



COMMITTEE OF THE WHOLE MINUTES

Tuesday, December 6th, 2022

6:00 p.m.

Tay Valley Municipal Office – 217 Harper Road, Perth, Ontario
Council Chambers

ATTENDANCE:

Members Present: Chair, Reeve Rob Rainer
Deputy Reeve Fred Dobbie
Councillor Wayne Baker
Councillor Korrine Affleck
Councillor Andrew Kendrick
Councillor Angela Pierman
Councillor Marilyn Thomas
Councillor Greg Hallam

Staff Present: Amanda Mabo, Chief Administrative Officer/Clerk
Noelle Reeve, Planner
Ashley Liznick, Treasurer
Garry Welsh, Administrative Assistant

Regrets: None

1. CALL TO ORDER

The meeting was called to order at 6:00 p.m.
A quorum was present.

2. AMENDMENTS/APPROVAL OF AGENDA

- i) Amendment under Priority Issues: Item 6iii - Report #PD-2022-48 – Bill 23 More Homes Built Faster Act, 2022 and Related Legislation to be heard before 6 ii - Report #PD-2022-49 – Removal of Holding Zone for Maberly Pines Subdivision.

The agenda was adopted as amended.

3. DISCLOSURE OF PECUNIARY INTEREST AND/OR CONFLICT OF INTEREST AND GENERAL NATURE THEREOF

None at this time.

4. APPROVAL OF MINUTES OF PUBLIC MEETINGS

i) **Public Meeting: Zoning By-Law Amendment – October 18th, 2022.**

The minutes of the Public Meeting – Zoning By-Law Amendment held on October 18th, 2022, were approved.

5. DELEGATIONS & PRESENTATIONS

i) **Arch Corporation – Overview of Long-Term Care Development Project.**
Ben Villani, Vice President, Development, Arch Corporation.

B. Villani gave a PowerPoint presentation – *attached, page 12*. David Clarke and Ron Shaw were also present.

A member asked what would happen to the Perth Community Care Centre Building and its residents. B. Villani explained that the new building is intended to be completed in time to receive the current residents of Perth Community Care Centre before that facility's operating license expires, December 31, 2025. The Perth Community Care Centre Building may then be suitable for residential use such as affordable housing, so long as there is sufficient servicing available from the Town of Perth.

A member asked if water and sewer servicing, from the Town of Perth, is the only outstanding issue. B. Villani confirmed that Town of Perth water and sewer servicing approval is still required so the Township can finalize the site plan control agreement, and that Arch Corporation is currently working with the Ministry of Long-Term Care (MLTC) to complete a tender for construction by late spring of 2023.

A member asked if the proposed increase in capacity would put a strain on the availability of health care services within the local community. B. Villani suggested that an increased number of long-term care beds would alleviate the current overcapacity situation at the Perth Hospital. There is currently no designated doctor assigned to Perth Community Care Centre.

A member asked if the \$55,000,000 investment covers all associated costs of the proposal. B. Villani confirmed that this amount is the entire sum. MLTC approval for the tender is required by the end of July 2023, to meet a submission deadline for recently-announced Provincial funding.

ii) **Orientation: Municipal Property Assessment Corporation (MPAC).**

K. Bennett gave the PowerPoint presentation that was attached to the agenda.

A member asked if assessment of new buildings will be based on their current value. K. Bennett explained that currently, new buildings are being assessed based on what their market value would have been in 2016. In the past, the date used for comparable values was updated every four years, but the Province of Ontario paused this update for 2020, due to the COVID-19 pandemic. There has been no recent provincial announcement of when there will be an update to the assessment value year. When the assessment year is updated, any increase for properties is phased in at 25% per year. Any decrease in value is applied entirely, within the same year.

A member asked if the next assessment date would be based on 2020 market values, implemented in 2024. K. Bennett suggested that this may not occur as there was an unusual rise in property prices that took place in 2020.

iii) **Orientation: Auditing Services.**

K. Mahon gave a PowerPoint presentation – *attached, page 16.*

K. Mahon outlined the various components of a municipality's financial statements, which provide a snapshot of its financial position as of the fiscal year end.

iv) **Audited Financial Statements.**

Katie Mahon, Licensed Public Accountant, KPMG, LLP.

K. Mahon gave the PowerPoint presentation that was attached to the agenda.

K. Mahon noted that as of 2021, Tay Valley Township was in a strong cash position, of a \$4,000,000 surplus and healthy reserves for operating and capital. This matches the Township's long-term planning based on asset management.

A member asked if the amounts reported for Township assets are verified. K. Mahon confirmed that reported amounts are checked against policy rates and comparable asset reporting from other municipalities.

A member asked if the Township's reserves were adequate. K. Mahon informed the Committee that as of today yes, but for the future, she is unable to answer that question without reviewing future capital needs.

Recommendation to Council:

“THAT, the Council of the Corporation of Tay Valley Township adopt the 2021 Audited Financial Statements as presented.”

6. PRIORITY ISSUES

i) **Report #PD-2022-47 – Nordlaw Plan of Condominium – Draft Plan Extension.**

Noelle Reeve, Planner.

The Planner noted that none of the conditions for approval have been met to date. However, the owner has provided a letter to confirm that financing will be secured by December 15, 2022, to satisfy the conditions.

The Committee agreed that if adequate proof of financing is provided by December 15, 2022, draft approval may be extended by six months, rather than the full 12 months that were requested by the owner. If all fees due to the Township are paid and the conditions are substantially completed over the next six months, Council may consider a subsequent one-time draft approval extension of a further six months.

Recommendation to Council:

“THAT, Council approve a six-month extension of the draft approval for the Nordlaw Cottages Inc. Plan of Condominium 09-CD 16002 if the applicant provides adequate confirmation of financing for the project by December 15, 2022 to the Township, with the understanding that a further six-month extension for approval shall only be granted if all outstanding taxes and fees due to Tay Valley Township have been paid and the remaining conditions have been significantly completed, to the satisfaction of the Township.”

ii) **Report #PD-2022-48 – Bill 23 More Homes Built Faster Act, 2022 and Related Legislation.**

Noelle Reeve, Planner.

The Planner noted that impacts from Bill 23 legislation include changes to municipal procedures, forms, website content, reduced environmental protection measures, and extra costs to applicants as they will have to pay for technical reports from private consultants rather than obtain comments from conservation authorities. There are also financial implications associated with removal of Cash-in-Lieu of Parkland fees on new homes valued at less than 80% of market value.

The Planner confirmed that Site Plan Control Agreements are no longer allowed for under 10 units, to ensure site-specific protection and hazard mitigation measures. An enforceable Site Alteration by-law could be implemented, to prevent infractions and ensure remediation, if required.

The Planner also highlighted the new restrictions on public engagement in the planning approvals process and the ability to submit an appeal.

The Committee requested the Planner to draft a response letter to the Environmental Registry of Ontario (ERO), as a submission, by the Reeve, on behalf of Tay Valley Township. The content is to focus on issues that impact Tay Valley Township, directly.

The Eastern Ontario Conservation Authorities composed a letter of response to the Provincial Government, on November 15th, 2022: “Loss of Local Decision-Making: Bill 23 Does Not Work for Eastern Ontario. The Reeve also confirmed that he had approved an endorsement of this letter, on behalf of Tay Valley Township – *attached, page 32*

Recommendation to Council:

“THAT, Council authorize the Planning Department to submit the Municipality’s response to the Environmental Registry of Ontario (ERO) with respect to Bill 23, More Homes Built Faster Act, 2022, and other related ERO comment opportunities as detailed in Report #PD-2022-48 – Bill 23 More Homes Built Faster Act, 2022, that are specific to Tay Valley Township;

AND THAT, Council authorize the Planning Department to submit the comments to the Minister of Municipal Affairs and Housing, Steve Clark, and the Minister of Natural Resources and Forestry, Graydon Smith, the local MPP, John Jordan, and the Rural Ontario Municipal Association (ROMA), as detailed in Report #PD-2022-48 – Bill 23 More Homes Built Faster Act, 2022, that are specific to Tay Valley Township.”

Recommendation to Council:

“THAT, Council endorse the positions expressed in the letter sent by Eastern Ontario Conservation Authorities to the Provincial Government on November 15th, 2022 regarding the Loss of Local Decision-Making: Bill 23 Does Not Work for Eastern Ontario.”

- iii) **Report #PD-2022-49 – Removal of Holding Zone for Maberly Pines Subdivision.**
Noelle Reeve, Planner.

The Planner, provided an overview of the need to implement a Holding Zone to halt development on vacant lots within the Maberly Pines Subdivision, pending a Hydrogeological Report to ensure water quality and quantity, and a review by the Rideau Valley Conservation Authority (RVCA). A member requested that a copy of the revised Lot Servicing Report and RVCA review be circulated to Council, prior to their upcoming meeting, on December 13th, 2022.

The Planner also explained that if the Holding Zone is removed, that property owners would be one step closer to being able to build. However, property owners would still need to enter into a road access agreement, as the Township has not assumed the roads within the subdivision.

The Planner informed the Committee that due to Bill 23, the second requirement to lift the Holding Zone, which was to enter into individual site plan control agreements, is no longer required.

Recommendation to Council:

“THAT, the first requirement of By-Law #2021-033 - Holding Zone for Plan 21 Lakeside Living (Maberly Pines) be lifted as the Rideau Valley Conservation Authority has indicated they are satisfied with the revised Lot Servicing Report and Plan for the Maberly Pines Subdivision by BluMetric consultants.”

- iv) **Report #C-2022-28 – COVID-19 Vaccination Policy Review.**
Amanda Mabo, Chief Administrative Officer/Clerk.

Recommendation to Council:

“THAT, the COVID-19 Vaccination Policy be repealed as outlined in Report #C-2022-28 – COVID-19 Vaccination Policy Review;

AND THAT, the necessary by-law come forward at the next Township Council meeting.”

- v) **Report #C-2022-29 – Proposed New Road Name – Zibi Way.**
Janie Laidlaw, Deputy Clerk.

Recommendation to Council:

“THAT, the Road Naming By-Law No. 98-87 be amended to include “Zibi Way” within the designated roads as a municipal road;

AND THAT, the necessary by-law be brought forward to assume “Zibi Way” into the Township’s road network.”

- vi) **Report #CBO-2022-10 – Building Department Report – January – November 2022.**
Noelle Reeve, Planner.

Recommendation to Council:

“THAT, Report #CBO-2022-10 – Building Department Report – January – November 2022 be received as information.”

- vii) **2023 Council/Committee Meeting Calendar.**
Amanda Mabo, CAO/Clerk.

Recommendation to Council:

“THAT, the 2023 Council/Committee Calendar be approved.”

viii) **Appointments to Boards and Committees.**

Recommendation to Council:

“THAT, the Council of the Corporation of Tay Valley Township appoint the following persons for a term ending November 17, 2026, unless otherwise noted, with such persons serving at the pleasure of Council;

THAT, such appointments may be amended, extended or terminated, within the term by motion of Council;

THAT, such appointments are subject to the Criminal Records Check Policy;

AND THAT, such persons shall represent the Township's best interests in the activities of the named body and shall, at the request of Council or as per the terms of reference, communicate the status of such activities to the public through presentation at an open meeting of Council scheduled at a time convenient to the appointee and/or via a report from the Senior Manager assigned to the named body:

Bolingbroke Cemetery Board

- Councillor Wayne Baker, Chair
- Doug Boyd
- Betty Anne Gillespie
- Darla Kilpatrick

Committee of Adjustment

- Richard Schooley
- Peter Siemons
- Larry Sparks

Fence Viewers

- Bill Avery
- John Conboy
- Greg Ellis
- Philip Jones (alternate)

Fire Rescue Board

- Councillor Wayne Baker
- Councillor Greg Hallam
- Councillor Marilyn Thomas

Library Board

- Councillor Andrew Kendrick
- Tara Langford
- Dawn Palmer

Pinehurst Cemetery Board

- Councillor Fred Dobbie, Chair
- Bill Avery
- Jay Playfair

Police Services Board

- Reeve Rob Rainer
- Neil Fennell

Green Energy & Climate Change Working Group

- Councillor Greg Hallam
- Councillor Angela Pierman
- Bob Argue
- Doug Barr
- Jennifer Dickson
- Peter Nelson
- David Poch
- Gilbert Rossignol

Heritage Property Selection Committee

- Susan Code McDougall
- Brenda Kennett
- Ted Parkinson
- Karen Prytula
- David Taylor

History Scholarship Selection Committee

- Susan Code McDougall
- David Poole
- Kay Rogers

Labour Management Committee

- Reeve Rob Rainer
- Councillor Greg Hallam

Community Emergency Management Program Committee

- Reeve Rob Rainer
- Deputy Reeve Fred Dobbie, alternate

Mississippi Valley Conservation Authority

- Councillor Andrew Kendrick

Municipal Drug Strategy Committee

- Councillor Korrine Affleck

Rideau Valley Conservation Authority

· Councillor Angela Pierman.”

7. CORRESPONDENCE

i) **22-12-01 – Council Communication Package.**

The Reeve pulled item 1 – Ministry of Municipal Affairs and Housing:
Correspondence – Letter from Minister Steve Clark.

Recommendation to Council:

“**THAT**, staff compose a letter of response to the Ministry of Municipal Affairs and Housing, as requested by Minister Steve Clark in his letter to the Township dated November 15, 2022, to note any ongoing areas of concern for Tay Valley Township.”

Recommendation to Council:

“**THAT**, the 22-12-01 Council Communication Package, excluding item 1, be received for information.”

ii) **Lanark County Report - Trans Canada Trail (Lanark County).**

Recommendation to Council:

“**THAT**, the Council of the Corporation of Tay Valley Township supports the resolution by Lanark County to move a large portion of the Trans Canada Trail in Lanark County to the Ottawa Valley Recreational Trail.”

8. COMMITTEE, BOARD & EXTERNAL ORGANIZATION UPDATES

i) **Bolingbroke Cemetery Board** – *deferred to the next meeting.*

ii) **Committee of Adjustment** – *deferred to the next meeting.*

iii) **Fire Board** – *deferred to the next meeting.*

iv) **Library Board** – *deferred to the next meeting.*

v) **Pinehurst Cemetery Board** – *deferred to the next meeting.*

vi) **Police Services Board** – *deferred to the next meeting.*

vii) **Green Energy and Climate Change Working Group** – *deferred to the next meeting.*

viii) **Municipal Drug Strategy Committee** – *deferred to the next meeting.*

ix) **Mississippi Valley Conservation Authority Board.**

The Committee reviewed the minutes that were attached to the agenda.

x) **Rideau Valley Conservation Authority Board.**

The Committee reviewed the minutes that were attached to the agenda.

xi) **County of Lanark.**

Reeve Rob Rainer and Deputy Reeve Fred Dobbie.

- Peter McLaren, Lanark Highlands Reeve is the Warden for a 1-year term
- The Chairs for the Standing Committees were selected
- County Councillors plus the two reps from Smiths Falls are also on the Lanark County Housing Corporation Board
- County has 400 employees, half of those are at Lanark Lodge
- Tomorrow is the Striking Committee meeting which Deputy Reeve Dobbie is a member

9. CLOSED SESSION

None.

10. DEFERRED ITEMS

**The following items will be discussed at the next and/or future meeting:*

- ***See Township Action Plan – distributed separately to Council***

11. ADJOURNMENT

The Committee adjourned at 8:35 p.m.



Chairperson



Garry Welsh, Administrative Assistant

DELEGATIONS & PRESENTATIONS

PERTH COMMUNITY CARE CENTRE REDEVELOPMENT
TAY VALLEY COMMITTEE OF THE WHOLE MEETING

December 6, 2022

ARCH

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ARCH

RIVERDALE
LIVING

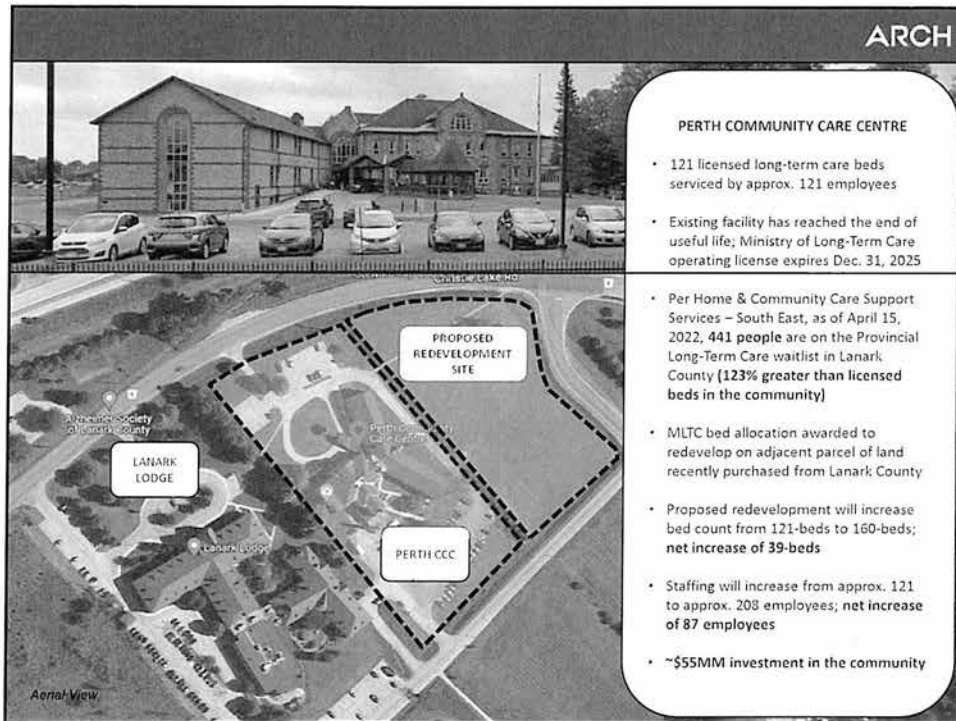
Riverdale Living currently owns (11) existing long-term care homes across Southern Ontario, including Perth Community Care Centre

ARCH

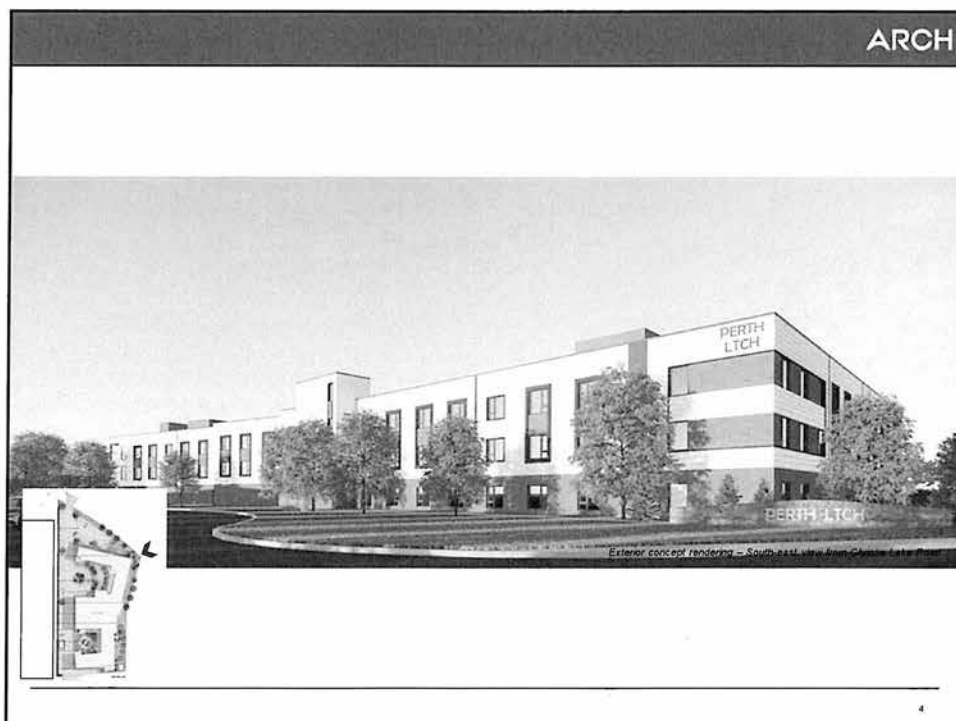
Real-estate development partner for
Riverdale Living

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ARCH

PROJECT CHALLENGES:

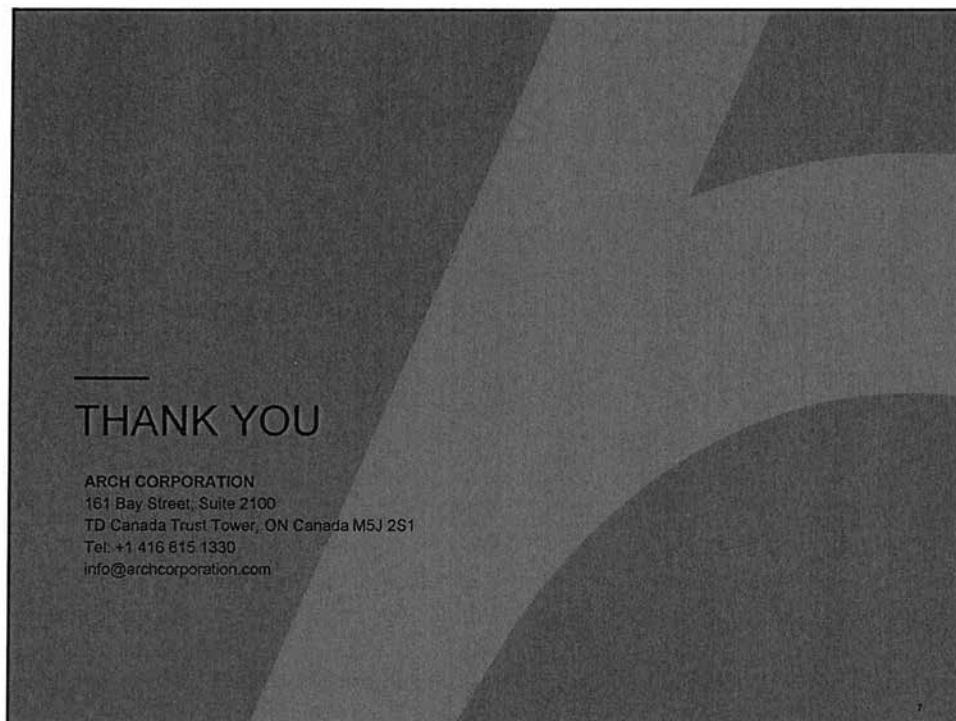
- Water/sewer infrastructure is provided by the Town of Perth; **approval** of required additional servicing capacity from Town of Perth remains outstanding
- Financial constraints ... fixed funding vs. current economic environment of elevated interest rates and inflated construction costs
- Recently announced one-time Provincial funding boost for LTC projects that are 'shovel ready' by Aug 2023 is a necessary program development ... however, additional funding is not sufficient to cover extra site-specific project costs
- Sense of urgency to meet August 2023 deadline for Provincial funding boost otherwise the project will be unable to proceed; Perth CCC will be closed upon license expiry by December 31, 2025

REDEVELOPMENT TIMELINE:

- Design phases complete
- Contract documents substantially complete
- Ministry of Long-Term Care Working Drawing Review process currently in progress
- Site plan approval (SPA) in progress
- Building permit submission in early 2023
- Project tender by late spring 2023
- **Construction start by fall 2023**
- Substantial completion by Fall of 2025
- First resident admission by end of 2025; transfer of residents from Perth CCC into new facility

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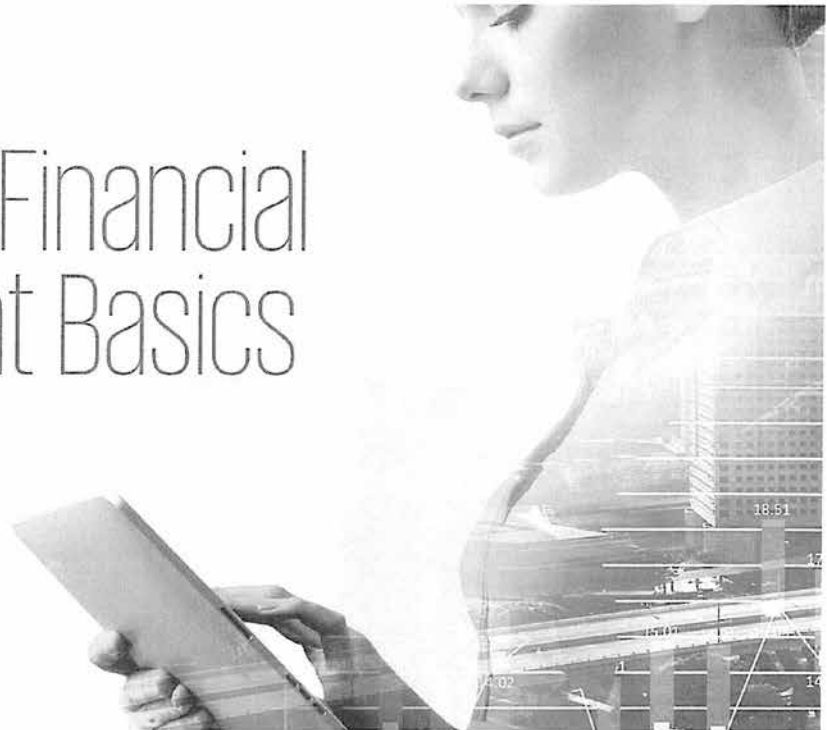
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Municipal Financial Statement Basics

November 2022



Introduction and Welcome

With you today



**Katie Mahon, CPA,
CA, LPA**
Partner,
KPMG



**Jessica Rothwell,
CPA**
Manager,
KPMG



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Agenda

- | | |
|-----------------------------------|-------------------------------------|
| 1 Financial Statement Concepts | 5 Statement of Cash Flows |
| 2 Financial Statement Components | 6 Notes to the Financial Statements |
| 3 Statement of Financial Position | 7 Questions |
| 4 Statement of Operations | |



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Financial Statement Concepts

Agenda

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|---|---------------------------------|---|-----------------------------------|
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Financial Statement Concepts

Agenda

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Financial Statement Concepts



Statement of Financial Position

In the private sector, known as the Balance Sheet

Components:

- Financial assets
- Liabilities
- Non-financial assets
- Accumulated surplus
- Snapshot at a given point in time (fiscal year end)
- PSAS requires that assets be presented based on financial and non-financial, as opposed to current and long term

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Financial Assets

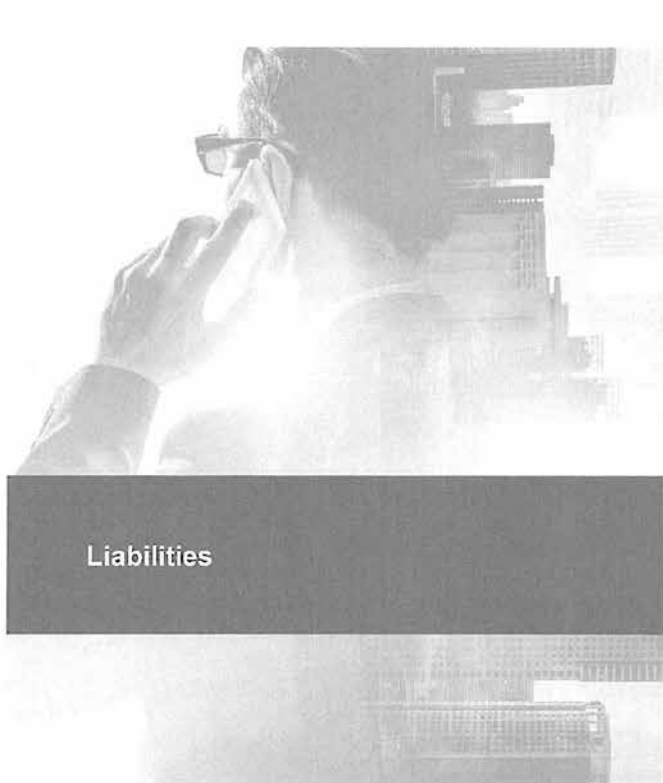
Statement of Financial Position

- What the municipality owns or has the right to receive and will convert to cash
- Can be used to discharge liabilities or finance future operations
- Not for consumption in normal course of operations

Typical municipal financial assets

- Cash
- Investments
- Taxes receivable
- Accounts receivable
- Debt recoverable from others

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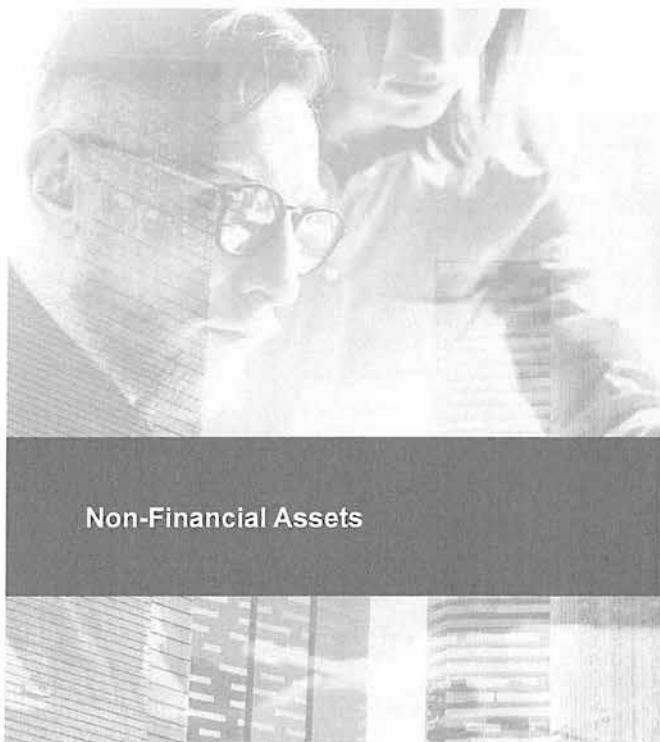
Statement of Financial Position

- What the municipality owes to others

Typical municipal liabilities

- Accounts payable and accrued liabilities
- Post-employment benefits
- Deferred revenue
- Long-term liabilities (debt)
- Landfill liability
- Contaminated site liability
- Asset retirement obligations – coming soon!

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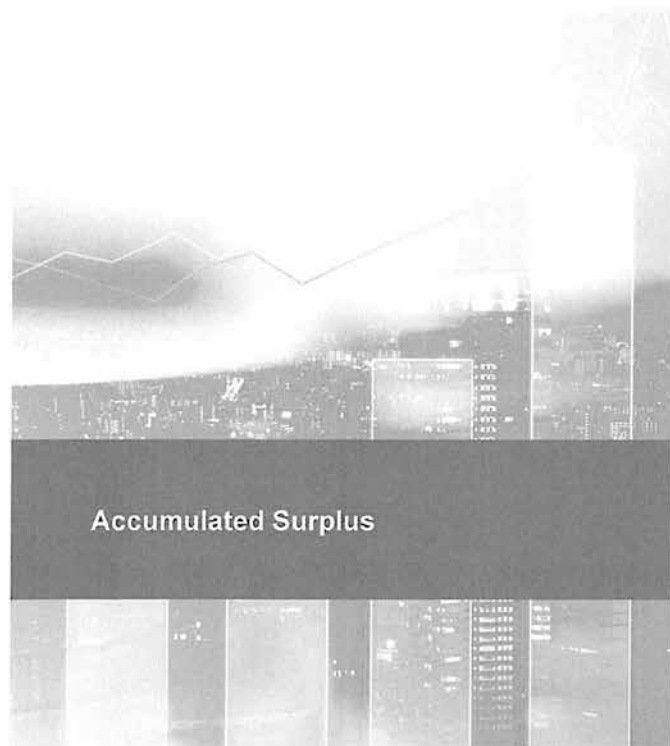
Statement of Financial Position

- Acquired, constructed or developed assets
- Normally do not provide cash to discharge liabilities
 - Used to deliver services; or
 - Consumed in normal course of operations.

Typical municipal non-financial assets

- Tangible capital assets
- Have physical substance
- Inventory
- Prepaid expenses

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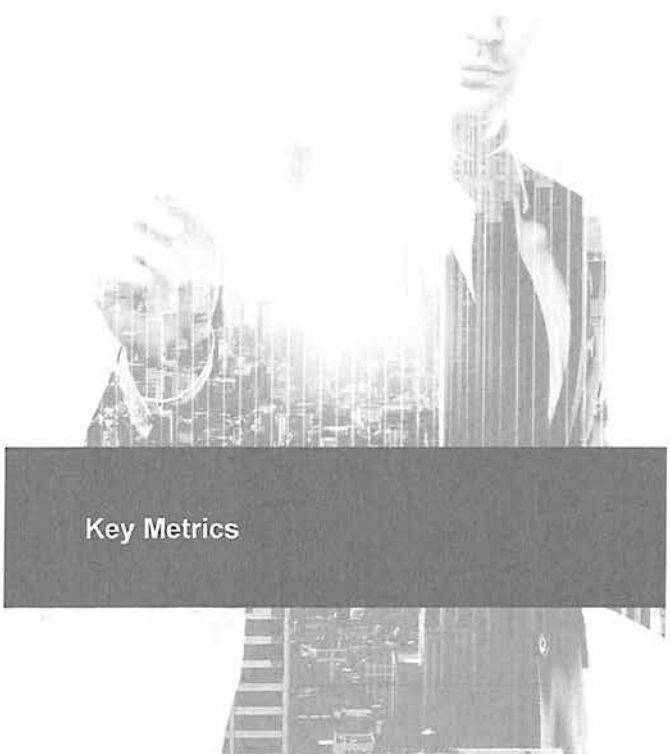
Statement of Financial Position

— Accumulated surpluses or losses over time

Typical municipal components of accumulated surplus

- Operating fund
- Invested in tangible capital assets
- Reserves and reserve funds
- Amounts to be recovered in future (unfunded liabilities)
 - Post-employment benefits
 - Landfill liabilities

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Statement of Financial Position

Net financial asset (net debt) position

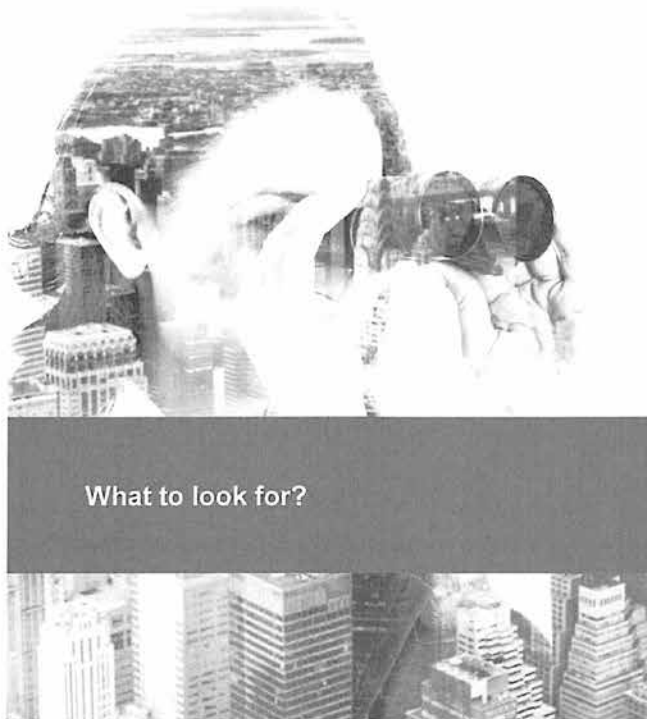
Net financial asset position

- Positive amount
- Revenue has been collected that can be used for future services and activities

Net debt position

- Negative amount
- Revenue has to be raised to pay for services already delivered

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What to look for?

Statement of Financial Position

Significant year over year changes

- Decreases in cash or investment balances
- Increase in taxes receivable – collectability issues
- Increase in accounts payable – are we paying our debts in a timely fashion?
- Deferred revenue – if increased, why have funds not been spent? If decreased, are we appropriately recognizing/ deferring revenue in accordance with the funder's requirements?
- Long term liabilities – Is the increase in line with in year approved debt issues?
- Tangible capital assets – have we purchased or disposed of capital assets?
- Are there new items in the current year?

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What to look for?

Statement of Financial Position

Ratios

- Are we in a net debt or net financial asset position - can our financial assets cover the liabilities due within the next year?
- Is there enough cash to pay liabilities that are due within the next 12 months?

Accumulated surplus

- Surplus vs. deficit?
- Does Accumulated Surplus exceed Tangible Capital Assets? If so, is it set aside in appropriate reserves?

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Statement of Operations



Statement of Operations



- Also known as the income statement or profit and loss statement
- Statement shows the amount of revenue earned and the expenses incurred over the year
- The difference between the revenue and expenses is the annual surplus or deficit for the period



- Surplus means that funds are available to provide future services
- Deficit means funds will be required to be raised in the future to fund services already provided



Statement of Operations

Typical types of Municipal revenue

- Taxation
- User fees
- Government grants
- Deferred revenues earned
- i.e., development charges, parkland funds, building permit revenue
- Interest income
- Investment income
- Contributed assets
- Donations
- Gain on disposition of tangible capital assets

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Statement of Operations

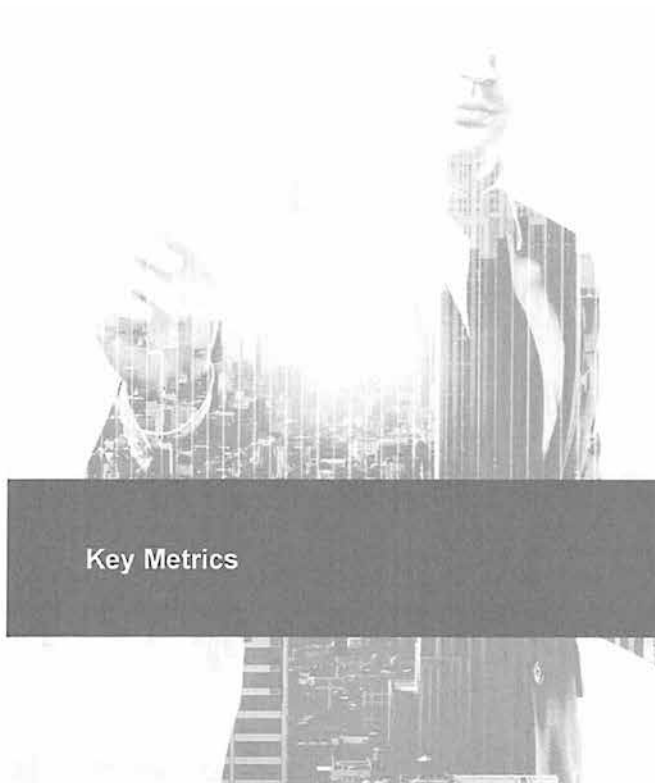
Grouped by functional department, typically:

- General government
- Protection services (fire, police)
- Transportation services
- Environmental services
- Health services
- Recreation
- Planning and development

Expenses by object are disclosed in the notes to the financial statements, including:

- Salaries
- Operating materials and supplies
- Contracted services
- Amortization
- Interest expense

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Key Metrics

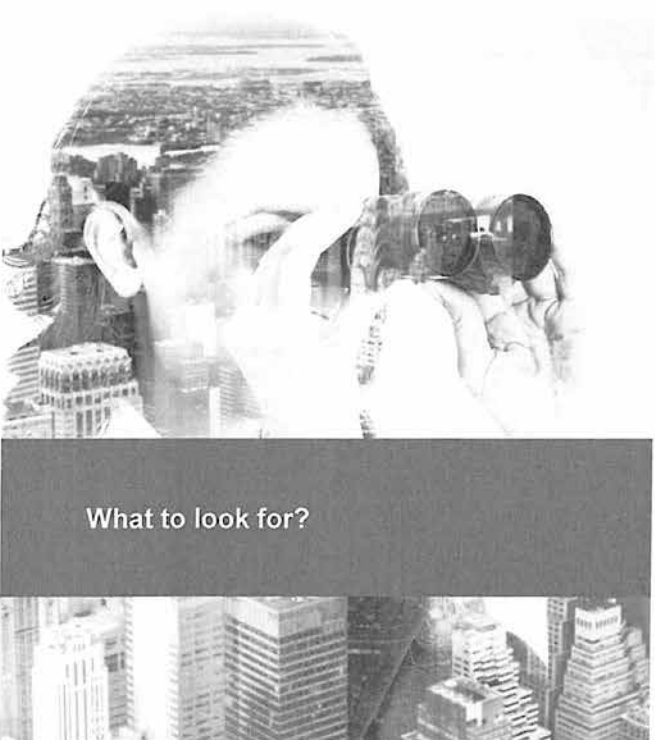
Statement of Operations

Annual surplus (deficit)

- Revenue exceeds expenses = surplus
- Expenses exceed revenue = deficit
- Total revenue compared to budget
- Total expense compared to budget

*Deficits will have to be recovered in the future.
Surpluses will provide funds for services in the future.*

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What to look for?

Statement of Operations

- Comparisons to prior year
- Comparisons to budget
 - Budget information is required
 - Is there a surplus or deficit?
 - Plans in place to utilize surplus for future years or from which reserve to fund deficit?
 - Is there a standing reserve policy in place regarding transfers of surplus to reserves?

Revenues

- How diversified is the revenue?
- How dependent is the municipality on tax revenue vs. user fees and charges, government grants?

Expenses

- How do departments compare to budget?
- Where is the largest expense?
- From notes to the financial statements:
 - Largest expense is usually salaries and benefits
 - Non-cash expenses – amortization

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What to look for?



Statement of Operations

From the Segmented Information Note

- Do user charges cover the cost of providing the service or is tax support needed?
- Which areas of service are dependent upon taxation revenue?
- Which areas are in a deficit?

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Statement of Cash Flows





Statement of Cash Flows

- Shows the municipality's sources and uses of cash for the year
- Eliminates non-cash transactions such as amortization and includes changes in operating working capital to show true cash flows

Broken down into 4 activities:

Operating

- Important that cash flows from operations are positive (source of cash)

Capital

- Includes purchases (a use of cash) and proceeds on disposal of TCA

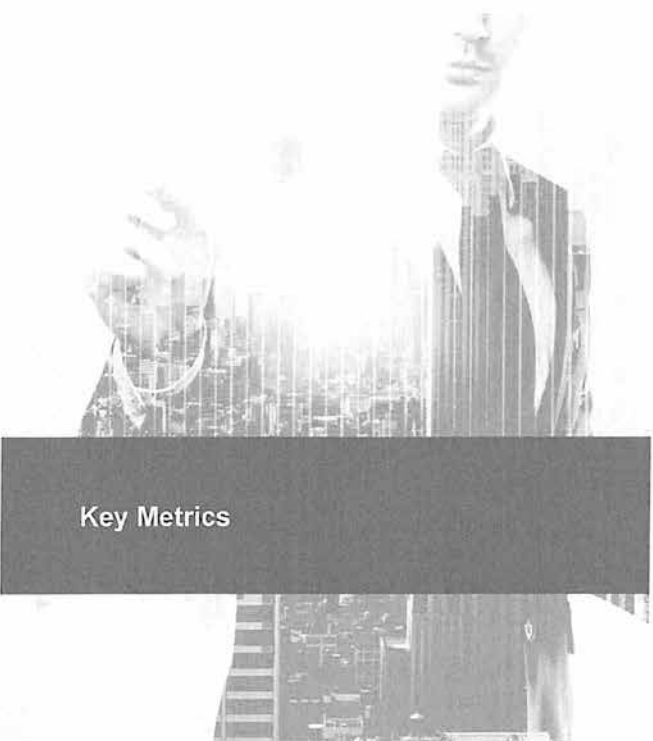
Investing

- Typically see changes in investments, any dividends received and any loans receivable

Financing

- Typically see changes in long-term debt
- Negative is repayment of debt, positive is receipt of new debt

Overall, is the municipality generating or using cash?²⁵



Key Metrics

Statement of Cash Flows

- Cash from (used in) operating activities
- Cash from (used in) capital activities
- Cash from (used in) investing activities
- Cash from (used in) financing activities

What are the major sources or uses of cash?



Notes to the Financial Statements



Notes to the Financial Statements

- Found at the end of the financial statements
- Provide additional information to reader regarding accounting policies and details of items included in the statements

Typical notes in municipal financial statements:

- Accounting policies
 - Basis of presentation/consolidation
 - Revenue recognition
 - Amortization
- Deferred revenue
- Tangible capital assets
- Reserves and reserve funds
- Commitments
- Segmented reporting
- Budget reconciliation

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What to look for?

Notes to the Financial Statements

Deferred revenue

- Obligatory reserve funds – how are they being utilized?
- Building permits and development charges – do inflows show development activity within the municipality?

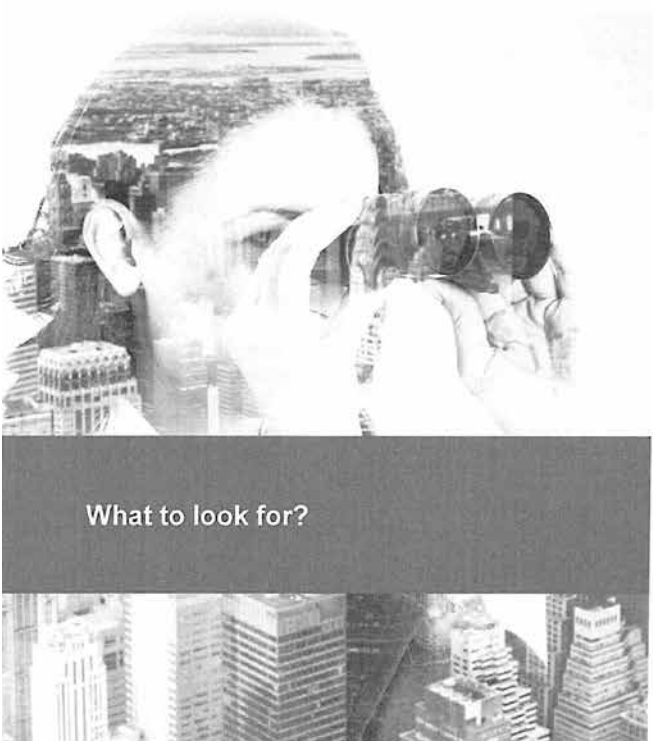
Tangible capital assets

- What is the net book value of assets compared to their cost? What does this say about the age of assets including infrastructure assets?

Reserves and reserve funds

- Major changes in specific funds year over year – what have we spent money on?
- What future projects do we have funds set aside for?

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What to look for?

Notes to the Financial Statements

Commitments

- What future payments have been committed?
- Will the municipality have enough resources to satisfy future commitments?

Segmented reporting

- Are there departments with an annual deficit at the end of the year?
- Changes in expenses year over year – how have object lines changes, ie. salaries and wages, debt service?

Budget reconciliation

- Certain items are typically not budgeted for, such as amortization and revenue recognized for capital projects
- Makes the connection between the operating budget you approve and what is shown on the statement of operations

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Questions



Thank you



Eastern Ontario Conservation Authorities

November 15, 2022



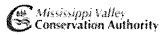
The Honourable Doug Ford
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The Honourable Steve Clark
Minister of Municipal Affairs and Housing
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The Honourable Graydon Smith
Minister of Natural Resources and Forestry
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The Honourable David Piccini
Minister of the Environment, Conservation and Parks
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Re: Loss of Local Decision-Making: Bill 23 Does Not Work for Eastern Ontario

Dear Premier Ford, Minister Clark, Minister Smith, and Minister Piccini,



With housing affordability affecting much of Ontario, we understand your government's target to build 1.5 million new homes over the next 10 years.



Conservation Authorities (CAs) have always supported long-term sustainable growth. In fact, our role is to ensure land-use decisions made today do not impede future growth tomorrow. We accomplish this by ensuring development has minimal impacts on flooding, erosion, slope stability and water quality by guiding development away from natural hazards and protecting the function of natural features. This can only be accomplished when evaluating growth and its cumulative impacts across a watershed, which is the value and service CAs provide to municipalities. Water flows across municipal boundaries and so do the impacts of development.



In Eastern Ontario, CAs have been working closely with municipalities to reduce barriers to development and streamline processes to provide the best service possible to municipalities, communities, homeowners, and developers. For many, this includes modernizing policies and procedures, streamlining approvals, reducing timelines, meeting and reporting on service standards, and promoting pre-consultation with applicants. CAs are not a barrier to growth, but an assurance that growth is safe and sustainable, and we have been a source of cost-effective expertise for municipalities and developers for decades.

We are committed to doing our part to help increase Ontario's housing supply, but it needs to be accomplished through smart, sustainable growth that will not have detrimental impacts down the road.

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We are concerned that some changes proposed in the *More Homes Built Faster Act* will:

- Weaken the ability of conservation authorities to continue protecting people and property from natural hazards such as floods;
- Diminish our ability to protect critical natural infrastructure like wetlands which reduce flooding, droughts and improve water quality in lakes and rivers; and,
- Place new downloaded responsibilities on municipalities related to natural hazards and natural resources that they are unprepared and under resourced to tackle.

We are calling on your government to press pause on the proposed changes highlighted below and to reconvene the multi-stakeholder *Conservation Authorities Working Group* that your government created. This group can help identify alternative solutions that will increase Ontario's housing supply without jeopardizing public safety or downloading additional responsibilities to municipalities. At a time when climate change is causing more frequent and intense storm events, the role and watershed mandate of CAs has never been more critical.

Proposed Changes of Concern and Their Potential Impact:

1. If conservation authorities are no longer allowed to provide planning comments to municipalities beyond natural hazards:
 - Municipalities have indicated that they will need to contract this work out to the private sector, where there is already a limited labour market, as most do not have the expertise or capacity to take on this expanded role.
 - Municipalities anticipate higher costs, and possible delays, that will be passed on to applicants and developers. The current model enables municipalities to use existing expertise within the CAs (such as biologists, water resource engineers, ecologists, hydrogeologists) to fulfill responsibilities under the Provincial Policy Statement pertaining to natural heritage and water, while saving time and money for applicants.
 - Municipalities have shared conflict of interest concerns due to the limited availability of consultants in Eastern Ontario and shared concerns about the lack of local knowledge should they need to secure consultants from other regions.
 - Municipalities are also concerned with the loss of the watershed perspective in making planning decisions, which will result in a narrow review of the impacts to natural hazards and natural heritage. Municipalities formed CAs to address this very issue.

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2. If development that is subject to a planning approval is exempt from requiring a permit from the conservation authority:

- Municipalities will assume greater responsibility and liability for the impact of development on flooding, erosion, slope stability and water quality within municipal boundaries and in upstream and downstream communities.
- Municipalities and CAs will require more detailed studies and designs at the planning stage which are normally not required until the permitting stage. This would make planning applications more onerous and costly for developers and slow down approvals.
- Municipalities will also have limited mechanisms to ensure compliance outside of the permitting process if development is not constructed properly.

3. If certain types of development are deemed “low risk” and exempted from requiring a conservation authority permit:

- Public safety and property damage risks may not be adequately addressed as a single list of exempted activities across the province will not capture local conditions and constraints. Some activities which may be low risk in one watershed, such as fencing or auxiliary buildings, may be a significant risk in others that have retrogressive landslide areas or ravines.
- It should also be acknowledged that CAs already have the ability to exempt or streamline review processes for activities that are low risk in their watershed and this practice is already in use by most CAs.

4. If the scope of conservation authority permits is narrowed to only address natural hazard issues (removal of “pollution” and “conservation of land” considerations, restrictions on conditions that can be required as part of a permit):

- CAs may not be able to require development setbacks from water, protect naturalized shorelines or require sediment control during construction.
- CAs would no longer be able to address water quality concerns, which are required under federally and provincially approved “Remedial Action Plans” for designated “Areas of Concern”.
- CAs use pollution and conservation of land considerations and conditions to limit sediment and nutrient runoff into lakes and rivers that contribute to poor water quality, excessive weed growth and algae blooms. Municipalities would become responsible to address these types of concerns.

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- Water quality in lakes and rivers is an important economic driver in Eastern Ontario as it impacts property values, tourism, recreation, and commercial fisheries, and it is the source of drinking water for many permanent and seasonal residences.
 - CAs and municipalities would welcome a consistent definition of “conservation of land” in the new regulations, pertaining to the protection, management, and restoration of lands to maintain or enhance hydrological and ecological functions.
5. If the protection of wetlands is diminished (changes to wetland evaluation criteria, elimination of wetland complexing, reduction in the area around wetlands that is regulated, introduction of offsetting measures to compensate for wetland loss and the withdrawal of MNRF as the body responsible for wetland mapping and evaluations):
- Municipalities are concerned that the withdrawal of MNRF from administering the Ontario Wetland Evaluation System and maintaining wetland mapping will be downloaded to municipalities to manage reevaluation reports from consultants and maintain up-to-date wetland mapping that is needed for development review.
 - Municipalities and CAs are concerned that there will be a loss of wetlands that will have immediate and long-term impacts. Removing wetlands is like removing dams and reservoirs. Wetlands act as infrastructure that absorb and retain a significant volume of snow melt and rain which reduces flood levels during spring runoff and storm events. They also release this water slowly throughout the rest of the year, helping augment water levels in lakes and rivers during low flow periods which reduces drought conditions. Wetlands also filter nutrients and sediment from runoff which improves water quality.
 - These benefits are particularly important where lakes and rivers are supporting agriculture, recreation, tourism, and fisheries and acting as a source of drinking water. Municipalities and CAs could never afford to build the infrastructure it would take to replace wetland functions which is estimated to be billions.
6. If the Minister freezes conservation authority fees:
- Taxpayers, not developers, would absorb increasing costs for development review. In this scenario, growth would not be paying for growth.
 - Legislative amendments made earlier this year directed conservation authorities to demonstrate that self-generated revenue such as fees for service are considered where possible to reduce pressure on the municipal levy. This includes plan review and permitting fees that are collected to offset program costs, but not exceed them.

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Recommendations:

1. Municipalities should retain the choice to enter into agreements with conservation authorities for natural heritage and water-related plan review services.
 - Recent legislative amendments by this government now require agreements to include defined terms, timelines, and performance measures, and CAs have demonstrated that they can provide these comments to municipalities in a cost-effective and timely manner. CAs are also already prevented by these earlier amendments from commenting beyond natural hazards if they do not have an agreement with a municipality.
2. Development that is subject to plan approval should not be exempt from requiring a conservation authority permit.
 - The planning process is not sufficient to ensure natural hazard concerns are addressed through appropriate design and construction. This change would also place additional responsibility and liability on municipalities.
3. Conservation authorities should determine which types of developments are deemed “low risk” through their regulations policies.
 - CAs are already able to create exemptions and streamline review processes that are appropriate locally, given watersheds have unique conditions.
4. Maintain “pollution” and “conservation of land” as considerations when conservation authorities are reviewing permit applications but provide a clear definition of each to ensure a consistent approach on how it is applied.
 - Streamlining these definitions will allow CAs to provide consistency to municipalities and developers and meet obligations under other pieces of legislation that require water quality-related comments from CAs.
5. Continue to protect wetlands to reduce flooding, provide flow augmentation.
 - Wetlands are critical pieces of natural infrastructure and municipalities cannot afford to build the infrastructure it would take to replicate wetland function to protect upstream and downstream communities from flooding and drought.
6. Do not freeze fees to ensure growth pays for growth.
 - Recent legislative amendments by this government now require CAs to demonstrate through their budget process that development review fees are offsetting, but not exceeding, program costs.

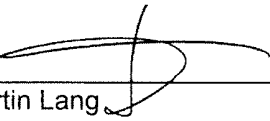
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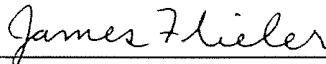
Thank you for the opportunity to share our concerns and recommendations with you.

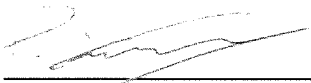
Our goal is to support you in creating more housing in Ontario while ensuring changes to Ontario's land use planning and permitting system do not have unintended and irreversible consequences on the protection of people, property, and natural resources.

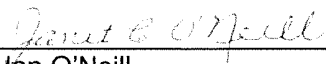
We sincerely hope that you will remove the amendments we have highlighted from Bill 23 before it is passed, and that you will reconvene your government's *Conservation Authorities Working Group* to work with your Ministry to propose alternative improvements and refinements to conservation authority development review processes.

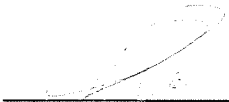
Sincerely,

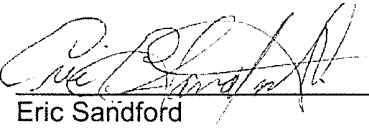


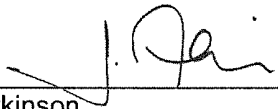
Martin Lang
Chair
Raisin Region Conservation Authority


James Flieler
Chair
Quinte Conservation Authority

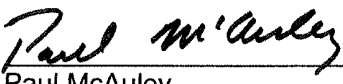
Pierre Leroux
Chair
South Nation River Conservation Authority

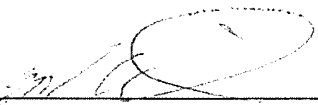
Jan O'Neill
Chair
Crowe Valley Conservation Authority

Pieter Leenhouts
Chair
Rideau Valley Conservation Authority

Eric Sandford
Chair
Lower Trent Conservation Authority

Jeff Atkinson
Chair
Mississippi Valley Conservation Authority

Ryan Huntley
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Otonabee Region Conservation Authority

Paul McAuley
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This letter has also been endorsed by the following municipal partners: