



THE REGIONAL MUNICIPALITY OF NIAGARA
PLANNING & ECONOMIC DEVELOPMENT COMMITTEE
AGENDA

PEDC 8-2019

Wednesday, August 7, 2019

1:00 p.m.

Council Chamber

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

	Pages
1. <u>CALL TO ORDER</u>	
2. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
3. <u>PRESENTATIONS</u>	
3.1 <u>Brock University LINC (Agenda Item 5.1)</u> Gervan Fearon, President and Vice-Chancellor, Brock University and Mark Robertson, University Librarian, Brock University.	3 - 13
3.2 <u>Niagara Gateway Tourism Information Kiosk</u> Bruce Timms, West Niagara Tourism Association. To be distributed.	
4. <u>DELEGATIONS</u>	
5. <u>ITEMS FOR CONSIDERATION</u>	
5.1 <u>ED 9-2019</u> Brock University LINC	14 - 21
5.2 <u>PDS-C 15-2019</u> Niagara Peninsula Conservation Authority (NPCA) Board Appointments	22 - 23

Bill 108 - Transition Regulations to the Planning Act and Development Charges Act

This item had been previously noted under Consent Items for Information.

6. CONSENT ITEMS FOR INFORMATION

7. OTHER BUSINESS

8. CLOSED SESSION

9. NEXT MEETING

The next meeting will be held on Wednesday, September 11, 2019 at 1:00 p.m. in the Council Chamber, Regional Headquarters.

10. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisory Coordinator at 905-980-6000 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

Presentation to
Niagara Region Planning and Economic
Development Committee

Brock LINC

August 7, 2019

Brock University

- Est. in 1964 as a community-based and regional university
- Economic impact of \$640m
- Strategic Priorities
 1. Providing a transformational and accessible academic and student experience
 2. Increasing the University's research capacity
 3. **Enhancing the life and vitality of communities across Niagara region and beyond**
 4. Fostering a culture of inclusivity, accessibility, reconciliation and decolonization



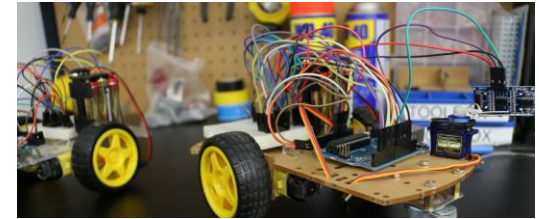
Rankin Family Pavilion (Brock LINC)



The Brock LINC

41,000 additional square feet dedicated to research, innovation, commercialization, and entrepreneurship.

- Collaborative hub offering linkages to Brock's research faculty and resources.
- Helping innovators grow and transform ideas into successful start-ups, businesses, and new products and services that will grow and diversify the Niagara economy.
- Prioritizing university capacity to support entrepreneurship and business development.
- Linking talent to local business needs and opportunities with payoffs to business and social innovation incubators.



Objectives

- Support research and innovative projects that bring together faculty, students, partners and businesses to develop new solutions to solving complex real-world problems.
- Extend the University's capacity to support commercialization and the application of new technologies.
- Incubate start-ups and accelerate small and medium enterprises (SMEs).
- Develop a skilled workforce with the research, entrepreneurial and practical skills demanded for economic growth in Niagara.



Resources Available in the Brock LINC

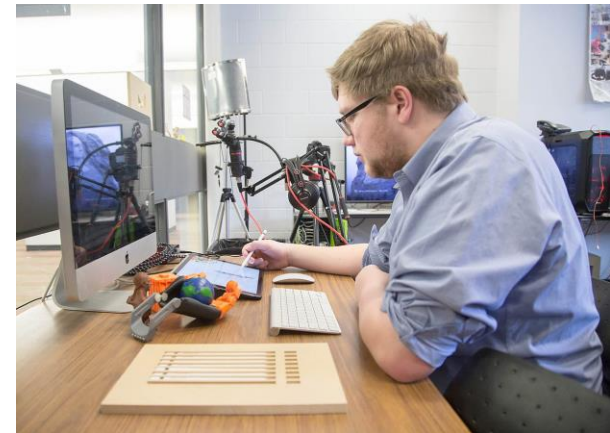
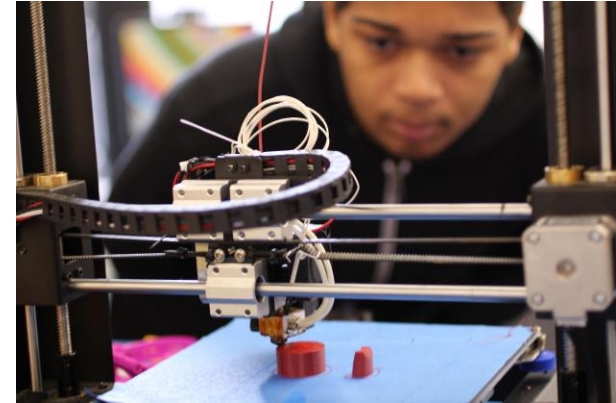
The following assets and resources available to the community, to use in partnership with Brock:

- Expanded Makerspace
- New Digital Scholarship Lab
- CCOVI's world-first Augmented Reality, Virtual Reality and Sensory Reality Sensory Consumer Lab (R3CL)
 - Lab can support a range of product and service testing - from digital to winetasting & act as a platform to support the Canadian consumer products industry, particularly wines.
- Ready/Sett/Grow space
 - Provides entrepreneurs and start-ups with space to resources needed to start and/or grow their business.
- Executive, Continuing & Experiential Education
- Business Consulting



Makerspace

- An open, transdisciplinary, and collaborative space for users to experience new and emerging technologies.
- An on-ramp to innovation for individuals wanting to test ideas, design product prototypes, and explore technology.
- The Makerspace is part of the innovation infrastructure within the LINC and includes state-of-the-art technologies such as:
 - 3D printers and scanners (additive manufacturing)
 - Laser cutters and CNC machines (subtractive manufacturing)
 - Robotics kits
 - Video and audio tools
 - Virtual reality
 - Ideation and prototyping services



Benefits & Outcomes for Niagara Region

1. Further leverage Brock's research capabilities and resources for the benefit of community economic development and vitality.
2. Support existing businesses and incubate/scale new ones through access to space and state-of-the-art equipment and services.
3. Job creation, skills development, and increased prosperity for the local region.



Aligning with Niagara Region Priorities

- The LINC has been designed to support many of the ongoing priorities of the Region, such as:
- Youth and talent retention
- Job creation & skills development
- Building a labour ready workforce
- Fostering innovation
- Positioning Niagara globally, as an innovative and forward thinking region and prime location to do business



Funding

- The \$19 million Rankin Family Pavilion has received:
 - Federal funding: \$8.47m
 - Donations: \$2m
- Brock is asking that Niagara Region support a core feature of the Brock LINC that will drive economic growth and generate benefits in Niagara for years to come.
- **Funding ask: \$1.5 million from Niagara Region**
 - to be directed to costs associated with the construction and completion of the makerspace, a core feature of the Brock LINC that will support business and economic development.



Thank you

<https://brocku.ca/linc/>

Subject: Brock University LINC

Report to: Planning and Economic Development Committee

Report date: Wednesday, August 7, 2019

Recommendations

1. That this report **BE RECEIVED** by the Planning and Economic Development Committee (PEDC) for information.
2. That the funding request for Brock University's LINC facility **BE REFERRED** for consideration as part of the 2020 budget process.

Key Facts

- The purpose of this report is to seek Council's consideration to provide \$1.5 million to Brock University to fund the makerspace within the new Brock LINC.
- Niagara Region has an opportunity to support a core feature of the Brock LINC that will drive economic growth and generate benefits in Niagara for years to come. The LINC will create and grow start-ups and businesses that will eventually spin-off into the community creating jobs and driving economic growth and diversification in the region.
- The LINC will be a collaborative hub that offers a full range of support, including access to physical space, state-of the-art technologies, business development services, and importantly linkages to Brock's research faculty and resources, to help innovative entrepreneurial individuals grow and transform ideas into successful start-ups, businesses, and new products and services that will grow and diversify the Niagara economy.
- The Makerspace will be a core feature of the Brock LINC that will be an important pillar for entrepreneurship and innovation. It will be a collaborative space that is designed to bring together people from across the community including local business owners, entrepreneurs, community members as well as Brock faculty, researchers, and students.
- In total, the Rankin Family Pavilion will add 41,000 additional square feet of space dedicated to research, innovation and commercialization, and entrepreneurship through programming offered by the LINC.

Financial Considerations – Brock University

Project costs for the Rankin Family Pavilion, which includes construction, furniture, equipment, and technology total \$19,723,866.02.

Brock has received the following funding for this project:

Source	Amount
Donations	\$2,000,000
Federal Government	\$8,470,000

While Brock has received generous support from the federal government and donors for the Brock LINC, the project still needs financial support to complete the construction of this legacy project and make it a reality.

Financial Considerations – Niagara Region

Brock is requesting a one-time \$1.5 million contribution from Niagara Region to support the Brock LINC. Funding from the Region will be directed to costs associated with the construction and completion of the makerspace, a core feature of the Brock LINC that will support business and economic development. Funding will ensure that the full vision of the LINC is realized for the benefit of Niagara for years to come.

Budget pressures have been outlined by staff in the following table as presented to Budget Review Committee including the above estimate, to illustrate the potential levy impact estimated for the 2020 budget. Any items being referred to the 2020 budget process should be considered along with the following items:

	Council Report	Levy Amount (M\$)	Levy Increase %
Previously identified reports			
Suicide Prevention Initiative	PHD 8-2019	0.200	0.05%
Niagara Airports	CAO 04-2019	2.240	0.61%
Waterfront Investment Program – Base funding	CSD 40-2019	1.000	0.27%
Smarter Niagara Incentive Program – Base funding	CSD 40-2019	0.600	0.16%
Brock LINC request for funding	ED 9-2019	1.500	0.41%
Niagara Regional Transit - phase in cost	CSD 40-2019	6.213	1.70%
NRPS 2019 position hiring deferral	BRC-C 7-2019	0.706	0.19%
Long-Term Care Home Redevelopment capital funding	COM 32-2019	5.899	1.62%
GO Implementation		TBD	TBD
EMS Central Hub capital funding	CSD 40-2019	0.390	0.11%
Potential request to-date		\$18.748	5.12%

Analysis

General Description

Brock's newest facility, the Rankin Family Pavilion will house the Brock LINC (Learning, Innovation, Networking and Collaboration). This facility will add 41,000 additional square feet to the main campus dedicated to research, innovation and commercialization, and entrepreneurship.

Objectives

The LINC has been designed to leverage Brock's research strengths to advance the prosperity and growth of the Niagara community. The objectives of the LINC are:

- Support research across different disciplines and sectors as well as innovative projects that bring together faculty, students, partners, and businesses to develop new solutions to complex real-world problems. An early venture from Brock that reflects this type of initiative was the establishment of the Cool Climate Oenology and Viticulture Institute (CCOVI), which brought together expertise from different fields including biological sciences, chemistry and business to examine all aspects of the wine industry and solve industry challenges.
- Extend the University's capacity to support commercialization and the application of new technologies.
- Incubate start-ups and accelerate small and medium enterprises (SMEs).
- Develop skilled workers with the research, entrepreneurial, intrapreneurial, and practical skills demanded for economic growth in Niagara.

These objectives will be achieved through services and offerings of the LINC. Some key features include:

Makerspace

The makerspace will be a flexible space with reconfigurable physical furniture that supports business and community-based applied research and development. This lab will include idea boards, multi-touch interactive screens and will also include state-of-the-art technologies, such as 3D printers with technical support and a range of turnkey support services provided by professionals and students. For example, designers will be able to 3D print prototypes of products, allowing them to test model and concept designs.

The Makerspace will be a place where innovative individuals and/or companies can begin in the early stages of product development, test ideas, design prototypes, and

explore technology. Designed to be a hotbed of innovation, it is where individuals and groups will be able to explore ideas and develop them into prototypes and potential products. It is expected that they will then transform these ideas into either new businesses or offerings from existing businesses in the Niagara community. The Makerspace will be a foundation for idea exploration within the LINC.

The Augmented Reality, Virtual Reality and Sensory Reality Consumer Lab (R3CL)

Many of Brock's departments and research hubs have existing relationships with local industry. For example, the Cool Climate Oenology and Viticulture Institute (CCOVI) works with local grape growers and wineries to provide research, support, and educational programs that support the local industry. CCOVI's existing impact to the region is significant, generating \$58 million annually in local economic impact and \$91 million to the Ontario economy.

While significant, CCOVI's capabilities have been limited due to space restraints and outdated technology. This first of its kind lab will provide CCOVI, and others, with over \$1 million in new state-of-the-art technologies that will drive their impact even further. Using advanced AR/VR technology, Brock will make research and technology accessible to regional companies seeking to develop and launch products. The lab will be flexible enough to support a range of product and service testing – from digital to winetasting – using a range of approaches from research and observation to digital tracking.

Ready/Sett/Grow & Business Consulting

Embodying a play on the name for a badger's den, the Ready/Sett/Grow space provides early stage start-ups with physical space and access to resources they need to start and grow their businesses. Moreover, it will provide entrepreneurship development, executive education, and consulting services to support the economic development and success of businesses in the Niagara Region.

In sum, access to state-of-the-art technologies, physical space, and resources to test, design and explore ideas in combination with business development services will provide a full suite of support to assist individuals and entrepreneurs with starting and expanding businesses that will grow and create jobs in the broader community.

Outcomes and Benefits to the Community

Building off a history of success working with businesses in Niagara, Brock through the LINC will further enhance economic development in the region providing start-ups, for-profit, small and medium sized companies with space, technology, and partnership opportunities to expand and grow their businesses in a range of sectors including, but not exclusively, agriculture, food and beverage products, health services, and digital

technologies. It will provide physical space in combination with access to Brock's researchers and resources to facilitate the development and commercialization of new products and processes for new and existing Niagara companies enabling them to scale and grow. Furthermore, when applying for federal funding, the LINC received previous letters of support from Niagara Region, The City of St. Catharines, The City of Thorold, The Town of Lincoln, and from the local Chambers of Commerce as a means to support regional economic growth and development.

Specific outcomes of the Brock LINC include:

Further leverage Brock's research capabilities and resources for the benefit of community economic development and vitality.

Brock researchers' already partner with industry to bring innovations to market, contributing to the economic growth of the local region. For example, in 2018, Brock researchers engaged with nearly 50 external companies. Since 2012, approximately 100 of Brock faculty members have engaged with external partners and the University has seen over 125 new commercialization partnerships, two-thirds of which are with companies, SMEs, or community partners located in Niagara, Hamilton or the GTA.

Through the LINC, Brock will be able to further expand on existing research partnerships as well as create new ones, with even greater potential. Providing access to new technologies and innovation space, as well as potential partnership opportunities with Brock, researchers will provide businesses with greater opportunities to commercialize new products or processes that will drive economic growth locally. The makerspace will be a core part of this process by providing a space for Brock researchers, innovative entrepreneurs, and businesses to explore ideas that could be expanded into prototypes, products, or processes.

As Niagara's economy continues to diversify and transition into a knowledge-based economy, the LINC will be an important hub for contributing to economic growth in the region. Leveraging Brock's research and resources will be increasingly important as part of supporting this transition to a diversified economy, retaining talent, and ensuring the long-term prosperity of Niagara.

Support existing businesses and incubate/scale new ones through access to space and state-of-the-art equipment.

The LINC will provide start-ups, for-profit, small and medium sized companies in Niagara with incubation space, access to innovative technologies, and partnership opportunities to expand and grow their businesses. It will provide new and existing businesses with space to facilitate the development and commercialization of new products and processes. Start-up businesses will grow out into the Niagara community generating long-term economic benefits for years to come.

The makerspace specifically will provide additional space to explore and test ideas with new state-of-the-art technologies. Brock will be re-locating its current makerspace into the LINC expanding its capacity ten-fold. The makerspace will also house a wide-range of new and innovative technologies allowing entrepreneurs and businesses to explore their uses for early stage research and development. While these technologies may exist in other parts of Niagara, the advantage of the Brock LINC makerspace is that they will all be housed in a single space for full idea exploration and testing alongside Brock researchers and students. The makerspace will act as an on-ramp to innovation for business growth and development in Niagara.

Moreover, the R3CL will be unique in the global landscape through its offering of AR/VR equipment for the purpose of consumer testing. Established by CCOVI, this lab will be the world's first mediated-reality wine laboratory, where researchers can combine sights, smells, and sounds to help study the science of consumer choice in the wine industry. With applications applicable to many industries, others interested in consumer research and innovation will benefit from learning how a wide-range of consumer choices impact purchasing decisions.

The LINC will be supporting local industry by providing access to innovative equipment and opportunities to team students and researchers with local industry and community partners to create and/or grow their businesses. Local innovators, entrepreneurs, and companies can utilize, through partnership with Brock, the technologies and resources available in the LINC to explore and test ideas, develop new products and services, and grow their businesses. By supporting the LINC, Niagara Region will be instrumental to the foundation of a critical organization that builds existing and future companies for Niagara.

Job creation, skills development, and increased prosperity for the local region.

Through its support for start-ups and business development, the LINC will create new businesses and ultimately jobs in the Niagara community. The LINC will also support the expansion of existing businesses that explore new product and service development through LINC services. The makerspace will be critical to early stage research and development of ideas that will be the foundation for new businesses, products, and services. By creating new jobs and businesses in Niagara, the LINC will contribute to a larger, more prosperous and diversified tax base to support public services and community vitality. The LINC will also support the retention of talent and youth in the community through increased job and business development opportunities. Overall, the LINC will be a key asset to the long-term prosperity and economic growth of Niagara.

The students, entrepreneurs, researchers and companies who utilize the LINC will live, work, and start businesses in Niagara, while helping with the growth of Niagara's skilled workforce. The makerspace will also more specifically support digital skills development

and training. Providing hands-on access to new and emerging technologies will allow individuals to explore their uses and potential applications developing their digital skills. These skills will be increasingly important to competitiveness in the modern digital economy.

Conclusion

The LINC will benefit Brock and Niagara Region together by supporting research, innovation, entrepreneurship and business growth that creates local jobs, drives economic development, and builds a prosperous and diverse Niagara for the future. The LINC will be a doorway to opportunities for entrepreneurs and businesses to access space, state-of-the-art technologies, and Brock's researchers and resources that will help them grow and succeed in the region.

The LINC will serve as an important bridge between Brock and the local community. Those who access the LINC will benefit from the research expertise and technology available at Brock that can help their company grow and succeed. Local industry will benefit from access to Brock's state-of-the-art technology available in the LINC's unique facilities, including the makerspace that can be used for research, testing, prototyping, and exploring ideas and technology.

By funding the makerspace, thus supporting the LINC overall, Niagara Region will be supporting those at the early stages of the innovation process who have the potential to succeed and become job creators in the community. This funding will be an investment in a legacy project for Niagara's future that will benefit the community for years to come, through economic growth, job creation, skills development, and innovation support for local businesses and industries. Niagara Region has an opportunity to contribute to building this important institution that will be at the heart of a prosperous, competitive, and modern Niagara economy.

Alternatives Reviewed

None applicable.

Other Pertinent Reports

ED 10-2017 Innovation Partnerships
ED 2-2019 Economic Development Strategy

Prepared by:

Valerie Kuhns
Acting Director
Economic Development

Submitted by:

Ron Tripp, P.Eng
Acting Chief Administrative Officer

MEMORANDUM

PDS-C 15-2019

Subject: Niagara Peninsula Conservation Authority (NPCA) Board Appointments

Date: August 7, 2019

To: Planning and Economic Development Committee

From: Ann-Marie Norio, Regional Clerk

At the Regional Council meeting held on June 20, 2019, staff were requested to consider having NPCA related matters brought forward to the Planning and Economic Development Committee for consideration.

At its meeting held on May 16, 2019, Regional Council passed the following resolution:

1. *That Correspondence Item CL-C 39-2019, being a memorandum from A.-M. Norio, Regional Clerk, dated May 16, 2019, respecting Niagara Peninsula Conservation Authority Board Appointments, **BE RECEIVED**;*
2. *That Regional Council **APPOINT** the community representatives selected by Fort Erie, Grimsby, St. Catharines, and Welland to the Niagara Peninsula Conservation Authority Board effective immediately;*
3. *That Regional Council **REQUEST** that the remaining eight local area municipalities submit their recommendations for representatives on the Niagara Peninsula Conservation Authority Board by July 31, 2019; and*
4. *That Regional Council **EXTEND** the appointments of Councillors Bylsma, Foster, Gibson, Greenwood, Huson, Steele, Whalen and Zalepa, on the Niagara Peninsula Conservation Authority Board for an additional three months from today's date unless the local area municipality appoints another representative before that date.*

Pursuant to the *Conservation Authorities Act*, Regional Council is the body responsible for the appointment of members representing Niagara Region on the NPCA Board.

Staff are in receipt of correspondence respecting the outstanding local area municipalities' recommendations for representation on the Board.

A resolution of Council is required for these Board appointments. Suggested wording is as follows:

That Regional Council **APPOINT** Ken Kawall (Lincoln), Mal Woodhouse (Thorold), Deborah Coon-Petersen (West Lincoln) and Jack Hellinga (Port Colborne) to the Niagara Peninsula Conservation Authority Board of Directors effective August 17, 2019; and

That Regional Council **EXTEND** the current appointment of Councillor Zalepa on the Niagara Peninsula Conservation Authority Board of Directors until September 30, 2019 and **APPOINT** William Rapley (Niagara-on-the-Lake) to the Niagara Peninsula Conservation Authority Board of Directors effective October 1, 2019 in accordance with the recommendation of the Council of the Town of Niagara-on-the-Lake.

Respectfully submitted and signed by

Ann-Marie Norio
Regional Clerk

Subject: Bill 108 – proposed transition regulation materials relating to the *Planning Act, 1990* and *Development Charges Act, 1997*

Report to: Planning and Economic Development Committee

Report date: Wednesday, August 7, 2019

Recommendations

1. That Report PDS 28-2019 **BE RECEIVED** for information.
2. That staff **BE DIRECTED** to continue to provide detailed comments on Bill 108 and any associated matters, as needed.
3. That a copy of Report PDS 28-2019 **BE CIRCULATED** to local area municipal Planning Directors and Area Treasurers.
4. That staff **FURTHER REPORT** to Council with additional information on any legislation changes to Bill 108 and associated regulations that arise after the date of this report.

Key Facts

- This report provides an overview of the proposed regulations associated with Bill 108 – More Homes, More Choice Act, 2019 (Bill 108).
- On May 2, 2019, Ministry of Municipal Affairs and Housing (MMAH) announced its “Housing Supply Action Plan” and concurrently introduced Bill 108. An earlier report, PDS 26-2019, provides an overview and comments on Bill 108.
- On June 6, 2019, Bill 108 received Royal Assent, with some amendments coming into force and effect immediately.
- On June 21, 2019, MMAH released three proposed regulations for Bill 108 relating to the Planning Act, 1990 and Development Charges Act, 1997 (DC Act).
- A key component of Bill 108 – the formula for calculating a Community Benefit Charge (CBC) – has not been released. It is the subject of further consultation.
- The proposed CBC implementation date is January 1, 2021. Soft service development charges can no longer be charged after that date.

- Regional staff submitted their comments on Bill 108 regulations to the Environmental Registry of Ontario (ERO). A copy is attached as Appendix 1.

Financial Considerations

As identified in PDS 26-2019, proposed regulations to Bill 108 will influence the amount of development-related charges collected by Niagara Region and its local municipalities. This could result in less available funding for Regional programs and initiatives and may result in deferral of growth-related capital infrastructure.

The proposed regulations have not identified the formula for calculating a CBC – the release of the draft formula will occur after further consultation. The introduction of CBCs and the changes to development charges (DCs) may have a significant financial impact on the Region. Under the existing system the forecast DCs collected are as shown in the table below:

Summary of Regional Development Charge Collections (\$Ms)											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
DCs Collected - Hard Service	41.03	42.73	43.59	44.46	45.35	46.26	47.18	48.13	49.09	50.07	457.88
DCs Collected - Soft Service	3.33	7.95	8.11	8.27	8.44	8.61	8.78	8.96	9.13	9.32	80.90
Total	44.36	50.69	51.70	52.73	53.79	54.86	55.96	57.08	58.22	59.39	538.79

As recently presented in CSD 56-2019 Long Term Care Home Redevelopment Financing, unknowns associated with the CBC has created a significant financial risk for the growth related component of the Long Term Care redevelopment. This same risk also exists with other soft service areas that were previously included under DCs and proposed to be included under the new CBC (for example, social housing).

Regional staff are also in the process of assessing internal resources required to achieve compliance with the revised legislation. Staff expect to present program changes that are a direct result of Bill 108 as part of the 2020 Levy Supported Operating Budget. Program changes may address staffing and professional service requirements for the implementation of the revised legislation and CBC, as well as for the early adoption of a new DC Background Study.

Analysis

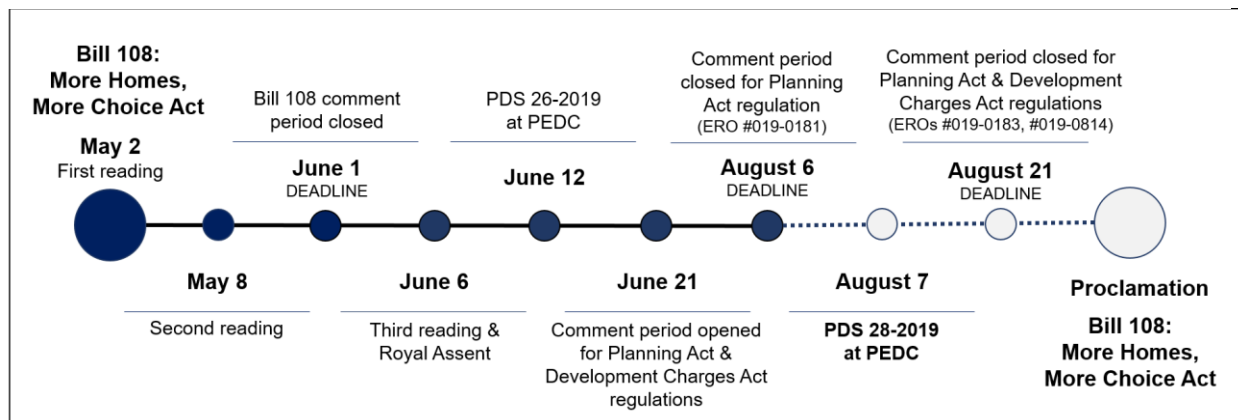
Amendments to the *Planning Act, 1990* and *DC Act* proposed through Bill 108 received Royal Assent on June 6, 2019.

On June 21, 2019, MMAH issued its first ERO postings of proposed transition regulations relating to Bill 108.

Most of the proposed regulations will come in effect at time of Bill 108's proclamation. Bill 108 has not received proclamation at time of writing this report. Some regulations will come in to effect retroactively to the date of Royal Assent (June 6, 2019).

Figure 1 below illustrates a timeline of key milestones associated to Bill 108.

Figure 1: Key milestones relating to Bill 108.



Current ERO postings for Bill 108's proposed regulations cover the following matters:

- ERO #019-0183 titled, "Proposed new regulation pertaining to the community benefits authority under the *Planning Act*" (<https://ero.ontario.ca/notice/019-0183>)
- ERO #019-0184 titled, "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*" (<https://ero.ontario.ca/notice/019-0184>)
- ERO #019-0181 titled, "Proposed new regulation and regulation changes under the *Planning Act*, including transition matters, related to Schedule 12 of *Bill 108 - the More Homes, More Choice Act, 2019*" (<https://ero.ontario.ca/notice/019-0181>)

Regional staff's comments to these postings are attached as Appendix 1 to this report.

The following sections provide a synopsis of changes proposed through the regulations.

Community Benefits Charge (CBC)

CBC Formula

MMAH has not yet released the CBC formula. The Ministry advises that it will conduct further consultation to get feedback for the appropriate range of percentages for the formula.

The Ministry states a key goal of the CBC formula will be to ensure that municipalities maintain their historic revenue collected for soft services through its DC.

Notwithstanding this comment, staff are unsure whether this is achievable given that the formula details have not yet been released.

CBC Authority

The regulations specify that municipalities will be the CBC Authority. This is similar to the current authority of municipalities to charge development charges.

The proposed start date is January 1, 2020. After January 1st, municipalities can pass CBC By-laws.

CBC By-law Implementation Date

By January 1, 2021, municipalities must have transitioned to the use of CBC By-laws if they seek to collect money for soft services (i.e. what was permitted in the former *DC Act* before the recent amendment). After that date, municipalities are prohibited from collecting DCs for soft services.

However, in absence of a CBC By-law by January 2021, municipalities may continue to collect fees for parkland until such time that the municipality implements a CBC By-law.

CBC Reporting Requirement

The regulation identifies an annual CBC reporting requirement similar to what is currently prepared by municipalities for DC and parkland collection.

Required elements of an annual CBC report include:

- year-opening and year-closing CBC balances;
- details on amounts allocated during the applicable year;
- descriptions of services funded through allocated amounts;

- details relating to any money borrowed from the CBC account and its borrowed purpose; and,
- amount of incurred interest on the borrowed amount.

Exemptions to a CBC By-law

The regulation materials prescribe the following development types exempt from the collection of CBCs:

- long-term care homes;
- retirement homes;
- universities and colleges;
- memorial homes, clubhouses or athletic grounds of the Royal Canadian Legion;
- hospices; and
- non-profit housing.

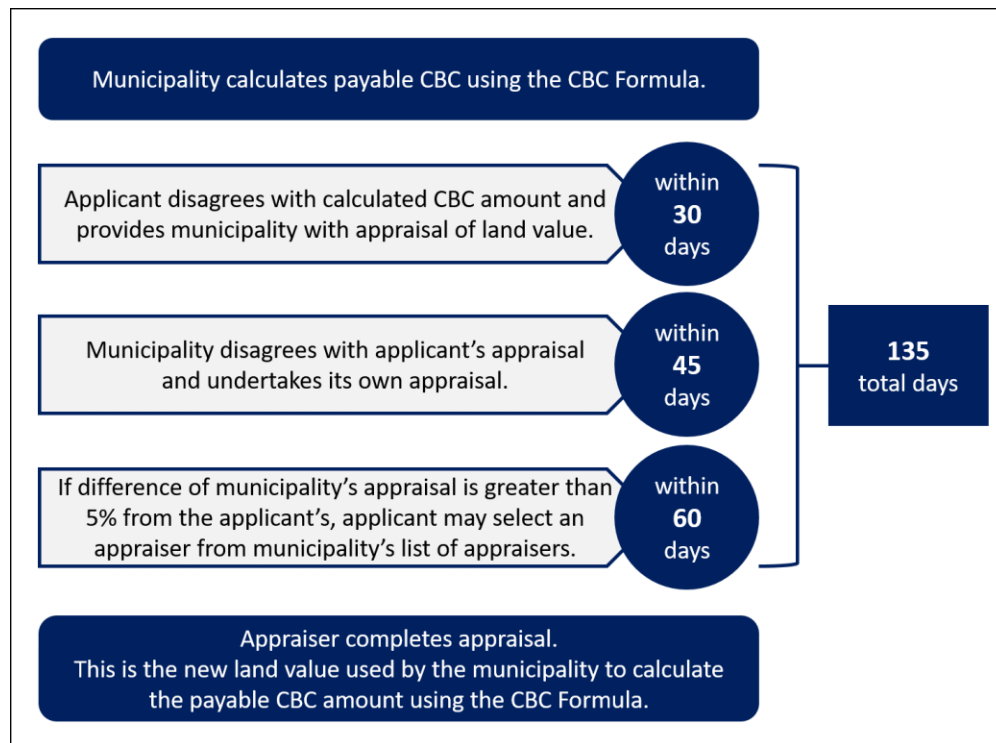
Protesting a Payable CBC Amount

An applicant may protest the amount a municipality determined is payable under the CBC.

The protest may only occur on the basis that the payable CBC amount exceeds the amount legislatively permitted through the CBC formula. This is similar to the test under the *DC Act*.

Figure 2 identifies the proposed process for challenges to a payable CBC amount.

Figure 2: Steps of the CBC land value appraisal process.



Development Charges (DCs)

January 2021 Implementation Date

As set out above, municipalities must implement a CBC by January 1, 2021 or they are no longer eligible to collect soft service-related DCs.

As a result, the Region may be required to prepare a new development charge background study and pass a new By-law in advance of the current By-law expiry (August 31, 2022) to satisfy the January 1, 2021 CBC implementation date.

Deferral of DC Collection

The following development types have a mandatory deferral for the collection of DCs:

- rental housing;
- non-profit housing;
- institutional;
- industrial; and
- commercial.

The above development types will be defined further in the regulations. The deferral eligibility takes effect upon proclamation.

DC Rate Freeze

Bill 108 set out a new process that allows the DC amount to be set at the time of site plan application (or zoning application, if there is no site plan application). In most cases under the old rules, DCs would be paid later, at the time of building permit issuance.

The regulation proposes a maximum length of time for the DC freeze: applications are frozen for a maximum of two years from the date of approval.

For planning applications that do not require a site plan or zoning amendment, the current DC collection procedure continues to apply.

The rate freeze rules will come in to effect upon proclamation.

Municipal interest rates for deferred or frozen DCs

Municipalities are able to collect interest on deferred or frozen development charges.

The regulation does not set a specific rate; rather MMAH has left it to individual municipalities to set a rate.

Local Planning Appeal Tribunal (LPAT)

Transition of LPAT Matters

LPAT appeal rights, procedure and evidence rules were revised through Bill 108.

Where an LPAT Hearing has not yet been scheduled, the new rules under Bill 108 will apply to that Hearing. Existing appeals with Hearing dates will proceed under the old rules.

Reduced Planning Application Review

As noted in PDS 26-2013, municipal review and approval timelines were reduced by Bill 108.

These timelines are now in effect and are set out below in Table 1:

Table 1: Overview of new planning application review and approval timelines through Bill 108.

Planning Instrument	Bill 139 (previous timelines)	Bill 108 (current timelines as of June 6, 2019)
Official Plan / Official Plan Amendment	210 days	120 days
Zoning By-law Amendment	150 days	90 days
Plan of Subdivision	180 days	120 days

Alternatives Reviewed

The purpose of this report is to provide an overview of key changes proposed through Bill 108's transition regulation materials in relation to the *Planning Act, 1990*, and *DC Act*. There are no other alternatives for Regional Council to consider at this time.

Regional staff will update Council on Bill 108-related matters as they occur.

Relationship to Council Strategic Priorities

Doing Business Differently

Bill 108's transition regulations will impact the way Niagara Region conducts its core functions and daily business operations.

Specifically, proposed regulations to the *Planning Act, 1990* and *DC Act* will modify the collection development-related costs through DCs and CBCs.

Other Pertinent Reports

- CWCD 176-2019
- CWCD 215-2019
- PDS 26-2019

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This report was prepared in consultation with Alexander Morrison, Planner, and reviewed by Helen Chamberlain, Director of Financial Management & Planning/Deputy Treasurer, Margaret Murphy, Associate Director of Budget Planning and Strategy, Robert Fleming, Senior Tax and Revenue Analyst, Donna Gibbs, Director of Legal and Court Services.

Appendices

Appendix 1	Niagara's comments: transition regulations for <i>Bill 108 – More Homes, More Choice Act, 2019</i> , regarding the <i>Planning Act, 1990</i> (ERO 019-0181, -0183), and the <i>Development Charges Act, 1997</i> (ERO 019-0184)	Pages 10 - 12
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Subject: Niagara's comments: transition regulations for *Bill 108 – More Homes, More Choice Act, 2019*, regarding the *Planning Act, 1990* (ERO 019-0181, -0183), and the *Development Charges Act, 1997* (ERO 019-0184)

Date: August 6, 2019

To: John Ballantine
Municipal Finance Policy Branch, Ministry of Municipal Affairs and Housing

Planning Consultation
Provincial Planning Policy Branch

From: Rino Mostacci, MCIP, RPP
Commissioner of Planning and Development Services, Niagara Region

Kindly accept this letter on behalf of the Commissioner of Planning and Development Services of the Regional Municipality of Niagara (the "Region") in response to the proposed regulations for the *Development Charges Act, 1997*, and the *Planning Act, 1990*, through the Ministry of Municipal Affairs and Housing (MMAH) *Bill 108: More Homes, More Choice Act, 2019*.

The views expressed in this letter are those of the Region's Commissioner of Planning and Development Services.

Comments in this letter are submitted collectively in response to the following Environmental Registry of Ontario ("ERO") postings:

- ERO #019-0181: "*Proposed new regulation and regulation changes under the Planning Act, including transition matters, related to Schedule 12 of Bill 108 - the More Homes, More Choice Act, 2019*"
- ERO #019-0183: "*Proposed new regulation pertaining to the community benefits authority under the Planning Act*"
- ERO #019-0184: "*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*"

Regional staff supports some of the proposed changes

Regional staff supports the following aspects of the proposed regulations:

- The Ministry's stated commitment that municipal revenue historically collected through development charges (DCs) and parkland are maintained through the Community Benefits Charge (CBC) formula.
- Clarified roles and responsibilities between the applicant and the municipality during the land value appraisal process used to calculate a CBC.

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- Specified transition period for the review and approval of *Planning Act, 1990*, applications such as official plan amendments, zoning by-law amendments, and plans of subdivision.
- Specified official plan elements required to implement a Community Planning Permit System and that approval of that instrument cannot be appealed.
- Decision to *not* specify a prescribed maximum interest rate on deferred / frozen DCs. This will allow municipalities to determine the appropriate rate based on its particular circumstances.

Regional staff comments

Participation in future consultations

The regulation does not specify how the Region can participate in future Bill 108-related consultation, including commenting on the CBC formula. The Region seeks to provide input.

Concern with the CBC By-law implementation date

The regulation sets out that CBCs need to be implemented by January 1, 2021.

This implementation date will be difficult to achieve given the process that must occur prior to the completion of a CBC Strategy.

Undertaking a CBC Strategy in a two-tiered governance structure will take considerable time and be difficult to coordinate between all stakeholders, particularly the first time.

It takes more than a year to complete the necessary background work required for a Development Charge Background Study. As such, we expect a CBC Strategy to take at least this long since it is a new initiative and will involve consultation and coordination with 13 municipalities. It is an unreasonable time expectation to have this work completed, including passing a By-law, for Niagara's 13 municipalities by January 2021.

It would be unfair to prohibit the collection of development charges under a circumstance where a By-law was not passed during this period. Losing out on these charges would be detrimental to the construction of community infrastructure necessary to accommodate growth.

Regional staff requests MMAH to adjust the implementation date of a CBC By-law to allow for proper planning and consultation with municipalities to better understand administrative resourcing, tools, and processes required for this major transition.

In our view, instead of the January 2021 implementation date, CBCs should be phased-in at the time of DC By-law expiry. For example, if a DC By-law expires in March 2023, development charges, including soft services DCs, could continue to be collected until that date, at which time a CBC By-law would be required in order to do so. Using this phased approach will allow for better coordination between the local municipalities and Region, and allow additional time for municipalities to prepare and plan for this new funding process.

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Additionally, there is confusion about the requirements for the January 2021 date based on the available materials. It is unclear whether a new DC By-law must be passed by January 2021 (thus requiring a new DC Study prior to that date), or if a municipality may instead amend its existing DC By-law by removing soft service rates recovered through the CBC By-law (without a DC Study). If the January 2021 date remains in the final form of the regulation, clarification about the requirements is needed.

Non-profit housing definition

Non-profit housing developments are able to defer payments in the revised *DC Act*. The regulation does not currently identify eligibility requirements for a non-profit that could receive this benefit.

Regional staff requests that the regulation include a "charitable organization" requirement for non-profit housing developments to prevent unmeritorious corporations from incorporating as a non-profit to qualify for DC deferral.

Applicable DC rates upon expiry of deferral periods

Regional staff requests clarification in regards to whether the initial DC rate or current DC rate would apply to applications whose two year deferral period has expired under ss. 26.1-26.2 of the *DC Act*.

Establish criteria for eligible CBC "in-kind contributions"

The regulation should specifically identify eligibility requirements for "in-kind contributions" in lieu of cash on a remaining CBC balance (*Planning Act, 1990*, ss.37(6-8)).

For example, the regulation should provide that in-kind contributions collected by municipalities count towards its 60% annual spending/allocation requirement (*Planning Act, 1990*, ss.37(27)). The legislation and regulation is unclear on whether in-kind contributions, or cash-only, meet the 60% requirement.

Conclusion

Regional staff appreciates the opportunity to provide these comments and looks forward to participating in further consultation opportunities.

Respectfully submitted and signed by



Rino Mostacci, MCIP, RPP
Commissioner of Planning and Development Services
Niagara Region