

Hello Mayor _____.

I am writing you on behalf of the Upper Thames River Conservation Authority (UTRCA) Board of Directors. I would like to bring to your attention the impact of the decision by the Minister of Natural Resources and Forestry of Ontario, Graydon Smith, to freeze the fees conservation authorities can charge in regard to planning, development, and permitting fees, and ask for your support in requesting that the decision be reversed and the freeze lifted.

The Minister issued a Ministers Direction (attached) on December 28, 2022. As stated by the Minister in the direction, "The purpose of this Direction, which is effective from January 1, 2023, to December 31, 2023, is to require a conservation authority not to change the amount of the fee it charges or the manner in which it determines the fee for any program or service that may be provided by the conservation authority. This relates to reviewing and commenting on planning and development related proposals or land use planning policies, or for permits issued by conservation authorities."

The Minister issued a second Direction (attached) on December 13, 2023, extending the freeze on fees to December 31, 2024. This Direction was further confirmed in a letter from the Ministry (attached) dated February 16, 2024.

The Direction justified the freeze as a way to assist in reaching the goal of Bill 23 (1.5 million homes in 10 years). It stated that, "A number of these changes affect conservation authorities and are intended to support faster and less costly approvals, streamline conservation authority processes, and help make land suitable for housing available for development."

Freezing the development and application fees has the greatest impact on conservation authorities located in high-growth areas of the province, which includes the UTRCA. Since 2021, provincial population reports reflect that municipalities within the Upper Thames watershed are the fastest growing in Ontario. Corresponding to this population growth, the UTRCA has seen a very large increase in the number of planning, development, and permit applications being submitted.

At the same time, the UTRCA is also responding to reduced timelines to review and comment on applications since the changes of Bill 108 and 109 came into effect. Staff have heard from member municipalities about the need for the UTRCA to increase its level of service to respond to these changes, so that the municipalities are also able to meet the timelines imposed on them by the legislation.

Increases in development pressure to accommodate the watershed's population growth, coupled with reduced timelines, have resulted in the UTRCA having to increase staffing

to meet service delivery timelines. This has led to higher costs which, due to the fee freeze, can only be addressed by levying member municipalities for the extra costs.

The UTRCA is trying to limit the impact to member municipalities by proactively looking for efficiencies through streamlining the processes used by staff and implementing technology. These measures will not, however, address the current situation regarding who is being asked to fund this service.

Growth should pay for growth. Under the current freeze, the Authority's ability to assign the cost of growth to those who are benefiting has been removed. This has led to all the residents of the member municipalities having to pay more through increased tax rates.

I ask you to join in signing the attached letter to the Minister asking for a reversal of the Direction to freeze the fees for planning, development, and permitting. Lifting the freeze on fees will enable the UTRCA to limit the levy asks to member municipalities by recovering more of the costs associated with planning, development, and permitting, from those that are using the service.

Sincerely,

Brian Petrie, Chair

Upper Thames River Conservation Authority Board of Directors

Attachment

Minister Smith,

We, the elected leaders of the municipalities of the Upper Thames River watershed, are requesting your help in addressing budget pressures that all municipalities are facing. We ask that you do so by rescinding your Direction to conservation authorities to freeze the fees associated with planning, development, and permitting.

This freeze on fees has led to every resident in our municipalities having to pay more property taxes to cover the increased level of service that is required to meet the timelines enacted through Bills 108 and 109.

The inability of the conservation authorities to increase fees to offset the costs required to meet demand and increased service levels, requires that the authorities increase the levy to their member municipalities. This, in turn, requires the municipalities to increase property taxes to our residents.

While the need for increased housing is understood, the cost associated with that development should not be placed on current residents through increased property taxes.

Freezing the development and application fees has the greatest impact on conservation authorities located in high-growth areas of the province. Since 2021, provincial population reports reflect that municipalities within the Upper Thames River watershed are the fastest growing in Ontario. Corresponding to this population growth is a large increase in the number of planning, development, and permit applications.

Conservation authorities are partners in ensuring that development can happen in a timely, safe manner. We need them to be able to provide the services required to meet the province's goals without increasing the burden of current rate payers. The use of fees to fund this type of program ensures that those benefiting from development are paying for it -- growth pays for growth. This is the fairest funding system for this type of program.

We support conservation authorities offsetting program costs through fees as much as possible and request that you grant them the ability to do so. Failing that, we request that the Ministry increase the transfer payments to conservation authorities to replace the lost income that the freeze has created.

Mayor Josh Morgan, City of London

Warden Marcus Ryan, County of Oxford, Mayor, Township of Zorra

Mayor Martin Ritsma, City of Stratford

Mayor Jerry Acchione, City of Woodstock
Mayor Al Strathdee, Town of St. Marys
Mayor Brian Petrie, Town of Ingersoll
Mayor Cathy Burghardt-Jesson, Township of Lucan-Biddulph
Mayor George Finch, Municipality of South Huron
Mayor Jim Aitcheson, Township of Perth South
Mayor Rhonda Ehgoetz, Township of Perth East
Mayor Walter McKenzie, Municipality of West Perth
Mayor Sharon McMillon, Municipality of Thames Centre
Mayor Aina DeViet, Municipality of Middlesex Centre
Mayor Philip Schaefer, Township of East-Zorra Tavistock
Mayor David Mayberry, Township of South-West Oxford
Mayor Mark Peterson, Township of Blandford-Blenheim
Mayor Jim Palmer, Township of Norwich