

August 21, 2019

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**OPPI's response to proposed regulations relating to the community benefits authority (ERO 019-0183)
and proposed changes to O.Reg. 82/98 under the Development Charges Act (ERO 019-0184)**

Dear John:

On behalf of the Ontario Professional Planners Institute (OPPI), I am pleased to submit our response to the government's consultation on regulations relating to the new community benefits authority and proposed changes to O.Reg. 82/98 under the *Development Charges Act*.

OPPI is the recognized voice of Ontario's planning profession and our over 4,500 members and grants the Registered Professional Planners (RPP) designation. RPPs are the skilled, professional and dependable navigators that are employed to help lead communities towards the Ontario of tomorrow. RPPs are the local experts that bring together differing points of view, consult and develop recommendations that provide informed choices for decision-makers and elected officials. RPPs act in the public interest as professionals who work to improve the quality and livability of communities in Ontario today and their sustainability long-term.

We are uniquely positioned to provide feedback on these proposed regulations as our members are the experts on the ground with respect to *Planning Act* approvals and policy implementation. Our RPPs have an important role in implementing policy changes. They are positioned to lead and work with others on proactive change and policy development and lend their support at any time given their depth of resources and expertise.

Proposed new regulation pertaining to the community benefits authority under the *Planning Act*

OPPI, as an Institute, is agnostic to the government's decision to create a new Community Benefits Charge (CBC) in place of the existing regimes for parkland dedication, density bonusing and development charges for soft services. Our comments will be provided strictly with regard to implementation considerations.

Transition timelines

The proposal for municipalities to transition to the new community benefits regime by January 1, 2021 may be aggressive. Municipalities will need to develop community benefit strategies and then enact a

new CBC by-law. This is in a context where the Ministry has yet to propose a community benefits formula for comment and will be consulting on it later this year.

Given the lack of detail currently available and the substantive change this will bring to municipal practices, we recommend the transition period be extended by 6 to 12 months.

Community benefits strategy

The Ministry could provide support for municipalities to develop community benefits strategies. Support could be in the form of:

- A technical guide on what the strategy should include (i.e. methodology, content) as well as the differentiation between a local CBC By-Law vs. a regional CBC By-Law
- A funding program to cover the cost of such work

Community benefits formula

The Ministry has not provided a prescribed percentage at this time and will be consulting on the proposed formula later this summer. OPPI recommends the government hold regional workshops and release studies related to the proposed cap, including the methodology used to arrive at the cap being recommended.

Exemptions from community benefits.

The government has a stated objective of ensuring municipal revenue collected from development charges for soft services, parkland dedication and density bonusing are maintained through the new community benefits charge.

However, the proposed regulation excludes the new charge from being applicable in areas within a community planning permit system and lists specific facilities to be excluded (i.e. cultural or entertainment, tourism, hospitals, landfills).

Any exemptions from the new regime that were eligible in the past for parkland dedication, density bonusing or DCs for soft services may result in a loss of revenue for municipalities. This needs to be reconciled during the calculation of the community benefits charge.

Appraisal for community benefits calculation

The proposed timelines to dispute an appraisal may be too lengthy. It allows for a simple disagreement on the value of a land to take up to four and a half months to resolve. This can result in unnecessary delay for both municipalities and developers on an aspect that has little subjectivity and should be shortened.

Clarification on Parkland

The Ministry should provide clarification on the types of parkland improvements the community benefits by-law can be used to fund. For example, can the by-law be used to fund both the land and cash requirements for new growth parkland and improvements, existing park revitalization projects, and existing park repair and replacement projects so long as the parks service growth areas?

Proposed changes to O. Reg. 82/98 under the Development Charges Act related to Schedule 3 of Bill 108 - More Homes, More Choice Act, 2019

OPPI, as an Institute, is agnostic to the government's policy changes to the development charges (DC) regime. Our comments will be provided strictly with regard to implementation considerations.

Development Charge Deferral

Currently, the issuance of a building permit is the leverage a municipality has to ensure a developer pays the required DC payment. The Ministry has setup a deferral system which allows the payment to occur even beyond the issuance of a permit allowing occupancy without providing any leverage to the municipality to collect such a deferred payment.

The Ministry can consider requiring the developer who defers the DC payment to provide some form of security or a letter of credit to the municipality covering the deferred DC payment.

Development Charge Freeze

The Ministry should provide clarity on how a DC freeze applies in the event an application is appealed to the Local Planning Appeal Tribunal within the regulation. There appears to be some ambiguity in the event of such a situation.

Impact on Municipal Finances

The government has an overall stated objective of ensuring municipal revenue is not compromised from changes it is proposing. However, it is likely that freezing the amount of a development charge, allowing deferral of payment, and exempting additional units from development charges will result in revenue loss when compared to the status quo.

The Ministry should continue to give consideration to the impact on municipal finances as it relates to the implementation of its policy objectives.

OPPI is happy to work with the government and consult further on its development of the regulations under the *More Homes, More Choices Act*.

We would welcome the opportunity to meet with Ministry staff to discuss our submission and answer any questions you may have. Please feel free to contact me at 416-483-1873 or by email at executivedirector@ontarioplanners.ca.

Sincerely,



Mary Ann Rangam
Executive Director, Ontario Professional Planners Institute

CC:

Hon. Steve Clark – Minister of Municipal Affairs & Housing

Stephen Hamilton, Senior Policy Advisor – Planning, Office of the Minister of Municipal Affairs & Housing

Kate Manson-Smith – Acting Deputy Minister, Ministry of Municipal Affairs & Housing