



To: Province of Ontario

From: Rob Wheeler, Director of Corporate Services / Treasurer

cc: Town of Georgina: Mayor and Council, CAO, Deputy CAO, Directors

Date: August 20, 2019

Re: Town of Georgina Comments on Proposed Regulations – Development Charges Act, 1997 and Community Benefits Charge Authority

Purpose:

To provide staff comments in response to the Province's proposed regulations for the Development Charges Act, 1997 and the Community Benefits Charge Authority.

Background:

Bill 108, More Homes, More Choice Act, 2019 ("Bill 108") received Royal Assent on June 6, 2019. Included in Bill 108 were changes to the Development Charges Act, 1997 and the creation of a new Community Benefits Authority with the intent of making housing more affordable and development costs more predictable. The new Community Benefits Authority will replace development charges for soft services, Section 37/density bonusing and parkland dedication through a new Community Benefits Charge ("CBC"). On June 21, 2019, draft proposed regulatory guidelines were made available by the Province for the Development Charges Act, 1997, Planning Act, Local Planning Appeal Tribunal Act and the new Community Benefits Authority. Municipalities have been invited to provide feedback on the proposed regulations by the following dates:

- Local Planning Appeal Tribunal Act, 2017 – August 5, 2019
- Planning Act (ERO 019-0181) – August 6, 2019
- Development Charges Act (Environment Registry of Ontario (ERO) 019-0184) – August 21, 2019
- Community Benefits Authority, under the Planning Act (ERO 019-0183) – August 21, 2019

The comments below relate to the Development Charges Act and the Community Benefits Authority and will be submitted to the Environment Registry of Ontario on August 21, 2019.

Comments:

That the Town of Georgina support the following:

1. The Province's goal to increase the affordable housing supply in Ontario communities.
 - The Town of Georgina shares the same goal of being able to provide affordable housing to its residents.
2. The Province's intent to ensure Municipalities remain revenue neutral under the new Community Benefits Authority.

- Local Municipalities must be able to provide soft services to a growing population without having to put those costs on existing residents. The Town of Georgina is in support of the new CBC regime if it is revenue neutral to the previous soft service development charges, Section 37/density bonusing and parkland dedication.
3. The Provincial implementation timeline of January 1, 2021 to transition to the Community Benefits Authority.
 - The timeframe to implement the new CBC is compressed. Any Municipality who currently charges soft service DC's will need to hire a consultant to revise their current DC by-law by creating a new CBC background study for soft services and there are only a few consultant firms available with this expertise. Although the timeline is compressed, the Town of Georgina is confident it can achieve the deadline.
 4. The community benefits reporting requirements proposed in regulation.
 - The reporting requirements proposed are very similar to the current DC regulations.
 5. The parkland reporting requirements proposed in regulation.
 - The parkland reporting requirements proposed are very similar to the current reporting requirements within Section 42 of the Planning Act.
 6. The Minister of Municipal Affairs and Housing's proposal not to establish a maximum interest rate to be applied during the deferral and freeze of development charges.
 - Allowing the Municipality to decide on what interest rate it needs to charge on deferrals will assist in ensuring growth pays for growth where possible.

That the Town of Georgina request the Province:

1. To allow municipalities to register a priority lien on the tax roll of properties with mandatory development charge deferrals and allow the municipality to use additional tools to ensure that mandatory development charge deferrals are secured in a manner that will protect the municipality.
 - The new Act and proposed regulations will allow for the deferral of development charges on specific types of development for up to 20 years. There is currently no mechanism in the regulations to ensure the Municipality can protect its interest by securing the amount owing. This creates additional risk to the Municipality.
2. To set the Community Benefit Charge percentage cap at an amount that will ensure revenue neutrality for all Municipalities that currently charge levies under the Development Charges Act for soft services, the Planning Act for Section 37/density bonusing and parkland dedication.
 - The Town of Georgina, along with all growing Municipalities must be able to provide soft services to a growing population without having to transfer that cost to existing residents. If the CBC percentage cap is too low, the Municipality will need to choose between reducing service levels relating to soft services for current and future residents or transfer the cost of growth to current taxpayers. Transferring the cost of growth to current taxpayers will cause current residents to oppose future growth.
3. To allow municipalities to establish a fee as part of the proposed process for land appraisals to offset the additional administrative cost.
 - There will be costs associated with having additional appraisals prepared if the Municipality and/or Owner disagree with the appraised value of the land. These costs should be recoverable through a fee.