes, More Choice Act (Bill 108).

The Town has observed that the Bill 108 comments/concerns submitted by June 1, 2019 seem to have received minimal consideration. Bill 108 was quickly passed by the legislature on June 6, 2019, in substantively the same form as the initial draft. It seems that the most important deliverable for the province in Bill 108 implementation is to ensure that the intended savings through new/restricted municipal finance tools are passed down to the consumer to reduce housing prices and increase affordability.

The Town reiterates the initial concerns that are outlined in the attached May 30, 2019 letter and provides the following comments on the proposed regulations:

1. Municipal finance streams should remain revenue neutral, wherein the revenue for soft services currently levied through development charges is equal to the revenue levied under the proposed community benefit charge system. Growth should pay for growth, and the Town is concerned that the CBC system will result in short-changing municipal reserves, and a financial shortfall in the ability to provide municipal soft services for Wasaga Beach residents. This is critically important for a fast growing community like Wasaga Beach that is in the process of constructing a new twin pad arena and Library to service its new residents.
 - a. There are a number of market forces and geographic variations (i.e. urban vs. rural) that influence land value in Ontario that should be considered in creating a calculation/formula that recoups municipal costs in an effective and fair manner across all jurisdictions. The formula should provide for variables that ensure that current revenue collected now for soft services is equal to what the Town would receive under the CBC program.

- b. 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 could avoid applications being submitted as placeholders to hold lower DC rates. This is similar to the time frame applied to “draft approved” plans of subdivision.
 - c. The regulations 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).
2. 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 requirement should be removed because it is contrary to provincial Asset Management legislation, which requires municipalities to make sound long-term financial decisions for community infrastructure.
 3. The Town would like to confirm that the scope of services that municipalities may spend parkland reserves on will include a broad range of park facilities including parks and other public recreation purposes, and would not be limited to land and machinery.
 4. The proposed change to the DC system and the new CBC system will create administrative inefficiencies that increase the municipal financial burden, as follows:
 - a. The requirement for an additional strategy and by-law to collect funds for soft services through a CBC program effectively doubles the work program and relative costs;
 - b. Tracking and collecting deferred development charge payments presents considerable administrative challenges for municipalities for:
 - i. specific uses (i.e. rental housing, non-profit housing, institutional, commercial and industrial development) where DCs are proposed to be collected over an indeterminate period after occupancy of the use; and
 - ii. a two year period from date of application for site plan control and zoning by-law amendment;

There should be a mechanism in place to ensure municipalities are able to collect from current and future property owners;

- c. In evaluating the value of land for the purposes of the community benefit charge calculation, the requirement for three appraisals and the inevitable arguments over land values will be costly, time consuming and inefficient for all parties involved;
- d. The removal of section 37 bonusing capabilities will require the Town to remove these policies from the Official Plan, and create new policy for community benefit charge authority as part of the current Official Plan update;
- e. New reporting requirements for community benefits and parkland collection add to the burden of cost for municipalities.

The Town respectfully requests that the working group on the Community Benefit Authority (and formula) be presented with the concerns raised by the Town and other stakeholders, as part of their consideration of how to adequately ensure that municipalities are able to collect growth related revenues to successfully fund and provide soft services to our future residents in an effective manner.

The Town looks forward to further consultation opportunities on the DC/CBC system as it is rolled out in 2019, so the Town can better understand the financial impacts for long-term capital improvements and asset management planning.

Please take these comments and concerns into consideration in the implementation of the More Homes, More Choice Act and subsequent regulations under 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
Kevin Lalonde, Director of Public Works
Pam Pal, Director of Library Services
Chris Roos, Director of Recreation, Events, and Facilities