



Ontario Federation of Agriculture

Ontario AgriCentre

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November 16, 2015

Mr. John Ballantine, Manager
Ministry of Municipal Affairs and Housing
Local Government and Planning Policy Division
Municipal Finance Policy Branch
777 Bay Street, 13th Floor
Toronto, ON M5G 2E5

Dear Mr. Ballantine:

Re: Proposed Regulation under the Development Charges Act, 1997

On behalf of the Ontario Federation of Agriculture (OFA) and our 37,000 farm family members and supporters, I would like to express our appreciation for the opportunity to provide comments with respect to the proposed regulation under the Development Charges Act, 1997.

The OFA supports measures taken to ensure municipalities are conducting due diligence when developing local development charge by-laws. The proposed requirement to conduct asset management plans will help municipalities make informed decisions when determining the role development charges will play in achieving their future capital needs.

The OFA's key recommendation related to the Development Charges Act is: **Provide a statutory exemption to farm structures from all development charges.**

Preservation of Farmland

Only 5% of Ontario's land base is suitable for agriculture. And since we have no way to make more soil, we need to hold on to all the productive land and soil we have. And if the supply of available, productive agricultural land continues to dwindle, everyone will suffer.

Every day, prime agricultural land is lost to non-agricultural uses like housing and commercial developments and aggregate extraction. Statistics Canada reports illustrate this very clearly. In the five-year period between 2006 and 2011, nearly 260,000 hectares of farmland was lost. Whatever the reason, Ontario cannot sustain this level of land loss and continue producing enough food, fiber and fuel.

The OFA is pleased that the Ministry of Municipal Affairs and Housing (MMAH), acknowledges the need to protect agricultural land in the [Provincial Policy Statement](#). Development Charges are a financial tool that with only a slight adjustment can create incentives to help keep agricultural land in production.

For Development Charges to create the financial incentives necessary to support the protection of agricultural land, the Development Charges Act must be amended to provide a statutory exemption to farm buildings/structures

Exempting farm structures from development charges and maintaining them for all other types of development will increase the relative cost for developing agricultural land for other uses, creating a financial incentives to keep agricultural land in production.

The Premier's Challenge

In October of 2013, the Premier [challenged the Agri-Food industry](#) to double its annual growth rate and [create 120,000 jobs by 2020](#). The OFA is committed to helping the Ontario government achieve this ambitious goal, to do so; the Ontario government will need to create a complete environment that will encourage Ontario farmers to expand their farming businesses.

A development charge on farm structures could mean the difference between a farmer reinvesting to expand their business or settling for the status quo. The status quo, will not help create 120,000 jobs in the next five years. A statutory exemption for farm structures from development charges is one of many steps the government must take to put Ontario farmers in the best position to drive Ontario's economy forward.

Preventing Regional Imbalances

62% of all municipalities, that have development charge by-laws, have already provided an exemption for farm structures. Included in the 38% of municipal development charge by-laws that have neglected to exempt farm buildings are urban municipalities who have little or no presence of farmland. However, subsequent by-laws may inadvertently omit the existing exemptions for farm structures unless farmers and municipal counselors are vigilant.

New farm residences should be treated the same as other new residences with regards to development charges. Growth-related capital needs can be attributed to all new residences. The construction of new farm buildings/structures, however, does not generate growth-related capital requirements. Therefore, development charges should not apply to farm structures. If they do, farmers are bearing more than their share of the municipality's additional capital expenditures.

Standardizing the application of development charges to agriculture through a province-wide exemption would prevent farmers from facing inequitable treatment in a minority of municipalities that have inadvertently not provided an exemption.

Once again, thank you for the opportunity to provide our comments.

Sincerely,



Don McCabe
President