



THE CORPORATION OF THE TOWN OF MILTON

NOTICE OF MOTION

INTRODUCTION DATE: April 15, 2019
SUBJECT: Development Charges
CONSIDERATION DATE: April 15, 2019
REQUESTED BY: Councillor Cluett
SECONDED BY: Councillor Malboeuf

WHEREAS the Provincial Government has established increasing housing supply as a priority and is currently reviewing the impact of municipal development charges on housing supply; and

WHEREAS development charges are the primary municipal revenue source for the financing of municipal infrastructure required to increase housing supply; and

WHEREAS development charges only account for approximately 5-7% of new single family home prices in the GTA, and that housing prices are driven by the market; and

WHEREAS a reduction in development charges will reduce a municipality's ability to finance essential infrastructure needed for growth, reduce the supply of serviced land and will unfairly impact existing homeowners; and

WHEREAS current development charges legislation, through the *Development Charges Act, 1997* S.O. 1997 c.27 as amended does not allow municipalities to recover the full cost of growth which is not consistent with the principle that growth pays for growth; and

WHEREAS Halton has an estimated annual funding gap of \$87.7 million (including Region, Local and School Boards) as a result of the inability to collect the full cost recovery under the current legislation; and

WHEREAS the current development charges legislation provides the ability to collect development charges prior to building permit / subdivision (Section 27), which is critical in Milton for the delivery of infrastructure to support additional new housing; and

WHEREAS any reduction to the flexibility to finance growth through development charges will have a direct impact on Milton's ability to increase housing supply.

THEREFORE BE IT RESOLVED THAT the Provincial Government be called upon to not reduce the use of development charges or make changes to section 27 of the DCA;

THAT the Provincial Government be called upon to improve the DCA, to ensure that all growth related costs of municipal infrastructure and services are recovered through development charges ensuring growth pays for growth;

AND FURTHER THAT the Mayor write a letter to the Premier, the Minister of Municipal Affairs and Housing expressing *Milton Council's concerns regarding changes to section 27 of the Development Charges Act, 1997*, or a reduction in the use of development charges and that Milton would welcome the opportunity to work with the Provincial Government to find creative solutions to increase the stock of affordable housing, while ensuring that growth pays for growth;

AND THAT a copy of the letter be sent to the Association of Municipalities of Ontario, Milton's Members of Provincial Parliament, Halton Region and the Local Municipalities.