

April 19, 2022

Ruchi Parkash  
Director, Municipal Finance Policy Branch  
Ministry of Municipal Affairs and Housing  
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Submitted via email: [ruchi.parkash@ontario.ca](mailto:ruchi.parkash@ontario.ca)  
and submitted online via Ontario's Regulatory Registry

Dear Ruchi Parkash,

**RE: Regulatory Registry # 22-MMAH007 – Proposed *Development Charges Act* changes  
(the proposed *More Homes for Everyone Act*, 2022)**

The Ontario Federation of Agriculture (OFA) is the largest general farm organization in Ontario, proudly representing more than 38,000 farm family members across the province. OFA has a strong voice for our members and the agri-food industry on issues, legislation, and regulations governed by all levels of government. We work to ensure the agri-food sector and our rural communities are included, consulted, and considered in any new and changing legislation that impacts the sustainability and growth of our farm businesses. OFA is the leading agricultural advocate for Ontario farmers, their businesses, and their communities.

OFA appreciates this opportunity to provide input with respect to the Regulatory Registry proposal # 22-MMAH007, which proposes changes to the *Development Charges Act*. OFA fully supports the proposed changes outlined in Schedule 2 of Bill 109 (the proposed *More Homes for Everyone Act*, 2022). These changes would specify how municipalities communicate development charges to the public. This increases transparency while having no significant impact on the municipal sector.

Ontario's Provincial Policy Statement appropriately acknowledges the need to protect agricultural land. 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.

Development charges are a financial tool that can be adjusted to provide incentives to help keep farmland in production. However, imposing development charges on building new farm structures creates a disincentive for farmers to reinvest in their farm operation, which undermines the financial viability of Ontario family farms and leads to the loss of agricultural land.

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To create the financial incentives necessary to support the protection of agricultural land, farm buildings/structures should be exempt from development charges. 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 incentive to keep agricultural land in production.

In addition, exempting farm structures from development charges is consistent with the purpose of development charges, i.e., “to pay for increased capital costs required because of increased needs for services arising from development”. New farm residences should be treated the same as other new residences with regards to development charges. The construction of new farm buildings/structures, however, does not generate growth-related capital costs. Therefore, development charges should not apply to farm buildings/structures. If they do, farmers are bearing more than their share of the municipality's additional capital expenditures.

Most municipalities in agricultural areas have chosen to exempt farm buildings from development charges. However, subsequent by-laws may inadvertently omit the existing exemptions for farm buildings/structures unless farmers and municipal councillors are vigilant.

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. Therefore, OFA requests that the *Development Charges Act* be amended to provide a statutory exemption to farm buildings/structures from all development charges. We look forward to assisting MMAH in developing the appropriate exemption specifications.

Sincerely,



Peggy Brekveld  
President

cc: OFA Board of Directors