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April 6, 2022

Ruchi Parkash
Director, Municipal Finance Policy Branch
Ministry of Municipal Affairs & Housing
College Park 13th Flr, 777 Bay St
Toronto, ON M7A 2J3
Ruchi.Parkash@ontario.ca

Re: Regulatory Registry Proposals 22-MMAH008 and 22-MMAH009 – Proposed amendments to regulations under the Development Charges Act, 1997 and the Planning Act

Dear Ms. Parkash:

Thank you for the opportunity to provide comments on the regulatory amendments proposed as part of the "More Homes for Everyone" initiative. Having reviewed them within the short timeframe provided, City of Toronto staff advise that we are generally supportive of the proposed amendments to O.Reg. 509/20 under the Planning Act, but have concerns with regard to the proposed reporting requirements included in the amendments to O.Reg. 82/98 under the Development Charges Act, 1997. It is staff's opinion that the City already provides significant accountability and transparency with regard to Development Charges, and the administrative burden associated with the proposal outweighs the potential benefits of this additional reporting, which are not readily apparent. Our specific comments regarding each proposal are noted below.

Amendments to O.Reg. 509/20 under the Planning Act re: Community Benefits Charges and the Alternative Parkland Dedication Rate:

City staff are supportive of the requirement that the CBC by-law be reviewed every 5 years. Since the CBC is a new tool, it was the intent of the City to review how the tool is working to deliver community benefits and revise the By-law as necessary. We recognize that a benefit of regular reviews is the opportunity to improve the tool's overall operation. In addition, public consultation will allow residents to gain a greater understanding of how the CBC contributes to their communities.



The City is also supportive of reporting publicly on a municipal website as it allows the public to stay informed and connected with the operations of their local government and the use of these city building tools. The transparent nature of a municipal website helps to establish trust and credibility with residents by making public the investments that are being made within their communities. Finally, making information accessible is advantageous as it allows the public to observe trends and changes over time.

Amendments to O.Reg. 82/98 under the Development Charges Act, 1997 re: implementation and use of Development Charges:

We note that the proposed changes include requiring a municipal treasurer, in their annual treasurer's statement, to set out whether the municipality still anticipates incurring the capital costs projected in the municipality's DC background study for a given service. If not, an estimate of the anticipated variance from that projection would need to be provided, along with an explanation for it.

While City staff support accountability and transparency, staff are of the opinion that there is adequate accountability and transparency already available through the City's annual DC treasurer's statement, as well as the annual Financial Information Return. The annual statements are available to the public and include information on the opening and closing DC reserve fund balances, reporting on annual DC revenues and spending by DC service, and a list of capital projects funded by DCs. There is also significant transparency and public engagement through the long term planning documents, such as the City's annual budget process, as well as the periodic updates to the DC bylaw and related background study.

The administrative burden associated with the proposal is onerous, as it would require annual reporting on changes to the DC Study capital forecasts (which comprises over \$40B in capital costs) for the Study long term planning horizons (10 and 20 year study planning periods). A DC Background Study is a point-in-time analysis and is a significant undertaking that requires approximately 12 to 18 months to complete. Its primary purpose is to establish the DC rates in a bylaw, and is based on long-term plans and contains capital forecasts for a multitude of growth-related projects; as such, background studies are not designed to support annual variance reporting.

It is unclear how the proposed reporting would address housing supply or housing affordability, or how the information is intended to be used. Additional information on the proposal would assist in providing for more outcome-based input and an assessment of potential implications. City staff would appreciate the opportunity to review the draft regulations should the Province wish to proceed with this measure.



Thank you for allowing us to provide comments on these regulatory proposals in support of the "More Homes for Everyone" initiative. If you have any questions about our submission, please feel free to contact the following:

Re: Amendments to O.Reg. 509/20 under the Planning Act:

Kerri Voumvakis, Director of Strategic Initiatives, Policy & Analysis, City Planning 416-392-8148, Kerri.Voumvakis@toronto.ca

Re: Amendments to O.Reg. 82/98 under the Development Charges Act, 1997:

Andrew Flynn, Controller, 416-392-8427, Andrew.Flynn@toronto.ca

Sincerely,

Chris Murray City Manager

c. Heather Taylor, Chief Financial Officer and Treasurer
Andrew Flynn, Controller
Gregg Lintern, Chief Planner
Kerri Voumvakis, Director, Strategic Initiatives, Policy & Analysis, City Planning
Karen Jones, Director, Intergovernmental and Agency Relations

