

OFA – Policy Advisory Council (PAC) Meeting

March 5, 2024

Virtual via Zoom

Welcome

Drew Spoelstra, President welcomed everyone to the meeting and introduced co-host Patrick Verkley from the PAC Steering Committee.

Stormwater Management Fee Overview

Tina Schankula, OFA Farm Policy Analyst

Tina explained that not every municipality has adopted stormwater management fees and some municipalities that have fees have exempted agriculture lands. There are no municipal guidelines to apply these fees.

There are several common approaches that municipalities use to apply stormwater management fees. Tina spoke about a couple examples:

Tiered Flat Rate Fee

Property owners have little control, residential buildings on property will be calculated by roof square meter. Other buildings under commercial will go beyond roof tops, and will include driveways etc. Farms will include barns and gravel driveways and is capped at 10 acres.

Runoff Coefficient

Municipalities will use a percentage of the water runoff. The common percentages used are 20 or 10%.

Property Tax

Fees are based on the assessed value of the property.

Utility Rate

Based on the amount of municipal water used determined by utility bill. Property owners have some control over how much water they are using.

Some municipalities have a credit system that recognizes practices if implemented. Example practices include stormwater ponds, permeable pavement, and green roofs. Maximum credit is capped at 50%. Credit systems are looking to reduce peak flows, water quality and volume reduction.

Q&A

How much is this fee driven by the municipality or by the conservation authority?

Strictly driven by the municipality.

Is there a list of municipalities that have exempted agriculture properties that you can provide us with and the reasons for the exemptions?

Tina commented that she is aware of nine municipalities that have exempted agriculture. Reasons for the exemptions are unknown. It is something that OFA is tracking and will continue to contact municipalities to build a database.

How does stormwater management differ from the drainage act?

Drains under the drainage act are a form of stormwater management. OFA is watching closely to make sure drains are not being considered for stormwater management fees as that would be double accounting.

For municipalities that do not have drains under the drainage act this is another way for municipalities to recoup costs to deal with stormwater.

Are you seeing different rates being applied to different farm uses?

Tina commented that Richmond Hill uses the impervious model and will tax the farmhouse as residential and other buildings at a commercial rate.

Does the Ministry of the Environment have a hand in this?

No, the Ministry of Municipal Affairs regulates it. There is currently no provincial guidance on fee calculations. Many municipalities rely on consulting firms to provide guidance.

Are the fees being implemented in mostly larger municipalities?

This is not something OFA has taken a good look at. The municipalities I have looked at are closer to the GTA and are more urbanized areas.

Does OFA have a position that all agriculture land should be exempt?

One potential difficulty is that stormwater management is part of the drainage act. OFA is in favour of the drainage act.

Tina's Power Point presentation will be included in a separate file with notes.

Panel Presentation

Lisa Meekes – Northumberland, Gavin Smuk – Hamilton-Wentworth and Tom Dolson – Peel presented stormwater management fee experiences in their counties.

Lisa Meekes

Lisa explained that Cobourg passed a stormwater management bylaw in June of 2022. Northumberland Federation was made aware in November of 2023 with invoices due at the end of December that year. 600 acres affected and are expected to pay \$160 / acre annually.

Northumberland Board of Directors presented a petition to the council asking for a \$200 cap per landowner and was told that staff would review. Northumberland is also meeting informally with council members with the intention of increasing their understanding of the issue and how it affects agriculture production.

Gavin Smuk

Gavin Smuk explained that Hamilton is in the process of implementing stormwater management fees, will come into effect September 2025. This was the third attempt by Hamilton council to implement these fees. The last election the council lost some rural representation. Hamilton has chosen to implement the impervious model. Gavin estimates that a greenhouse operation could have a fee as high as \$85,000, a dairy operation a fee as high as \$20,000 and a cash crop operation a fee in the range of \$7-10,000 per year. The council voted on the fee not seeing the numbers and with no mention of agriculture in any of the documentation.

Municipalities are rationalizing these fees through legislation that the province passed in 2017 the Asset Planning for Municipal Infrastructure regulation. The regulation applies only to municipally owned assets. This is a stretch when it comes to rural areas.

The Hamilton Federation embarked on a telephone and mail out campaign to their members, was able to get front page coverage in the Hamilton Spectator newspaper, and on the local television station CHCH.

Two councilors agreed to public meetings that were standing room only. The consultant made a second presentation to the city council with financial impacts on farm property. The city council passed a motion to pass a model that is less impactful to agriculture. Gavin explained they are now waiting to see what the new model will look like.

Tom Dolson

Tom explained that a 1500 square foot urban home produces approximately 110 litres of stormwater from the impervious area, agricultural property impervious area could produce more than one million litres.

Brampton's stormwater fees were introduced in 2020 to provide sustainable funding for maintaining and upgrading the stormwater system. Funding is expanding stormwater programs to underserved areas, including inspection and restoration of rural ditches along city roads.

Tom explained that many errors were made in calculating the charge to rural properties. Ariel imagery would pick up livestock trailers for example that should not be part of the calculation. Property owners can appeal their assessment.

Exemptions and credits could be available to farmers if farm stewardship practices are in place to control stormwater. There would be no cost to the farmer for the assessment conducted by a consultant retained by the city. This has not yet gone to council.

Tom reiterated that it is important to have rural representation on municipal councils to help educate and to engage with councils to outline agriculture's contributions.

Q&A

Should agriculture have a dialogue with the handful of consultants that are doing this work on behalf of the municipalities that have a lot of weight on the councilor's decisions?

Sounds like a logical solution, however these firms are hired by the municipality and may not be open to speaking to various stakeholder groups.

Is OFA lobbying the government to exempt agriculture lands in the municipal act?

Drew responded that yes, we have had multiple conversations with multiple ministries on stormwater management in the past 3 to 4 months.

Drew asked the panelist their opinion on what role does the province have in this discussion and how it is handled by municipalities?

Lisa commented the municipalities are struggling with their budgets with the downloading from the province. This is a means of getting funds for the municipality. If the province can help then these fees won't be downloaded to the landowners.

Tom commented it would be great to get the province to tie infrastructure grants to stormwater maintenance. Maybe the municipal act needs to be tweaked.

Gavin commented that the province should provide better guidance to the municipalities, leeway in how they can interpret it.

Are you aware of any land uses that have been except because they are treated as more natural areas that can infiltrate water (baseball diamonds etc.)?

Lisa commented that the only exception in her municipality is schools.

Gavin commented that all properties, even tax exempt properties will be charged including fair grounds and rural churches. Perceived as a big money grab from council.

Tom commented that there should be an offset for agriculture with large impervious areas.

What is your view on subsidy programs vs. an outright exemption?

Tom commented that greenhouses are one example that don't have a lot of pervious areas, but they also have a program to retain stormwater.

Lisa commented that the Environmental Farm Plan, farmers should get credit for these.

Gavin commented that there is no justification for the charges and then the municipality comes up with a rebate with no science based rational. Work on the exemption should be the focus.

What are your thoughts on next steps for a solution for our members across the province?

Lisa commented that she likes the idea of having a list of municipalities that provide exemptions. OFA can filter that list to the counites so that they can inform our municipalities of what is happening elsewhere.

Gavin commented that in Hamilton we are in the middle of the implementation of fees and will look to OFA to help in the process with technical interpretation assistance with regulation and applicability. The consultant that prepared the report from Hamilton stated that 22 municipalities have implemented the storm water management fees or are considering it and of the 22, 16 the same consultant has been involved in.

Tom commented that it would be a great tool if OFA had their own consultant that had their own calculations of storm water retention per acre, and this is the offset.

Breakout Session

Attendees were divided into six breakout rooms and asked to consider the following questions:

1. Are Stormwater Management Fees a current or developing issue of concern in your region? If so, please share how your region is approaching this topic locally.
2. Which types of Stormwater Management Fee Calculations should municipalities be discouraged from using?
3. How should the following farm property areas be treated in a Stormwater Management Fee calculation?
 - a. Roof runoff from farm buildings
 - b. Tile-drained farmland
 - c. Farmland without tile drainage
 - d. Farm ponds, wetlands and other on-farm stormwater retention measures
4. What types of farm management practices and/or BMP's should be considered for an Agricultural Stormwater Credit Program?

Responses are recorded in a separate document.

Election of PAC Steering Committee

Cathy Lennon, General Manager facilitated the election to determine the 2024 PAC Steering Committee Members. Six nominations were received, all nominees were provided an opportunity to speak for 2 minutes and to answer questions from the PAC group.

The PAC voted for three of the following nominees.

- Paul Buckley, Kawartha Lakes/Haliburton
- Julie Danen, Perth
- Jordyn Domio, Niagara
- Erica Murray, Huron
- William Orford, Manitoulin North-Shore
- Patrick Verkley, Middlesex

The successful three candidates were: Paul Buckley, Julie Danen and Erica Murray.

County & Commodity Updates/Emerging Issues & Open Discussion

Is OFA working with the Canadian Federation of Agriculture on Bill C-282?

Drew responded that Bill C-282 is past second reading at the Senate and has gone to committee. CFA has a supportive position, OFA's position is we support balanced trade policies. OFA recognizes the value of balanced trade policy across the industry and is not looking to pick sides. We need to work together and support each other in this industry.

What is OFA doing on carbo sequestration?

Drew commented that most recently the federal government has provided information on methane reductions we have been part of the consultations. OFA is also taking part in the Sustainable Agriculture Strategy federally. Provincially we are part of the climate risk institute, soon we will know how it will be implemented across ministries.

In your meeting with Minister Calandra and your discussion around the PPS did you get the impression that there would be substantial changes?

Minister Calandra did not comment on what changes were coming, he is aware of our concerns of the previous PPS, and we raised those concerns again when we met recently. We are unaware if the new PPS is coming out as a completed document or if there will be further consultation.

Drew commented that he feels we have turned the page with this ministry and can have open conversations moving forward.

Dufferin Soil & Crop Improvement Association Committee having a meeting to determine if it continues or not, they are struggling as are other groups to find people to serve. Want to bring it to OFA's attention.

Drew commented that it is a challenge across the industry. Revive fund offered by OFA is striving to help counties do projects to get members involved.

To ensure agriculture is in a better position to get stormwater management exceptions it is best to ensure the consultants understand agriculture and do not put it their final report.

Drew commented that this is something OFA will follow up on. His experience in Hamilton was that the consultant did not appreciate the information as they were the experts.

A comment to the group to thank OFA for the virtual format of today's meeting. Helps when you need to get information quickly, and being far I am not always able to travel. I really appreciate being able to provide input.

Comment on PAC and not reporting to their boards. Why not just fix that scenario before you destroy what you have?

The PAC representatives are elected by the counties and can send whomever they like. With the new proposed structure, we are trying to connect with the leadership of the counties wherever possible.

Adjournment