

# Proposal Response:

Changes to the Development Charges Act, 1997 to Enhance Municipalities' Ability to Invest in Housing-Enabled Infrastructure ERO #: 019-8371

> Parks and Recreation Ontario Submission May 10, 2024

Parks and Recreation Ontario 1 Concorde Gate, Suite 30 Toronto, ON M3C 3N6 prontario.org



# About Parks and Recreation Ontario

Parks and Recreation Ontario (PRO) is a non-profit association with over 6,500 members that delivers services to more than 85% of Ontario's population. We are devoted to advancing equitable access to quality parks and recreation services for all Ontarians. PRO champions the health, social, and environmental benefits of parks and recreation through evidence-based practices, advocacy, and collaborative cross-sectoral partnerships. Our work includes policy and research, education, training, and professional development opportunities, as well as our flagship quality standards program, HIGH FIVE®, which includes a stream called the *Principles of Healthy Child Development*. We envision a future for Ontario where every person has equitable access to vibrant communities, sustainable environments, and personal health.

#### Introduction

PRO strongly supports government action to address critical housing shortages in Ontario and understands the realities of increasing supply in a responsive and timely manner. We are writing to offer commentary and recommendations on the *Changes to the Development Charges Act, 1997 to Enhance Municipalities' Ability to Invest in Housing-Enabled Infrastructure (*ERO #: 019-8371).

Since the introduction of the *More Homes Built Faster Act (2022)*, PRO has been actively engaging with the Ministry of Municipal Affairs and Housing to ensure that parks and recreation remain a priority throughout the development and expansion of municipalities across Ontario. In 2022, PRO <u>submitted a</u> response to Bill 23 to the Standing Committee on Heritage, Infrastructure, and Cultural Policy.

In January 2024, PRO appeared before the Standing Committee on Economic Development and Finance to present our <u>2024 pre-budget recommendations</u>. We called on the province to support the health of growing neighbourhoods through the establishment of a "Resilient Parks" funding program to assist municipalities by offsetting the financial burden and impacts of the *More Homes Built Faster Act (2022)*.

PRO also gratefully acknowledges the opportunity to participate at the Ministry's Technical Advisory Table as well as recent participation in a stakeholder consultation session for the Ministry's *Developer-Identified Parkland Dedication Requirements* study. In addition to participating in the consultation session, PRO submitted a 17-page feedback and recommendations report compiled with direct feedback from our members. Key messages included:

- Legislation repeal: Repeal and replace this legislation. At minimum, ensure the regulations require developer-identified parkland to meet the same criteria as municipally identified parkland.
- Help municipalities build complete communities: If the development process is amended to encourage POPS (hard, tree-less, urban plazas) as substitutes for parkland, the quality



and overall health of cities will be compromised. Quality parkland matters: **housing supply** cannot be built without appropriate planned and funded infrastructure, including parks.

- Financial impacts are real: By accepting encumbered land to satisfy parkland dedication requirements, municipalities are foregoing more revenue. Municipalities can no longer afford to buy parkland and are struggling to keep up with renewal of existing investments in park infrastructure.
- Ensure equity and access: Municipal control over parkland spaces allows access to be equitable and non-discriminatory. Without additional revenue, local governments are unable to sustainably fund parks and recreation projects that will serve growing communities and equity-deserving groups. This will challenge equitable access and the quality of park experiences across the province.

### **Recommendations**

PRO appreciates the opportunity to provide commentary on proposed changes through the *Cutting Red Tape to Build More Homes Act, 2024 (Bill 185).* Many of the changes proposed through Bill 185 will have positive outcomes for Ontario communities but there is still more to consider when preparing to support growing communities.

#### Financial Impacts of Development Charges Exemptions

#### Recommendation:

Repeal or at minimum, reduce development charge exemptions for affordable and attainable residential units, nonprofit housing developments, and inclusionary zoning residential units.

PRO supports the removal of the five-year phase in of increased development charges introduced in the *More Homes Built Faster Act (2022)*. These discounts have resulted in significant losses in revenue for municipalities. We believe that growth should pay for growth and the proposed updates in Bill 185 provide increased opportunities for municipalities to recover growth-related costs through development. This represents a significant win for all Ontario communities.

While PRO understands the intent behind exempting affordable and attainable residential units, nonprofit housing developments, and inclusionary zoning residential units from development and community benefit charges, we remain concerned that this type of differentiation could result in deeply divided communities. Neighbourhoods with attainable and affordable housing are already at risk of being under resourced. Without additional revenue or legislative changes, local governments will be unable to fund critical parks and recreation projects that would serve growing communities with equity-deserving groups



where recreational service and parkland gaps have long existed. This stands to challenge equitable access to parks and recreation opportunities across Ontario.

Parks in vulnerable neighbourhoods that include people living on low income, racialized groups, older adults, and children have been found to be particularly important. Evidence suggests that the health benefits of green space are more pronounced for lower socioeconomic groups and other vulnerable groups. Children benefit considerably from well-maintained parks with playgrounds close to where they live. Even modest increases in nearby green space density have been shown to improve health in vulnerable populations.

# Conclusion

As the Province works towards building 1.5 million new homes, it is vitally important that recreation infrastructure is provided to ensure the health and well-being of all Ontarians. Housing supply cannot be built without appropriate planned and funded infrastructure. Parks are intrinsically important to the majority of citizens; they are our collective backyard, offering visual relief, environmental value, and a staggering array of recreational opportunities. As open space disappears and density increases, our parks become more and more important to our quality of life.

We are pleased to discuss our comments further with the Ministry, should any clarity be required. Thank you for the opportunity to provide comments on this important proposal.

Sincerely,

Sarah Ane Director of Policy and Partnerships Parks and Recreation Ontario <u>sane@prontario.org</u> 289-241-4325

in Savine

Kim Gavine Chief Executive Officer Parks and Recreation Ontario kgavine@prontario.org 905-717-8354