

# LUMCO

Ontario's Big-City Mayors

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May 28, 2019

Jocelyn McCauley  
Committee Clerk  
Standing Committee on Justice Policy  
99 Wellesley Street West  
Room 1405, Whitney Block  
Queen's Park  
Toronto, ON M7A 1A2

Dear Ms. McCauley,

I am pleased to submit written comments on Bill 108 on behalf of the Large Urban Mayors' Caucus of Ontario (LUMCO), a group of 28 Ontario mayors who represent cities with populations of 100,000 people or more.

At its meeting of May 24, 2019, LUMCO passed the following resolution:

WHEREAS LUMCO Mayors support the Province's stated goals of improving access to different types of housing, including more affordable housing; and,

WHEREAS LUMCO Mayors are concerned the proposed changes in Bill 108 will have significant impacts on our cities' finances, ability to secure parkland, capacity to provide community facilities, and ability to provide adequate public engagement opportunities on proposed developments;

THEREFORE be it resolved that LUMCO calls upon the provincial government to extend the June 1, 2019 deadline for comments on Bill 108 on the Environmental Registry of Ontario to September 30, 2019, to allow municipalities adequate time to comment on the proposed legislation; and,

THAT the provincial government engage with Ontario's big cities on Bill 108, in order to meet the goals of housing choice and affordability, while respecting the role of municipal Councils in planning decisions and protecting the financial sustainability of cities.

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LUMCO Mayors' specific concerns include the following:

## Development Charges

- The proposed elimination of Development Charges for soft services such as parking, recreation, paramedics and libraries, and replacement with a new authority called a Community Benefit Charge (CBC) could put already-approved parks and community centres in jeopardy, and hamper cities' ability to provide these amenities in the future.
- The new CBC would be calculated based on a land value at time of building permit and would be capped at an amount not yet released. This is problematic for cities because it eliminates the link that currently exists between the charge for a service and the growth-related costs for the service. Land values vary widely across Ontario, fluctuate with market conditions, and often bear little relation to the cost of providing the service in that municipality. We are concerned with making significant capital commitments with 20-year debt requirements backed with a revenue tool that is tied to variable, market driven values. Cities need financing tools that help growth pay for itself, and the CBC is a step in the wrong direction.
- It is unknown whether the proposed CBC would raise sufficient revenue to cover growth-related costs. If it does not, cities will either have to delay or cancel infrastructure projects, or transfer the cost burden to property taxpayers.
- The bill adds complexities to the regime for hard DC services for water, wastewater, storm, roads, police, and fire. LUMCO Mayors are concerned that DCs from certain developments, including industrial and commercial, are proposed to be paid over a six year period after the building permit is issued. This would cause property taxpayers to finance private-sector developers, and cause municipalities to become the bank for development projects. Further, DC obligations are proposed to be frozen at time of planning/zoning application, which in some cases is 10 or more years before the building permit is issued. These two administrative changes together would increase the reliance on debt and could cause municipalities to consider increasing DC rates to compensate for the lost revenue and increased debt costs.

## Timelines

- The proposed timelines for approving planning and development applications are shorter than the timelines that were in place previously, before they were extended by the previous government. They do not allow adequate time for cities to consult with their communities and

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stakeholders, and they would place undue pressure on municipal Councils to make swift decisions.

## Local Planning Appeal Tribunal

- LUMCO Mayors are concerned that a return to the old OMB rules for planning appeals means that local planning matters will once again be taken out of the hands of municipal Councils. Municipalities have advocated for many years for appeals to be evaluated based on compliance with provincially-approved official plans and consistency with provincial plans and policy, rather than the “best planning outcome” approach used with the former OMB.
- Municipalities’ experience under the OMB was that this process was costly for all parties, including municipalities, and those costs are ultimately borne by taxpayers and homebuyers.
- We urge the Province to reconsider giving the LPAT the authority to make final planning decisions. It is elected municipal Councils who are best-positioned to understand the needs of their communities and neighbourhoods.

LUMCO Mayors are united in our wholehearted support for the Province’s goals of improving access to different types of housing, including more affordable housing. We are concerned the proposals in Bill 108 could put municipal finances at risk and threaten our ability to provide parks, community centres, and other amenities – all without evidence that these measures will be effective in increasing the supply and affordability of housing. We call on the Province to engage with Ontario’s cities on Bill 108 so that, working together, we can find better ways to achieve these goals.

Sincerely,



Cam Guthrie  
Chair, Large Urban Mayors’ Caucus of Ontario  
Mayor, City of Guelph