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Subject: Niagara's comments: **Bill 108 – More Homes, More Choice Act, 2019** regarding the *Planning Act, 1990* (ERO 019-0016), *Development Charges Act, 1997* (ERO 019-0017); and *Ontario Heritage Act, 1990* (ERO 019-0021)

Date: May 31, 2019

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

Lorraine Dooley
Ministry of Tourism, Culture and Sport

Planning Act Review
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 proposed amendments to the *Development Charges Act, 1997*, *Ontario Heritage Act, 1990*, and *Planning Act, 1990*, through the Ministry of Municipal Affairs and Housing (MMAH) *Bill 108: More Homes, More Choice Act, 2019* (referred to as "Bill 108").

Some comments in this letter reflect feedback shared by staff at the Region's local area municipalities; however, views expressed in this letter are only 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 #019-0016: "*Bill 108 - (Schedule 12) – the proposed More Homes, More Choice Act: Amendments to the Planning Act*"
- ERO #019-0017: "*Bill 108 - (Schedule 3) – the proposed More Homes, More Choice Act: Amendments to the Development Charges Act, 1997*"
- ERO #019-0021: "*Bill 108 - (Schedule 11) – the proposed More Homes, More Choice Act: Amendments to the Ontario Heritage Act*"

This submission contains two parts:

- 1) This cover letter highlighting key areas of interest.
- 2) A table containing specific comments and recommendations on the *Development Charges Act, 1997* amendments (ERO #019-0017).

The Region supports some of the proposed changes

The Region supports the objective of creating more housing, a greater mix of housing and the effort to improve housing affordability for homeowners and tenants.

The Region supports the following amendments in Bill 108:

- Limiting third-party appeals on certain planning applications, such as Plans of Subdivision, as it enables greater autonomy in municipal decision-making and faster approvals.
- Retaining limitations on appeals of Minister-approved official plan amendments, for the same reasons.
- Retaining mandatory Case Management Conferences prior to a LPAT hearing.
- Granting the LPAT authority to require parties to participate in mediation or dispute resolution prior to scheduling a hearing.
- Enabling the LPAT to set and charge different fees for different classes of persons and types of proceedings, as long as this is used to improve access to justice.
- Requiring notice to property owners of Council's decision to list their property as heritage.

Recommendations that are *Not* in Bill 108

Single-window planning system for Niagara Region

In the Commissioner's view, the best way to get planning approvals done faster would be through some form of a single-window planning service in Niagara Region. This model could follow a similar structure to that in the County of Oxford, set out in section 77 of the *Planning Act, 1990*.

This structure should retain the local municipal planning function, with the same or similar roles between the Region and local municipalities. The difference would be in the organization's structure, the sharing of information, and how service is delivered.

This would be consistent with the governments' objective to eliminate red tape and expedite the planning review and approval process.

MMAH should be better resourced

In the past, MMAH and other Ministries have delayed planning approvals. The Region has experienced inconsistent and unpredictable service delivery when working with Ministry staff.

The Region suggests MMAH improve its internal resourcing and staff complement to assist with review of files circulated to it for Ministry review.

Bill 108 contains reduced timelines for municipal staff to review various planning applications (a concern that is noted further below).

A similar effort for reduced Ministerial review time should be made. As a starting point, it would be helpful for MMAH to have a public set of service delivery expectations for planning application review.

Municipalities and the development community would significantly benefit from improved service delivery and transparency from MMAH. This would improve municipal staff's ability to advance recommendations to its Council.

Establish a “sunset clause” for inactive planning applications

The *Planning Act, 1990*, should be amended to introduce a “sunset clause” for previously approved and long-inactive Plan of Subdivisions and Site Plans.

The Region and its local area municipalities have several applications that were approved 10 or more years ago that have had little or no activity since that time. Plans approved many years ago often do not reflect current planning policy or best planning practice.

The introduction of a sunset clause would allow municipalities to better manage and implement good planning practice by reviewing lapsed applications under current policy.

Likewise, removing long-standing, inactive applications would assist capital works planning. It does not make sense to hold services for an approved but inactive plan. A sunset clause would have the effect of freeing capacity of these services for use by other development that is proceeding.

Establish a “review pause” for outstanding municipal requests on planning applications

The *Planning Act, 1990*, should be amended to permit a pause in review time in cases where there are outstanding municipal requests of developers for revised or supporting documents needed as part of the development application.

Municipalities should not bear the consequence of a lapsed review time period due to an applicant's inability to provide sufficient information. Municipalities rely on supporting documents during application review to produce evidence-based recommendations to Council.

Concern with shortened timelines for planning approval and notice

Niagara strongly opposes proposed *Planning Act, 1990* amendments to shorten review and approval timelines.

The reduced time will strain the ability for municipal staff to complete a comprehensive review and conduct meaningful consultation and co-ordination.

These reduced timeframes could result in a lower quality of work or the need for additional staffing. This change, combined with the revisions to Local Planning Appeal Tribunal, will require municipalities to dedicate more staff time and resourcing towards addressing appeals, rather than traditional business priorities.

Retain notice requirements for Plan of Subdivision

Proposed amendments to subsection 51(20) of the *Planning Act, 1990* eliminates the requirement for an approval authority to give notice to prescribed persons or bodies prior to making a decision on a Plan of Subdivision application.

We ask that the forthcoming revised regulation continue to require approval authorities to provide notice to prescribed persons or bodies both prior to and following a decision. This requirement is good practice since it improves fairness and transparency for interested stakeholders.

Changes to Development Charge (DC) process

Concern with administration and collection of DCs in proposed process

The Region has significant concerns with the proposed six-year phase-in of hard service development charges for rental and non-profit housing, and non-residential development.

The Region and its local area municipalities do not have the staffing or technological resources in place to support these proposed changes. The Region strongly recommends the government delay this amendment to allow for proper planning and consultation in order to better implement these major transitions and set up new processes.

Under the current DC administrative framework, there is frequently one point in the process where municipalities must engage the applicant in relation to collecting development-related costs. Under the proposed incremental system, municipalities will need to engage the developer/applicant up to 10 points in the process, as well as organize and potentially fund a land appraisal under the community benefit charge by-law. The Region requests that the current administrative framework be maintained.

Niagara Region and its local area municipalities will need to transform current business processes if the proposed amendments to the *Development Charges Act, 1997*, and *Planning Act, 1990*, are implemented. It will be a major administrative burden to collect DC payments through 6 installments, as well as keep track of interest owed to the municipality. This may require the use of additional agreements registered on title, which will incur further costs and administration to municipalities.

Niagara Region and its local municipalities will be challenged to track applicants/businesses over many years, particularly during instances where a business goes bankrupt, is sold or moves. This would inadvertently force municipalities to allocate additional staffing and resources towards responsibilities to administer and enforce the collection of these payments.

Considerable financial impacts of new DC regime

The *Development Charge Act, 1997* changes are likely to have significant financial impact for the Region. The full cost and administrative burden cannot be determined without the regulations. The following analysis is based on information currently available.

At this time, the Region collects funds through DCs and allocates these funds to relevant projects during the annual budget process. Based on the 2019 approved budget and current

revenue projects, the Region is projecting \$538M in DCs collected for the 2019-2028 period, as shown in Table 1 below.

Table 1: Projected forecast of annually collected Regional DCs.

| 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 |

The 2019-2028 capital program planned to be funded from these revenue sources (including funding already in reserve funds) is shown in Table 2 below.

Table 2: Projected DC fund allocation towards Regional Capital Programs.

| Summary of Capital Programs Funded from Development Charges (\$Ms) | | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
| DCs Collected - Hard Service | 56.36 | 31.40 | 31.91 | 44.96 | 62.07 | 62.34 | 36.44 | 51.35 | 19.42 | 17.94 | 414.19 |
| DCs Collected - Soft Service | 29.32 | 0.93 | - | - | - | - | - | - | - | - | 30.25 |
| Total | 85.67 | 32.33 | 31.91 | 44.96 | 62.07 | 62.34 | 36.44 | 51.35 | 19.42 | 17.94 | 444.44 |

The impact on cash flow that the proposed DC calculation and collection will have on municipalities will be significant. It is estimated that the Region collects DCs on over 100 of these property types each year. The delayed cash flow will result in either a delay in the implementation of capital projects, increased debt and associated cost to accommodate the loss of cash flow, or increased pressure on the taxpayer.

Establish criteria for “rental” applications eligible for 6-year incremental DC payments.

MMAH should establish specific criteria for “rental housing development” applications that would qualify for incremental DC payments under section 26.1 of the *Development Charges Act, 1997*.

Changes proposed in Bill 108 do not identify a specified threshold or amount of rental units that would qualify a proposed application as a “rental housing development”. The Region is concerned that a predominantly privately-owned development, with few or even one rental unit, would qualify, which would not uphold the legislative intent.

Community Benefits Charge (CBC)

Concern with the calculation and application of a CBC

Many key details and components related to the implementation of a CBC have not been provided by the Province. The true financial impacts of this tool, and the Region's ability to recover soft service costs and parkland will be unknown until these are released.

The Region requests that MMAH consult with municipalities and allow comment on draft regulations associated with Bill 108. This would allow municipalities to analyze and determine impacts of a CBC and try to address anticipated budgeting and other issues prior to implementation.

Land value appraisal process is illogical

We anticipate problems with the proposed CBC land value appraisal process for determining soft servicing costs.

First, the value of the property may not necessary reflect its required servicing needs. Therefore, a CBC will not adjust based on an applications proposed intensity or scale. This could create a void between the soft service funds spent by a municipality and the amount collected.

Second, Niagara Region and its local area municipalities are concerned about using land value as a method of assessing soft servicing costs since providing services is not usually related to its appraised value. For example, the cost of playground equipment needed in a new neighbourhood is the same, regardless of whether the value of the property is high or low. Land values across Niagara vary drastically and are not always linked to population or employment within that geography.

Third, land value is subjective and appraisals are often contested. Land values can be unpredictable, volatile, and significantly influenced by external factors. Land appraisals can become outdated quickly and are easily subjected to scrutiny and contention. Niagara cautions that conflict around appraisals in other planning cases are common and that this process may result in substantial incurred costs and undue burden to municipalities.

Establish criteria for eligible CBC "in-kind contributions"

The MMAH should establish eligibility requirements for "in-kind contributions" in lieu of cash on a remaining CBC balance.

Further, the Region requests clarification on whether in-kind contributions collected by municipalities count towards its 60% annual spending/allocation requirement, or if this requirement pertains solely to cash.

Clarification needed on the contents and expectation of a CBC Strategy

The Region requests clarification on the contents, requirements, and expectations of a CBC Strategy. The Region suggests that a CBC Strategy could be structured similar to a DC Background Study.

Clarification needed on the CBC cap and its interest rates

The Region will better understand the true financial impacts of a CBC once the CBC cap percentage and its associated interest rate is set out by regulation. Niagara requests that MMAH consult further with municipalities before prescribing the CBC cap and interest rate, as the cap must support a municipality's ability to attain revenue neutrality.

Niagara recommends that the prescribed CBC cap be equal to or greater than 5%; if the CBC cap were less than 5%, a CBC would be a less favourable tool for implementation than the parkland dedication amount currently permitted in the *Planning Act, 1990*.

Relationship between DCs and CBCs in a two-tier municipal structure

Niagara requests clarification in regards to the relationship between the implementation of CBC and DC collection within a two-tier government structure. For example, if a lower-tier municipality implements a CBC, how this will influence the ability for the upper-tier municipality to collect its applicable DC.

As proposed, it is unclear whether these tools are able to co-exist if implemented by separate municipal bodies in the same geography.

Unfavourable restrictions on parkland fee collection

Niagara does not support revisions to the calculation of a parkland dedication fee through restricting a municipality's ability to request an alternative fee beyond the traditional 5% / 2% amount of land calculation.

The traditional parkland dedication rate does not work for developments of higher density since the site area is fixed regardless of the proposed use or development intensity. Therefore, the same 5% area (fee) would apply to a site regardless of whether it is approved with a 3 storey or 20 storey building, notwithstanding that the needs for service is greater with a 20 storey building.

Municipalities should have the ability to request an alternative fee dependent on the proposed scale/intensity of the application in relation to the site.

The Region has concern that municipalities will not be able to collect sufficient parkland dedication regardless of whether it keeps a traditional parkland by-law (since a traditional rate is insufficient, particularly for multi-storey projects) or implements a CBC By-law.

Revisions to decisions and objections to Part IV heritage matters

Council should retain authority over heritage, not the LPAT

Proposed amendments grant authority to the LPAT to manage and decide on heritage matters.

Niagara has serious concern with proposed amendments that reduce municipal Council's decision-making authority. Niagara recommends that municipal Council's retain this authority on all Part IV heritage matters.

Further, the Region does not support broadening the scope and type of hearings managed by the LPAT. The inclusion of heritage matters under the LPATs authority will add complexity to the heritage process, as well as incur additional staff resources and costs to both municipalities and applicants.

LPAT adjudicators should have heritage expertise

The LPAT should commit to resourcing its adjudicators with expertise to hear heritage-related cases since these matters have not traditionally been before the LPAT or OMB.

Conclusion

Additional comments on proposed amendments to the *Development Charges Act, 1997*, is provided in the enclosed tables.

The Region appreciates the opportunity to provide these comments. Please contact myself if you have questions or require additional information.

Respectfully submitted and signed by



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

Attachment:

Comment table: Niagara Region's comments towards proposed amendments to the *Development Charges Act, 1997* (ERO #019-0017)

ATTACHMENT

Bill 108: proposed amendments to the *Development Charges Act, 1997* (ERO #019-0017)

Commissioner of Planning and Development Services of the Regional Municipality of Niagara



| Section # | Proposed <i>Development Charges Act, 1997</i> revision Text = Province removed <u>Text</u> = Province added | Niagara Region's comments |
|-------------------------------------|--|---|
| PART II: DEVELOPMENT CHARGES | | |
| 2 Development charges | | |
| 2(3) | Same An action mentioned in clauses (2) (a) to (g) does not satisfy the requirements of subsection (2) if the only effect of the action is to, <ul style="list-style-type: none"> a) permit the enlargement of an existing dwelling unit; or b) permit the creation of up to two additional dwelling units as prescribed, subject to the prescribed restrictions, in prescribed classes of existing residential buildings. 1997, c. 27, s. 2 (3); or prescribed structures ancillary to existing residential buildings. <p>Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 2 (3) of the Act is amended by striking out "or" at the end of clause (a), by adding "or" at the end of clause (b) and by adding the following clause: (See: 2016, c. 25, Sched. 1, s. 1)</p> <p>c) permit the creation of a second dwelling unit, subject to the prescribed restrictions, in prescribed classes of proposed new residential buildings.</p> | Expanding this exemption would increase the cost of growth-related infrastructure passed on to the existing tax base. |
| 2(3.1) | <u>Exemption for second dwelling units in new residential buildings</u> <u>The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, is, subject to the prescribed restrictions, exempt from development charges.</u> | |
| 2(4) | Ineligible services <u>What services can be charged for</u> A development charge by-law may not impose development charges to pay for increased capital costs required because of increased needs for a service that is prescribed as an ineligible service for the purposes of this subsection. 2015, c. 26, s. 2 (2); only for the following services: <ul style="list-style-type: none"> 1. <u>Water supply services, including distribution and treatment services.</u> | The Province has not provided sufficient information to determine the true impact to existing DC By-laws. Regional staff do not support this revision, as it will create significant administrative inefficiencies for municipalities. Municipalities will be required to pass a separate Community Benefit Charge By-law under the <i>Planning Act, 1990</i> to recover growth-related costs associated to soft services. |

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| | <ol style="list-style-type: none"> 2. <u>Waste water services, including sewers and treatment services.</u> 3. <u>Storm water drainage and control services.</u> 4. <u>Services related to a highway as defined in subsection 1 (1) of the <i>Municipal Act, 2001</i> or subsection 3 (1) of the <i>City of Toronto Act, 2006</i>, as the case may be.</u> 5. <u>Electrical power services.</u> 6. <u>Policing services.</u> 7. <u>Fire protection services.</u> 8. <u>Toronto-York subway extension, as defined in subsection 5.1 (1).</u> 9. <u>Transit services other than the Toronto-York subway extension.</u> 10. <u>Waste diversion services.</u> 11. <u>Other services as prescribed.</u> | <p>Further, municipalities would have to maintain two separate by-laws in order to recover growth related-costs previously included under the <i>Development Charge Act, 1997</i>.</p> |
| 5 Determination of development charges | | |
| 5(3) | <p>Capital costs, inclusions</p> <p>The following are capital costs for the purposes of paragraph 7 of subsection (1) if they are incurred or proposed to be incurred by a municipality or a local board directly or by others on behalf of, and as authorized by, a municipality or local board:</p> <ol style="list-style-type: none"> 1. Costs to acquire land or an interest in land, including a leasehold interest. 2. Costs to improve land. 3. Costs to acquire, lease, construct or improve buildings and structures. 4. Costs to acquire, lease, construct or improve facilities including, <ol style="list-style-type: none"> i. rolling stock with an estimated useful life of seven years or more, and ii. furniture and equipment, other than computer equipment, and iii. materials acquired for circulation, reference or information purposes by a library board as defined in the <i>Public Libraries Act</i>. | <p>Although the Region is not responsible for library services, removal of library materials from eligible costs may result in reduced services levels or increase in growth-related costs passed on to the existing tax base.</p> |

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| | 5. Costs to undertake studies in connection with any of the matters referred to in paragraphs 1 to 4. 6. Costs of the development charge background study required under section 10. 7. Interest on money borrowed to pay for costs described in paragraphs 1 to 4. 1997, c. 27, s. 5 (3). | |
| 5(5) | <p>Services with no percentage reduction</p> <p>The services referred to in paragraph 8 of subsection (1), for which there is no percentage reduction, are the following:</p> <ol style="list-style-type: none"> 1. Water supply services, including distribution and treatment services. 2. Waste water services, including sewers and treatment services. 3. Storm water drainage and control services. 4. Services related to a highway as defined in subsection 1 (1) of the <i>Municipal Act, 2001</i> or subsection 3 (1) of the <i>City of Toronto Act, 2006</i>, as the case may be. 5. Electrical power services. 6. Police services. <p>Note: On a day to be named by proclamation of the Lieutenant Governor, the English version of paragraph 6 of subsection 5 (5) of the Act is repealed and the following substituted: (See: 2019, c. 1, Sched. 4, s. 14)</p> <ol style="list-style-type: none"> 6. Policing. 7. Fire protection services. —7.1 Toronto-York subway extension, as defined in subsection 5.1 (1). —7.2 Transit services other than the Toronto-York subway extension. —8. Other services as prescribed. 1997, c. 27, | <p>Establishing a prescribed reduction for hard service costs would increase the cost of growth-related infrastructure passed on to the existing tax base.</p> <p>The Region notes that current DC background calculations already factor a reduction for benefit to existing development.</p> |
| 9.1 Transitional matters respecting community benefits under <i>Planning Act</i> | | |
| 9.1(1) | <p><u>Transitional matters respecting community benefits under <i>Planning Act</i></u></p> <p><u>By-law remains in force</u></p> <p><u>Despite subsection 9 (1), a development charge by-law that would expire on or after May 2, 2019 and before the prescribed date shall</u></p> | <p>The Province has not provided sufficient information to determine the true impact to existing DC By-laws.</p> <p>The Region suggests the Province prescribe a date 5 years after May 2, 2019 to allow for municipalities that have recently passed a by-law after May 2, 2019 to be transitioned accordingly.</p> |

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Commissioner of Planning and Development Services of the Regional Municipality of Niagara



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| | <u>remain in force as it relates to the services described in subsection (3) until the earlier of,</u> a) <u>the day it is repealed;</u> b) <u>the day the municipality passes a by-law under subsection 37 (2) of the <i>Planning Act</i> as re-enacted by section 9 of Schedule 12 to the <i>More Homes, More Choice Act, 2019</i>;</u> <u>and</u> c) <u>the prescribed date.</u> | Further, the absence of an adequate transition policy will create additional confusion and red tape for developers (i.e., multiple DC by-laws with multiple policies, specifically in a two-tier municipal structure). |
| 9.1(2) | <u>By-law deemed to expire</u> <u>Unless it is repealed earlier, a development charge by-law that would expire on or after the prescribed date is deemed to have expired as it relates to the services described in subsection (3) on the earlier of,</u> a) <u>the day the municipality passes a by-law under subsection 37 (2) of the <i>Planning Act</i> as re-enacted by section 9 of Schedule 12 to the <i>More Homes, More Choice Act, 2019</i>;</u> <u>and</u> b) <u>the prescribed date.</u> | |
| 26.1 Certain types of development, when charge payable | | |
| 26.1(2) | <u>Same</u> <u>The types of development referred to in subsection (1) are the following:</u> 1. <u>Rental housing development.</u> 2. <u>Institutional development.</u> 3. <u>Industrial development.</u> 4. <u>Commercial development.</u> 5. <u>Non-profit housing development.</u> | As proposed, it is unclear how the inclusion of (2) institutional; (3) industrial; and (4) commercial developments in this section will create additional affordable housing supply. |
| 26.1(3) | <u>Six annual instalments</u> <u>A development charge referred to in subsection (1) shall be paid in equal annual instalments beginning on the earlier of the date of the issuance of a permit under the <i>Building Code Act, 1992</i> authorizing occupation of the building and the date the building is first occupied, and continuing on the following five anniversaries of that date.</u> | <p>This new process will significantly increase municipal administration burden to maintain payment schedules and engage with applicants.</p> <p>Proposed revisions will require the Region to develop an entirely new payment installment tracking system. The Region will be required to maintain hundreds of new payment schedules each year.</p> |

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| | | <p>The Region requests the Province to provide insight in regards to how municipalities will fund these new payment installment tracking systems, and whether provincial funding will be provided to assist with implementation.</p> <p>The Province should clarify instances where municipalities are expected to enter into agreements with installment payees to ensure sufficient financial security.</p> |
| 26.1(5) | <p><u>Notice of occupation</u></p> <p><u>A person required to pay a development charge referred to in subsection (1) shall, unless the occupation of the building in respect of which the development charge is required is authorized by a permit under the <i>Building Code Act, 1992</i>, notify the municipality within five business days of the building first being occupied.</u></p> | <p>This change will significantly increase municipal administrative burden, as it requires municipalities to monitor occupancy dates to ensure compliance with this section.</p> |
| 26.1(7) | <p><u>Interest</u></p> <p><u>A municipality may charge interest on the instalments required by subsection (3) from the date the development charge would have been payable in accordance with section 26 to the date the instalment is paid, at a rate not exceeding the prescribed maximum interest rate.</u></p> | <p>Interest alone will likely not sufficiently offset the financial impact experienced by municipalities caused by delayed payments.</p> <p>Additionally, this revision will further compound the municipal administrative burden, as municipalities are responsible to maintain payment schedules.</p> |
| 26.1(8) | <p><u>Unpaid amounts added to taxes</u></p> <p><u>Section 32 applies to instalments required by subsection (3) and interest charged in accordance with subsection (7), with necessary modifications.</u></p> | <p>The Region cautions that during instances of default DC payment, the responsibility of payment would transfers from the developer to subsequent property owner/purchaser.</p> <p>During instances of default on payments, upper-tier municipalities would need to coordinate with lower-tiers to have amounts added to tax. This coordination will require additional municipal staffing and resourcing.</p> |
| 26.1(9) | <p><u>Change in type of development</u></p> <p><u>If any part of a development to which this section applies is changed so that it no longer consists of a type of development set out in subsection (2), the development charge, including any interest</u></p> | <p>Municipalities will be responsible to monitor changes in development uses to ensure collection compliance as described in this section. This will inevitably increase municipal administrative burden on staffing and resourcing.</p> |

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| | <u>payable, but excluding any instalments already paid in accordance with subsection (3), is payable immediately.</u> | |
| 26.2 When the amount of development charge is determined | | |
| 26.2(1) | <p><u>When amount of development charge is determined</u></p> <p><u>The total amount of a development charge is the amount of the development charge that would be determined under the by-law on,</u></p> <ul style="list-style-type: none"> <u>a) the day an application for an approval of development in a site plan control area under subsection 41 (4) of the <i>Planning Act</i> was made in respect of the development that is the subject of the development charge;</u> <u>b) if clause (a) does not apply, the day an application for an amendment to a by-law passed under section 34 of the <i>Planning Act</i> was made in respect of the development that is the subject of the development charge; or</u> <u>c) if neither clause (a) nor clause (b) applies,</u> <ul style="list-style-type: none"> <u>i. in the case of a development charge in respect of a development to which section 26.1 applies, the day the development charge would be payable in accordance with section 26 if section 26.1 did not apply, or</u> <u>ii. in the case of a development charge in respect of a development to which section 26.1 does not apply, the day the development charge is payable in accordance with section 26.</u> | <p>The Region notes that municipalities will be responsible to track planning application dates in order to verify applicable DCs. This will increase municipal administrative burden.</p> <p>The Region cautions that changing the DC calculation date effectively reduces the amount collected by the municipality through the charge. This will inadvertently increase the cost of growth-related infrastructure passed on to the existing tax base, or limit municipal fiscal capacity to deliver growth-related infrastructure.</p> |
| 26.2(5) | <p><u>Exception, prescribed amount of time elapsed</u></p> <p><u>Clauses (1) (a) and (b) do not apply in respect of,</u></p> <ul style="list-style-type: none"> <u>a) any part of a development to which section 26.1 applies if, on the date the first building permit is issued for the development, more than the prescribed amount of time has elapsed since the application referred to in clause (1) (a) or (b) was approved; or</u> <u>b) any part of a development to which section 26.1 does not apply if, on the date the development charge is payable, more than the prescribed amount of time has elapsed since the application referred to in clause (1) (a) or (b) was approved.</u> | <p>The Region recommends the Province consider including a specific time elapsed clause.</p> <p>Should a time elapsed clause be introduced, the Region requests the Province to consult with municipalities to determine an appropriate timeframe.</p> |