

## DC Task Force Issue Tracker

### Item #6 - Local Service Policy Review

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#### Context:

The Development Charges Act (DCA), 1997, states that a municipality shall not, by way of a condition or agreement under section 51 or 53 of the *Planning Act*, impose directly or indirectly a charge related to a development or a requirement to construct a service related to development except as allowed through either a condition of development approval or an agreement implementing a development approval. Such works within the condition or agreement are referred to as “local services”.

The idea of a “local service” is to provide a differentiation between services that benefit individual developments and services that benefits development within a larger specified area or community.

#### Issue:

The term “local services” is not specifically defined in the DCA, 1997 or the associated regulations, as a result, there is often confusion, uncertainty and, in some cases, disputes as to what constitutes a “local service”.

For example, in the City of Kawartha Lakes, there is no local service definition for parkland development. Although, under the Planning Act, developers are required to make provisions for the dedication of parkland to the municipality at no charge, there is no clarity as to what condition the parkland should be provided to the municipality. Without such clarity, each parkland dedication becomes a matter of discussion, debate and compromise between the municipality and the developer.

#### Research Findings:

A comparison and review of “local service” provisions has been undertaken. The exercise reviews the City’s current Local Service provisions and compares them with other municipalities’ local service definitions within their respective DC Background Studies. A copy of that analysis is attached as Appendix 1.

As noted on the comparison, there are a wide variety of definitions between municipalities over what constitutes a local service for Roads and Related Works, Stormwater Management, Noise Abatement, Water and Wastewater and Parks. Although there are similarities throughout, there are also key differences that can add significant dollars to a developer or municipality’s budget if not appropriately accounted for.

Through Bill 17, the Province has enacted changes to the Local Service provisions of the Development Charges Act. The Act adds a new section (59(2.1)) empowering the province to define Local Services by regulation — removing ambiguity about what municipalities can require developers to build.

The Province has not yet enacted the regulations. The timing to enact the regulations is not known at this point.

Proposed Recommendations:

1. In the absence of Provincial regulations defining Local Services, staff be directed to review the current Local Service provisions and update them as necessary so that they are consistent with the requirements of the City's Growth Management Plan, Water and Wastewater Servicing and Capacity Master Plan, Transportation Master Plan Update and future Parks Master Plan and implementing Official Plan updates.

In particular, staff should provide a Local Service definition for Parkland Development. Such definition should be consistent with definitions in neighbouring municipalities.

2. Staff should monitor the **Environmental Registry of Ontario (ERO)** for postings of proposed regulations. The DC Background Study should be amended accordingly once the regulations are enacted.