



OPEN LETTER

May 7, 2019

Dear Members of Council,

Subject: Development Charges are Everybody's Business

Once again, the City of Ottawa has conducted its periodic review of Development Charges (DCs) in a manner that has excluded input from the public, except for advice from the development industry. Between December and March, staff and consultants have met 13 times with development representatives. An informal group of community representatives was briefed once, late in the process, by staff.

While professing to have growth pay for growth, the City has listened to only one side, which aims to have the Charges as low as possible. Infrastructure costs not covered by DCs have to be picked up by the property tax payers across the city.

While much of the calculation of DCs is prescribed by law, considerable discretion remains, including: what capital projects benefit the city as a whole, or primarily certain areas; to what extent a project benefits existing settlement-areas; and to what extent geographic differences in costs are recognized. There is much room for discretion and fair debate.

Prior to starting the Background Study, no policy options or guiding principles were put before the public and Council. The Background Study does not present the analysis and results in a manner that is accessible to the lay person.

We request that the City today commit to having an open and transparent process for the next round of Development Charges review.

This 2019 review is labelled Interim because it is based on outdated information. An update of the Transportation and Infrastructure Master Plans, which normally forms the basis of the DC calculation, will not be completed until 2021 or 2022. The projections of population, housing and employment are vintage 2013. The capital program is essentially the same as was considered in 2014; the Background Study describes in only the vaguest of terms how the information was updated.

The City is too accommodating to the development industry. In 2015, forced to adjust the DCs because of a change in legislation, it struck a deal with the development industry to apply a 25% discount on road costs and delay the inclusion of new transit projects. A real reduction in road costs did not materialize and there was a significant loss in DC revenues as a result.

Any delay in or failure to include the real costs comes at the expense of the property tax payer, who has to make up the difference.

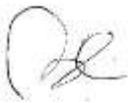
By not recognizing that growth costs within areas inside the Greenbelt and between suburban areas vary significantly, an opportunity to nudge the industry towards more efficient patterns of development is foregone.

An equitable allocation of the cost of growth would help rebalance the incentives for expanding the urban boundary.

We have identified about a dozen additional questions or issues which, if the City had acted more transparently and had held proper consultations, could have been discussed or clarified.

We ask that the City commit to amending the 2019 DC By-law as soon as the Transportation and Infrastructure Master Plans are finalized, presumably in 2021 or 2022. And that it conduct the review in an open and transparent manner, involving all stakeholders and using plain language.

Respectfully submitted,



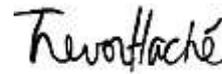
Paul Johanis,
for the Greenspace Alliance
of Canada's Capital



Sheila Perry
for the Federation of
Citizens' Associations
of Ottawa



Robb Barnes,
for Ecology Ottawa



Trevor Haché,
for the Healthy Transportation
Coalition