

January 26, 2016

Mayor John Tory and Executive Committee Members
Toronto City Hall
100 Queen St. West
Toronto, ON
M5H 2N2

Sent via email to: clerk@toronto.ca

Mayor Tory,

**RE: Executive Committee Meeting - January 28, 2015
Item EX 11.7: Development Charges Act Changes**

The Building Industry and Land Development Association is in receipt of the '*Development Charges Act Changes*' staff report from the Deputy City Manager and Chief Financial Officer submitted for consideration to the City of Toronto Executive Committee for its' meeting of January 28th.

Bill 73, the *Smart Growth for Our Communities Act, 2015*, passed on December 3, 2015 and in effect for January 1, 2016 amends the *Development Charges Act, 1997*. The staff report highlights the legislative and regulatory amendments to the Development Charges Act, and recommends actions for part of the legislation that would not apply until staff update or renew their current development charges by-law. The report notes that the section of Bill 73 which speaks to the timing of calculation and payment of development charges is effective immediately and takes precedence over the City's existing development charge by-law. It has also come to BILD's attention that as a result of this staff report, conditional permits are being withheld until this change has been adopted by Council. This unfortunate decision places an unanticipated '*pause*' on development.

BILD and its member's **take strong exception to staff recommendation #1** which states that:

The Deputy City Manager & Chief Financial Officer recommends that City Council:

1. Authorize the Chief Building Official to require applicants seeking conditional below-grade permits to enter into a Development Charges Deferral Agreement in accordance with the general terms and conditions in Appendix 1 and in a form acceptable to the Deputy City Manager & Chief Financial Officer and the City Solicitor.

Section 6, Subsection 1.1 of Bill 73 regulates the timing of development charge payment to an earlier point in the development process.

It indicates that the development charges are payable at first permit, which for the City of Toronto typically means the conditional below grade permit stage, rather than the City's proposed payment timing, through this development charges deferral agreement, to the above grade permit stage.

Section 6, Subsection 1.1 of *Bill 73*, states that:

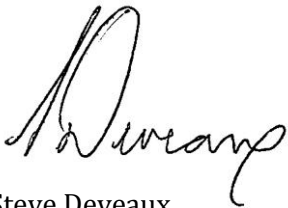
(1.1) If a development consists of one building that requires more than one building permit, the development charge for the development is payable upon the first building permit being issued.

This provision would allow the industry to pay the applicable development charges at the earliest opportunity and was included in the legislation as a way to ensure certainty.

Not all stakeholders were content with the outcome of all of the changes that resulted with the adoption of Bill 73. However, whether it be the private sector or the public sector, we are all required to be in keeping with the new rules that have been set out. Municipalities have a responsibility to update or change their current by-laws and practices to make sure that they are adhering to the correct spirit and intent of the legislation.

We are of the firm belief that the **recommendation being presented to the Executive Committee should not be approved**, and that it is staff's attempt to circumvent the spirit and intent of the legislation in an attempt to collect development charges at a later time in the development application process, and at a higher rate.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Deveaux". The signature is fluid and cursive, with a large initial "S" and "D".

Steve Deveaux
BILD Chair