



Town of The Blue Mountains

32 Mill Street, Box 310
THORNBURY, ON N0H 2P0

<https://www.thebluemountains.ca>

March 30, 2020

John Ballantine
College Park 13th Floor, 777 Bay Street
Toronto, Ontario
M7A 2J3
John.ballantine@ontario.ca

RE: Proposed regulatory matters pertaining to community benefits authority under the Planning Act, the Development Charges Act, and the Building Code Act

Dear Mr. Ballantine;

The Town of The Blue Mountains would like to thank the Municipal Finance Policy Branch for the opportunity to comment on the proposed regulatory matters, specifically the Community Benefit Charges. The changes being proposed to not just the Planning Act but also the Development Charges Act are very important as these are important funding tools for the Town and other municipalities.

The Town has focused its comments to five areas that are most important to the rate payers and development industry. They are:

- Removal of 10% discount on Soft Service Development Charges;
- Creation of the Community Benefit Charge Authority;
- Calculation of Community Benefit Charge based on land value;
- Lower and Upper Tier Relationship; and
- One year turn around for the Community Benefit Charge.

The Town supports the removal of the arbitrary 10% discount that is currently applied to some of the Soft Service Development Charges. During the updating of the Development Charges Background Study and By-law the Town always ensures that the appropriate benefit to existing percentage is applied to the capital program and feels that by removing the 10% discount a more proper amount of funding can be collected and used to fund those projects.

The creation of the Community Benefit Charges is being labeled as a new funding tool; however, it appears that it is simply renaming funding streams that are already available to the Town. The Town does not support this change as it increases the amount of administration around the new Community Benefit Charge requirements that are purely duplicated as they follow the process required by the Development Charges Act.



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Rather than shifting some services into the Community Benefit Authority and forcing municipalities to go through two separate background studies, we recommend that the Province simply add the Parkland Dedication requirements to the Development Charges Act. By making this change, the amount collected for Parkland would be attached to specific projects and be based on the same growth projections as the other charges.

The appraisal process described to determine the land value to be used in determining the Community Benefit Charges is cumbersome and costly, and adversarial if there is a difference of opinion between the builder and the Town.

The Town would propose, since the Community Benefit Charges are to be collected at the time the building permit is issued, that the base amount on which the Community Benefit Charges are calculated be determined by adding the sale price of the lot and the construction value on the building permit. This is a concrete number that will be known to all parties. A side benefit of this approach is that it would encourage the building of smaller more affordable homes, as larger more expensive homes would attract larger Community Benefit Charges.

The Town is also concerned with the 10%/5% split between the Lower and Upper Tiers for all types of services. The arbitrary allocation of 2/3 and 1/3 may not follow the funding of the type of capital program. The division of service delivery between the Lower Tier and Upper Tier varies greatly from County to County. The Town may supply services that the County does not and therefore should be able to collect all 15% and vice versa for the County. Rather than having an established percentage split, the legislation should set the 15% and allow the Town and County to reach an agreement on the sharing split.

The Town also does not support a one year turn around to have the Community Benefit Charge By-law put in place from what is right now an unknown date. To force up to 444 municipalities to go through the same practice in such a short turnaround time is unrealistic. The municipalities that can afford to fund a premium will get the work done whereas the other municipalities will be forced to wait and could potential lose out on collections.

The Town would like to see the deadline set to one year after the expiration of the Town's current Development Charges By-law. During this time the Town would ask that the way the charges are currently being calculated and collected remain the same until that date.



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Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

The Town of The Blue Mountains

Sam Dinsmore

Sam Dinsmore

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