
MEMORANDUM

CSC-C 13-2020

Subject: Bill 197 - Changes to the Development Charges and Planning Act (Community Benefit Charge)

Date: August 5, 2020

To: Corporate Services Committee

From: Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer

On July 8, 2020, the Province of Ontario released Bill 197 which amends 17 Acts, including the *Development Charges Act* (DCA) and the *Planning Act* (specifically the pending Community Benefit Charge [CBC] Legislation). The Bill is titled *COVID-19 Economic Recovery Act, 2020* and is currently at its 1st Reading at the time of preparing this memo. Changes may be made after further readings that could impact our comments below. The purpose of this memo is to provide Committee with an update on the changes to the DCA and CBC only. A more comprehensive summary of other Act amendments may be brought forward if warranted based on additional review.

The Region's Development Charge (DC) consultant distributed a preliminary summary of the legislation which has been attached to this memo as Appendix 1. Staff have included below a high-level summary of some of the more significant and positive changes to DC and CBC under the Bill:

- The Regional services (most notably Social Housing) that are currently included in the DC By-law will no longer be included in the new CBC regime as proposed in earlier legislation (Bill 108). Instead, under Bill 197, these Regional services will remain as DC-eligible services.
- Amended to allow a Council of a local municipality only to pass a CBC by-law. Meaning that Niagara Region and other upper-tier municipalities will not pass CBC by-laws. As noted above, under Bill 197, certain services would remain as a Regional DC service and therefore, there is no longer a need for a Regional CBC By-law.
- Removal of the 10% statutory deduction from soft-services under Bill 108 has been maintained meaning that the Region will be permitted inclusion of 100% of the costs of Courts, Growth Related Studies, Long Term Care, Health, EMS, Social Housing,

and Waste Diversion services in the DC By-law where previously they were only 90% recoverable.

The first reading of Bill 197, as it relates to the CBC and the re-introduction of some services as DC-eligible is considered positive based on the initial review that has been undertaken. If passed by the Province in its current form, it will eliminate the need for the Region to engage in the administratively intensive task of completing two background studies/by-laws and maintaining collection practices for two separate growth cost recovery mechanisms.

Respectfully submitted and signed by

Helen Chamberlain, CPA, CA
Director, Financial Management & Planning/Deputy Treasurer

Appendix 1 – Letter to Clients – DC, CBC Changes as of July 8, 2020