

Municipal Services Office Central Region Provincial Update

AMCTO Zone 5 Meeting

October 24, 2019

Bayview-Wildwood Resort

Important Notice

- Municipalities are responsible for making local decisions, including complying with any applicable statutes or regulations.
- This presentation is for information purposes only and is not a substitute for legal or other professional advice in connection with any particular matter. This presentation deals with complicated issues and concepts in a highly summarized fashion, and key details may not be included. The inclusion of municipal or other local examples in this presentation does not imply an endorsement by the Ministry.
- Users should verify the information that has been included from other sources prior to making decisions or acting upon it.

Municipal Services Division Municipal Services Office (MSO)

Who we are and what we do

- Work alongside ministry and municipal staff to provide advice on policy and program implementation
- Organize and deliver educational activities to municipal stakeholders
- Provide recommendations on issues, policies, and related legislation affecting local governments

Services and products that we provide

- Advise on existing resources for municipalities
- Promote municipal leading practices
- Focus on implementing provincial priorities and plans
- Support our stakeholders by building their capacity to assess and implement the full range of options available to them

Outline

- Local Government Updates
- Other Updates
- Finance Updates
- Current Grant Opportunities
- Deadlines and Reminders
- More Housing, More Choice: Ontario's Housing
- Supply Action Plan
- Legislative Changes
- Upcoming Events

Local Government Updates

Municipal Modernization: Investing in Service Delivery and Efficiency

- On March 20th, the Minister of Municipal Affairs and Housing announced funding to support small and rural municipalities' efforts to become more efficient and reduce expenditure growth in the long term.
- This unconditional investment is intended to help modernize service delivery and reduce costs through investments in projects such as: service delivery reviews, development of shared services agreements, and capital investments.
- Municipal Services Offices can offer advice and point to examples.
- In the future, we will be interested to hear your success stories.

Examples

- The Township of Scugog invested in a Gradall Excavator, Customer Service Feedback Tracking Software, and Replacement of the Public Works radio system.
- King Township is focusing on road improvements (conversion of gravel roads to hard surface; extending the life of existing road sections in poor condition; and reconstruction of road infrastructure).
- Town of Lincoln will undertake a SDR/Corporate Systems Review to develop an action plan for updating software. Will also implement systems upgrades including asset management software.
- Town of Niagara-on-the-Lake is completing a Business Process and Operations Improvement Plan
- The County of Renfrew is consolidating offices, ending off-site leases.

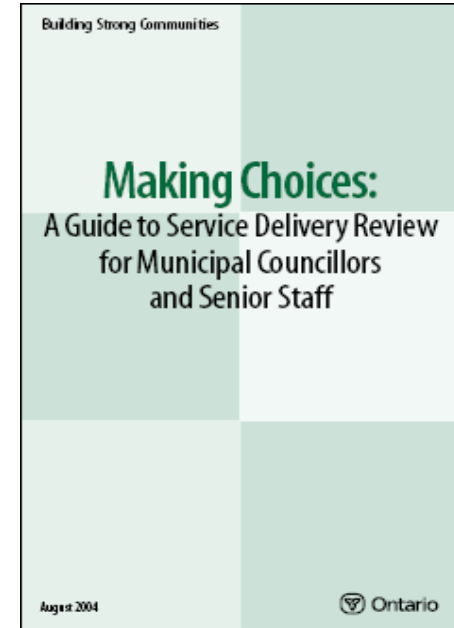
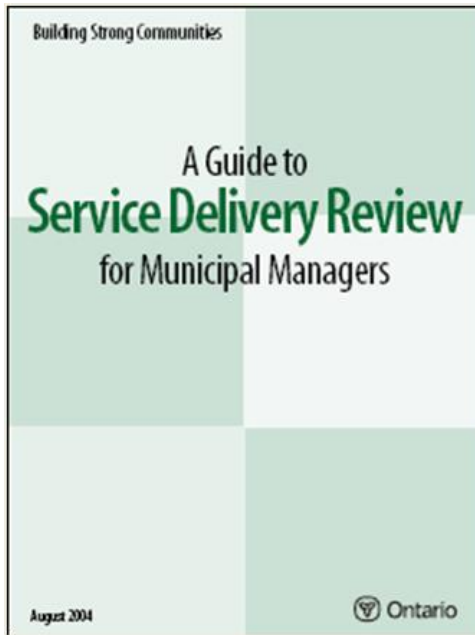
Audit and Accountability Fund

- In May, the Province launched the Audit and Accountability Fund.
- The Fund provided \$7.35 million for large urban municipalities and district school boards interested in conducting line-by-line reviews to identify potential savings, while maintaining vital front-line services.
- Eligible municipalities were asked to apply by June 30, 2019

Examples

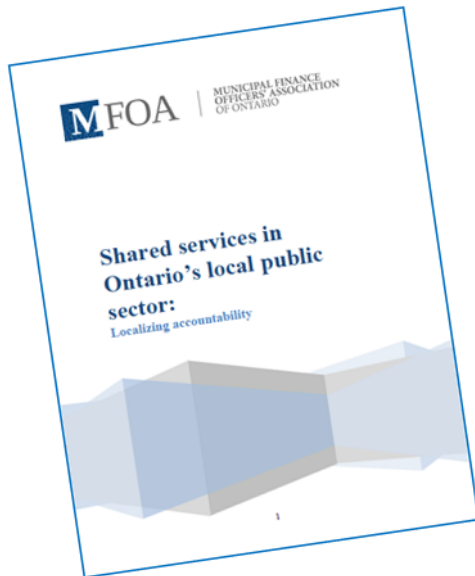
- The City of Barrie is conducting a Service Delivery Review.
- The City of Ottawa is reviewing Ottawa Police Service back-office function
- The City of London is conducting a Service Delivery Review of Housing

Service Delivery Review Guides



<https://www.ontario.ca/page/ministry-municipal-affairs-housing>

Shared Service Resources



https://www.mfoa.on.ca/mfoa/MAIN/MFOA_Policy_Projects/Shared_Services_in_Ontarios_Local_Public_Sector_with_Case_Studies

Legalization of Recreational Cannabis

- On April 1, 2019, privately run cannabis retail stores authorized by the Alcohol and Gaming Commission of Ontario began to open and sell cannabis in Ontario.
 - In the initial phase, up to 25 licences were issued starting April 1, 2019.
 - In a second phase, the Alcohol and Gaming Commission of Ontario will authorize a total of 50 new private cannabis retail stores to begin opening on a rolling basis in October 2019.
- In the second allocation, stores have the option to locate in municipalities with populations of less than 50,000 and in First Nation reserves.
- When supply from federally licensed producers further improves, the government will provide additional information.
- The province has helped municipalities with implementation costs of recreational cannabis legalization through the Ontario Cannabis Legalization Implementation Fund (OCLIF).
 - Further details on permitted uses of OCLIF funds are available at <https://www.fin.gov.on.ca/en/budget/oclif/>
- MMAH will continue to work with the Ministry of the Attorney General and the Ministry of Finance to facilitate dialogue with municipalities to support implementation.
- Questions on the Ontario Cannabis Legalization Implementation Fund: OCLIF@ontario.ca
- Questions on cannabis retail stores: municipal@agco.ca

Legislation Updates: Bill 124, Protecting a Sustainable Public Sector for Future Generations Act, 2019

- Current status: First Reading, Carried on division, Government Bill
- If passed will apply to: the Crown in right of Ontario, every board within the meaning of the Education Act, most universities and every CAAT, every hospital within the meaning of the Public Hospitals Act, every not for profit licensee under the Long-Term Care Homes Act, 2007, Ornge, children's aid societies, others.
- If passed will not apply to: municipalities, local boards as defined in the Municipal Act and, "Every authority, board, commission, corporation, office or organization of persons, a majority of whose members, directors or officers are appointed or chosen by or under the authority of the council of a municipality."
- Proposed legislation will cap annual increases at one percent on average for affected employees.

Bill 107, Getting Ontario Moving Act (Transportation Statute Law Amendment), 2019

SCHEDULE 1

Highway Traffic Act

- Numerous amendments are made to the *Highway Traffic Act* respecting road safety and other matters. Some highlights are as follows:
- Section 21.1 of the Act provides for a system of administrative penalties. Amendments are made in respect of the involvement in that system of municipalities or persons employed by municipalities.
- Currently the Act allows regulations and municipal by-laws to be made permitting the operation of off-road vehicles. The Act is amended to specify that such regulations and by-laws may also prohibit the operation of off-road vehicles.

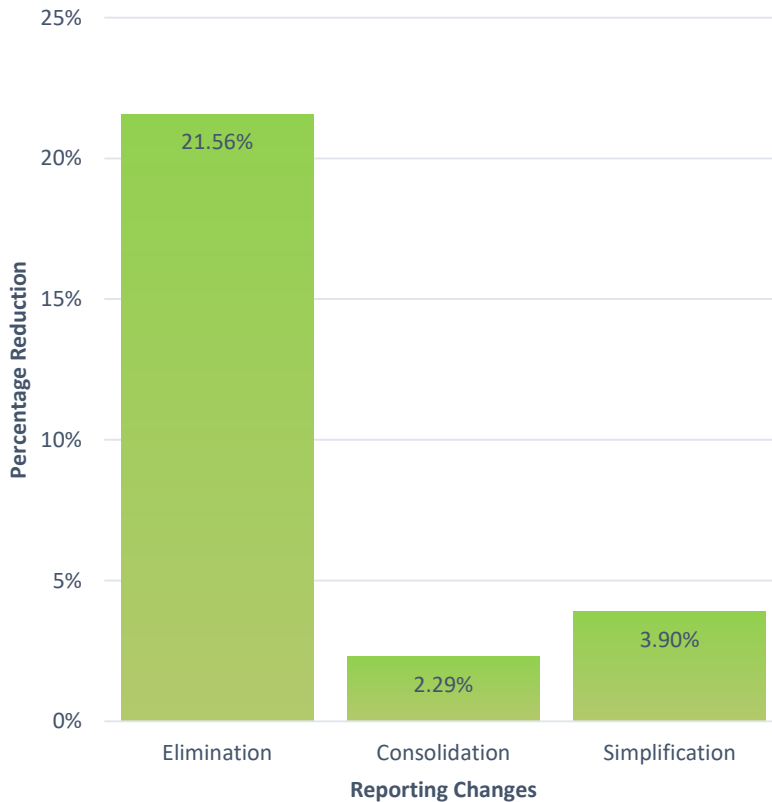
Bill 117, Ontario Society for the Prevention of Cruelty to Animals Amendment Act (Interim Period), 2019

- Current Status: Royal Assent, June 6, 2019.
- The Bill amends the *Ontario Society for the Prevention of Cruelty to Animals Act* by providing for the application of certain rules during an interim period ending on January 1, 2020 or a date set by the LGIC.
- The rules permit the Solicitor General to appoint any person as the Chief Inspector during the interim period. In addition, during the interim period, the Chief Inspector may appoint any person as an inspector for the purposes of the Act.
- The Solicitor General is provided with regulation-making authority to prescribe classes of persons who may exercise the powers of inspectors during the interim period.
- Designed to bridge the gap created when the OSPCA withdrew from providing inspection services.

Other Updates

Municipal Reporting Burden

Overall Reporting Reduction



MMAH has been leading the project through:

1. Leading inter-ministerial meetings
2. Collaborating with municipal associations, including MFOA, since December 2018
3. Establishing a provincial inventory of municipal reporting
4. Leading municipal reporting reduction results
5. Immediate and longer-term reductions

MFIPPA Self-Assessment Tool

- The MFIPPA Program Self-Assessment consists of statements pertaining to the administration of the information and privacy program within an institution as defined under MFIPPA.
- IPA has issued this program self-assessment to enable institutions to identify gaps or areas where their FOI practices and procedures can be strengthened. The program self-assessments will assist individuals responsible for the administration of MFIPPA and senior decision makers as they evaluate their FOI programs, policies and procedures.
- IPA suggests that the program self-assessment be completed by employees with knowledge of the administration of the information and privacy program within the institution and approved and signed by a senior level executive with delegated authority to oversee the administration of the act within the institution.

Resources to assist in administering the Municipal Freedom of Information and Protection of Privacy Act

- **Legislation**
- Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- **Available Guidance**
- Freedom of Information and Protection of Privacy Manual
- Further guidance and resources can be found on the Office of the Information and Privacy Commissioner of Ontario (IPC) website.
- **Contact Information**
- For inquiries related to MFIPPA requirements or supporting resources, please contact the Ministry of Government and Consumer Services' Information Privacy and Archives Division at web.foi.mgcs@ontario.ca.

Finance Updates



Financial Indicator Review

- On an annual basis the Ministry calculates and reviews select financial indicators for each municipality.
- 7 indicators are produced from data points in the FIR.
- Indicators are shared with the municipality to facilitate dialogue on financial management practices
- Financial Indicator Template (FITs) Review results are provided to municipalities for information purposes.
- Indicators should not be looked at in isolation, and are not a substitute for financial or other professional advice in connection with any particular matter.

New for 2019

Municipalities are responsible for making local decisions, including complying with any applicable statutes or regulations.

Old Indicator	New Indicator	Reason for Change
Net Financial Assets or Net Debt as a % of Own Purpose Taxation, User Fees and Charges	Net Financial Assets or Net Debt as a % of <i>Own Source Revenues</i>	Own Source Revenues is a better reflection of all the revenues that municipalities have control over.
Debt Servicing Cost as a % of Total Revenues	Subtract <i>Donated Tangible Capital Assets</i> from Total Revenues	Donated Tangible Capital Assets (TCAs) is an accounting entry to get the TCA on to the municipality's books. It is not cash revenue. Year over year changes in Donated Tangible Capital Assets impacts year over year comparisons.
Annual Surplus / (Deficit) as a % of Own Purpose Taxation, User Fees and Charges	Annual Surplus / (Deficit) (<i>less any Donated Tangible Capital Assets</i>) as a % of <i>Own Source Revenues</i>	Reflect consistency with other changes.

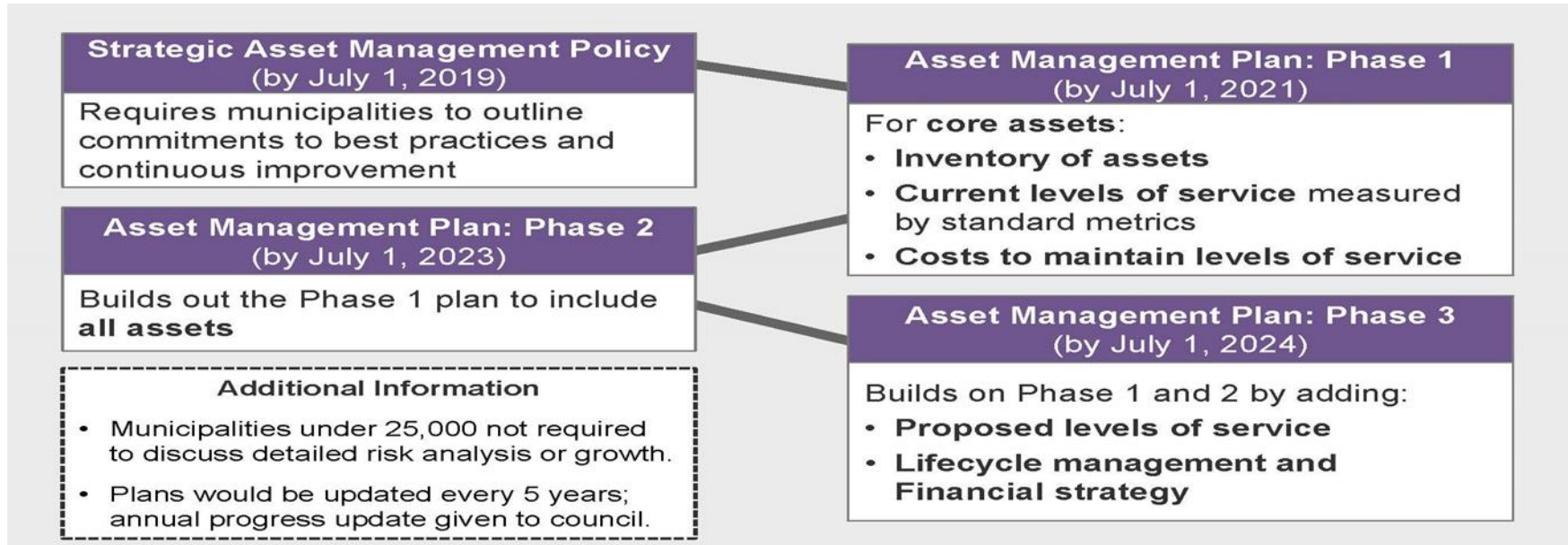
Ontario Municipal Partnership Fund

- As announced at the AMO Conference there will be no changes to the structure of the Ontario Municipal Partnership Fund (OMPF) for 2020 to provide municipalities with greater certainty in fiscal planning.
- The government has committed to announce 2020 OMPF allocations well in advance of municipal budget year.
- The government will continue to work with municipal partners to review the OMPF for 2021 to make sure the program is sustainable and focus on northern and rural municipalities that need funding the most.

Municipal Asset Management Planning

- Asset management planning is the process of making coordinated decisions regarding the building, operating, maintaining, renewing, replacing, and disposing of infrastructure assets.
- Ontario Regulation 588/17 came into effect on January 1, 2018.
- The full text of the regulation is available on e-Laws at <https://www.ontario.ca/laws/regulation/170588>
- Asset management plans continue to be a requirement for provincial infrastructure funding.
- More information on the regulation, including tools and supports available to help municipalities, can be found at www.Ontario.ca/assetmanagement

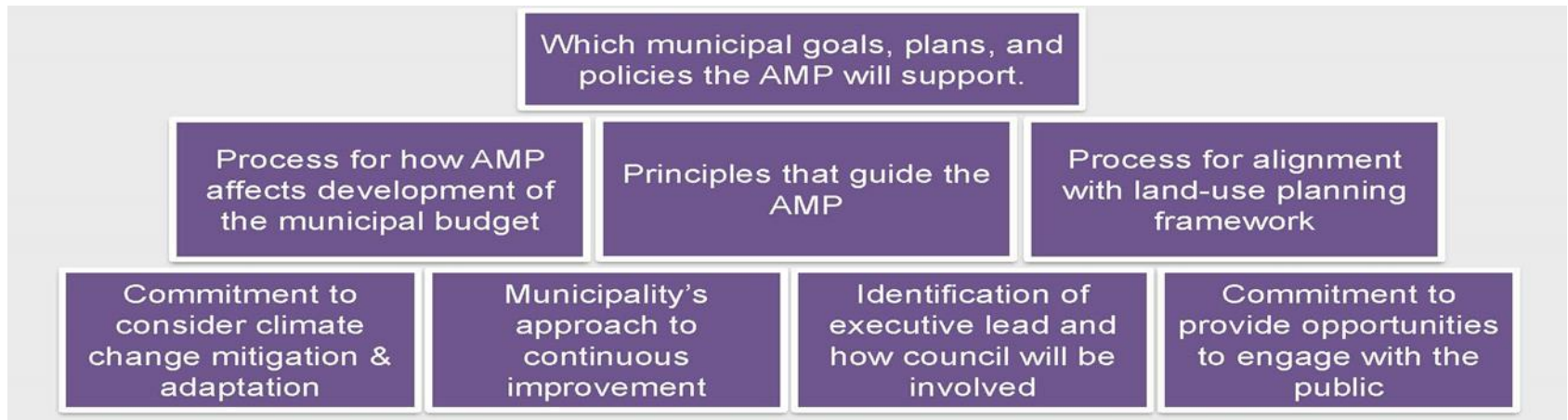
Asset Management Regulation Overview



*Core assets are municipal road, bridges, water, wastewater, stormwater assets

Strategic Asset Management Policy

- All municipalities are required to develop and adopt a strategic asset management policy by July 1, 2019. The policy must include:



Current Grant Opportunities

Investing in Canada Infrastructure Program

- The Community, Culture and Recreation stream is an application-based program contributing up to \$1 billion in total partner funding to projects improving access to and/or quality of community, cultural, and recreation infrastructure. Projects must be community-oriented, non-commercial, and open to the public.
- Municipalities, Indigenous communities, public sector and not-for-profit organizations are eligible to apply for funding.
- Projects will be considered within two sub-streams under the CCR program
 1. Small-scale renovations and rehabilitations that address functionality and accessibility, with a project cap of \$5 million
 2. Larger, new-build or expansion projects for multi-purpose community, cultural and recreation facilities
- The Province will prioritize projects based on the following objectives:
 - *Meets community and user needs*
 - *Promotes good asset management*
 - *Represents good value for money*
 - *Improves accessibility*

Ontario Community Infrastructure Fund

- Launched in 2014, OCIF provides funding to more than 420 small, rural, and northern communities to help develop and renew core infrastructure and support asset management planning.
- In March 2019, MOI confirmed formula-based allocations totalling about \$200 million for the 2019 calendar year, and informed municipalities that due to provincial fiscal constraints, no application-based funding is being provided for 2018 or 2019.
- The Ministry also advised municipalities of plans to redesign the program. In light of program redesign, 2020 formula allocations are subject to review.
- The province heard from municipalities at the AMO conference that communities need stable, reliable infrastructure funding. The government is committed to working with municipalities on the redesign of the program.

More Housing, More Choice: Ontario's Housing Supply Action Plan

VISION:
*All Ontarians
can find a
home that
meets their
needs and their
budget*

***Housing
Supply
Action Plan***

*Affordability in the
broader housing
market – unlocking
the development of
all kinds of housing*

***Community
Housing
Renewal
Strategy***

*Affordable housing for low-
income households and the
non-profit, cooperative and
municipal housing sector*

Housing Supply Action Plan

On May 2, 2019, the Minister of Municipal Affairs and Housing released More Homes, More Choice: Ontario's Housing Supply Action Plan

The Action Plan is intended to tackle Ontario's housing crisis and help to build more homes across the province

The Action Plan was informed by broad public and stakeholder consultations that were conducted over Winter 2018-19. Over 2,000 submissions were received through the online portal

The consultations identified a number of themes as barriers to housing supply

Barriers to Housing Supply

1	SPEED	Red tape and paperwork can add years to a construction project.
2	COST	Layers of permits, government approvals and charges by municipalities add to the cost of building new homes.
3	MIX	We need a variety of different types of housing – from detached houses and townhomes to mid-rise apartments, second units and family-sized condos.
4	RENT	There are more people looking for homes than there are places to rent.
5	INNOVATION	Ontario needs to explore new housing designs and materials, creative approaches to home-ownership and leasing, and more.

**What We Are
Doing:
The More Homes,
More Choice Act,
2019**

Bill 108: More Homes, More Choices Act

- In support of the Housing Supply Action Plan, the Minister of Municipal Affairs and Housing introduced the *More Homes, More Choice Act, 2019*. The legislation received Royal Assent on June 6.
- The *More Homes, More Choice Act, 2019* reflects feedback from public, municipal and development industry consultations over the past six months, including at the committee stage of the legislative process. The legislative changes were posted on the Environmental Registry
- Changes are being proposed to regulations under the Development Charges Act to implement the changes introduced under Schedule 3 of the *More Homes More Choice Act, 2019*
- Changes are being proposed to regulations under the Planning Act to implement the changes introduced under Schedule 12 of the *More Homes, More Choice Act, 2019*
- There will be opportunities for you to provide input on the proposed regulatory changes through the Environmental Registry

Overview of Changes (MMAH Purview)

Legislative Changes:

Proclaimed:

- Schedule 12 of the Act made changes to the Planning Act
- Schedule 9 of the Act made changes to the Local Planning Tribunal Act

Upon proclamation:

- Schedule 3 of the More Homes, More Choice Act, 2019 would make changes to the Development Charges Act

Proposed Regulations:

- New regulations and changes to existing regulations will be necessary to implement the legislative changes
- The government intends to post proposal notices for the regulations on the Environmental Registry of Ontario

The following slides provide a high-level overview of the legislative and proposed regulatory changes.

Legislative Changes

Changes to the Development Charges Act

Upon proclamation, **Schedule 3** of the More Homes, More Choice Act, 2019 (Bill 108) would make changes to the Development Charges Act that are intended to:

- Support a range and mix of housing options by expanding the ability of municipalities to recover costs for **waste diversion** and **ambulance services**
- Increase certainty of costs by **deferring development charge payments** for certain types of developments
- Increase the certainty and predictability of development charges by **freezing rates** earlier in the development process
- Support a range and mix of housing options by exempting second residential units in newly built homes, second residential units in ancillary structures to all homes and conversions of communal facilities in existing rental buildings to residential units from development charges (subject to regulation)

Changes to the Planning Act

Proclaimed September 3rd 2019, **Schedule 12** of the More Homes, More Choice Act, 2019 (Bill 108) made changes to the Planning Act to:

- Make municipal **charges for community benefits** infrastructure, like libraries and daycare facilities, **more predictable**
- Make it easier to create **additional residential units**, such as above garages and in basements
- Facilitate faster decisions by reducing planning **decision timelines**
- Increase the **certainty and predictability of the planning system** and help build housing, including affordable housing, near transit
- Allow the **Local Planning Appeal Tribunal** to make decisions based on the best planning outcome

Community Benefits Charges – Consultation Process

- The new charge will enable municipalities to fund a range of capital infrastructure for community benefit services needed for new development
- Community Benefits Charges (CBCs) would apply to new developments or redevelopments only
- CBCs payable would not be able to exceed the amount determined by a formula
- The formula would involve applying a specific percentage of the value of land for a proposed development
- The percentages will be prescribed in regulation
- The aim is that municipalities would not be disadvantaged in funding community benefits required because of the development of lower-valued land
- A key objective in developing the formula is to enable municipalities to maintain the historical revenues from density bonusing, parkland dedication, and development charges for discounted services under this new charge
- The Ministry is in the process of hiring a consultant to develop a potential formula, which will take into consideration the objective of maintaining municipal revenues

Community Benefits Charges - Consultation Process

The Ministry of Municipal Affairs and Housing will be consulting on developing a proposed formula associated with CBCs with the municipal sector over the coming months.

Municipalities will be consulted on CBCs through the following avenues:

- **Environmental Registry of Ontario (ERO)** – seeking feedback on the methodological approach for development of a proposed formula will be sought (*mid-June 2019*)
- **Technical Working Group** – to advise on the methodological approach for development of a proposed formula (*summer 2019*)
- **Second ERO posting** – seeking feedback on a proposed formula developed by a consultant and with municipal input through the first ERO posting and technical working group (*fall 2019*)

Other Legislative Changes

Proclaimed:

- **Schedule 9** of the More Homes, More Choice Act, 2019 made changes to the Local Planning Appeal Tribunal Act (Ministry of Attorney General) to:
 - Ensure the tribunal has the resources (more adjudicators) and adjudicative powers needed to make fair and timely decisions

Upon proclamation:

- **Schedule 6** of the Act would make changes to the Environmental Assessment Act (Ministry of the Environment, Conservation and Parks)
 - Address duplication and reduce delays in the environmental assessment process
- **Schedule 11** of the Act would make changes to the Ontario Heritage Act (Ministry of Tourism, Culture and Sports)
 - Improve transparency and efficiency in municipal decision making regarding properties of cultural heritage value or interest

Other Legislative Changes

Upon proclamation:

- **Schedule 2** of the Act would make changes to the Conservation Authorities Act (Ministry of Natural Resources and Forestry)
 - Focus Conservation Authorities on their core mandate, reduce approval times, improve predictability of the approval process
- **Schedule 5** of the Act would make changes to the Endangered Species Act (Ministry of the Environment, Conservation and Parks)
 - Support a modern, ecosystem-wide approach to protecting species that is efficient and effective
- **Schedule 7** of the Act would make changes to the Environmental Protection Act (Ministry of the Environment, Conservation and Parks)
 - Remove barriers to developing previously used land and make it easier and safer to reuse soil in construction

Next Steps

- Notices were posted on the Environmental Registry of Ontario for a number of these proposed changes in June-August time frame
- The Ministry of Municipal Affairs and Housing sought input from the municipal and development sector on the proposed regulatory approach to establish implementation details related to the new community benefits charge authority including, consultations on the development of an approach to a methodology for establishing a community benefits charge formula
- The Ministry will consult again on the proposed formula associated with community benefits charges with the goal of maintaining municipal revenues in establishing the new community benefits tool

Other Anticipated Improvements

Development Approvals - Continue working with municipalities and developers to remove red tape and make sure the approval process fits the project.

Housing Data - Work with our municipal and federal partners to gather the information needed to drive informed decisions.

Rent – Second Units - Make it easier to build second suites (like basement apartments) and help small landlords navigate the complicated Building Code approvals process.

Rent – Other - Help tenants and landlords know their rights and how to resolve disputes.

Innovation - Clarify rules and issue guides to help people understand how to take advantage of creative solutions such as life leases, tiny homes and co-ownership, while continuing to review legislation and regulations to make sure they spur flexibility, creativity and new solutions.

- The ministry recently released a guide to help homeowners understand Building Code requirements for adding a second unit in their house.

Economic Development - Work with municipalities and businesses to find housing solutions that help communities across Ontario attract investment and good jobs.

Building Services Transformation

- The building industry sector is a \$38B industry and a key driver of Ontario's economy.
- For years, the sector has been raising concerns about the need for modern and timely services to support their ability to understand and apply the highly technical and complex Building Code requirements.
- To make sure the sector has the support it needs to ensure Ontario's economy continues to grow, MMAH will be consulting this Fall on proposals to transform building code services and their delivery.
- There are two key components to building services transformation:
 - Modernizing Building Code Services:** Enhancing existing services and creating new services to better support municipalities, the public and the building sector. Consultation with municipalities and other relevant stakeholders will inform service design.
 - Transforming Service Delivery:** As part of building services transformation, MMAH will establish a new administrative authority to deliver modern building code services.

Building Service Transformation – Consultation

- On September 24th, Minister Clark announced the launch of a 60-day consultation that will run until November 25th.
- Letters have been sent to Heads of Council, Chief Building Officials and a number of municipal associations (e.g. AMO) outlining consultation opportunities.
- A consultation discussion paper has been posted to Regulatory Registry and Environmental Registry of Ontario as of September 24th. The paper, and details on consultation opportunities can be found by visiting Ontario.ca/buildingtransformation
- A series of regional information sessions will also be conducted in the month of October. These sessions will include a stakeholder component in the afternoon (1:00-3:00pm) and a public open house in the evening (5:30-7:00pm).

City of Belleville Belleville Lion's Club Friday, October 4 th	City of Chatham-Kent Chatham Cultural Centre Wednesday, October 9 th
City of North Bay North Bay Memorial Gardens Arena Monday, October 7 th	City of Vaughan Vellore Hall Wednesday, October 16 th

- The Building Services Transformation team can also be contacted with any questions by emailing buildingtransformation@ontario.ca.

Upcoming Events

**Local Government Week
October 20 to 26**

- Local Government Week is held during the third week of October every year.
- Ministry looking for examples of what your municipality has done successfully in previous years or plans to do in 2019.
- Please share your information with your local government advisor
- Ministry will be monitoring social media for Local Government Week references.



Events

- **2020 AMO Conference**
 - August 16-19
 - Ottawa
- **2020 ROMA Conference**
 - January 18 – 21
 - Toronto
- **2020 OGRA Conference**
 - February 23 – Feb 26
 - Toronto
- **2020 AMCTO Conference**
 - June 7-10
 - Blue Mountains
- **2020 AMO Conference**
 - August 16-19
 - Ottawa
- **2020 MFOA Conference**
 - September 23-25
 - Blue Mountains

MSO Central Contacts

Municipal Advisors

Diane Ploss

416-585-6381

diane.ploss@ontario.ca

Muskoka, Niagara and Hamilton

Sav Johal

416-585-6073

savroop.johal2@ontario.ca

Simcoe, Halton and Toronto

Carolina Khan

416-585-6352

carolina.khan@ontario.ca

Durham, Peel, York

Questions?

