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Town of Richmond Hill

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November 1, 2006

Ms. Sheila Birrell, Town Clerk  
Town of Markham  
101 Town Centre Boulevard  
Markham, Ontario  
L3R 9W3

Dear Ms. Birrell:

**Re: Development Charges Legislative Constraints Impacting Ontario Municipalities and Hospitals – (SRFIN.06.077)**

Richmond Hill Town Council, at its meeting on October 23, 2006, approved the following resolution:

"WHEREAS the last update of the *Development Charges Act 1997* was nine (9) years ago;

AND WHEREAS the current *Development Charges Act* does not permit the collection of development charges to fund growth related capital costs for the following services which were previously eligible under the old Act;

- Cultural facilities such as museums, theatres and art galleries;
- Hospitals;
- Waste management services and facilities;
- Headquarters for municipal administration;
- Computer equipment.

AND WHEREAS the current *Development Charges Act* requires a mandatory 10% reduction in the charge for growth related "soft services" such as community centres, libraries and parks;

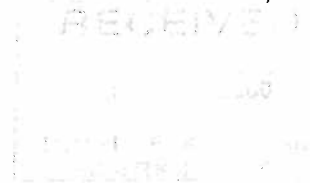
AND WHEREAS the requirement in the current *Development Charges Act* to collect based on the average service level over the previous ten year period is too restrictive and creates practical calculation and implementation issues;

AND WHEREAS the current *Development Charges Act* does not adequately provide for financial solutions or contributions to meet the challenges of growth that evolve over time (such as transportation through subways and forms of higher order transit);

AND WHEREAS the Province indicated to the Municipal Finance Officer's Association of Ontario (MFOA) in August 2005 that a review of the *Development Charges Act* would commence in the near future;

AND WHEREAS the growth related capital costs are significant, growth continues to occur, and growth should pay for growth;

(continued)



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THEREFORE BE IT RESOLVED by the Municipal Council of the Town of Richmond Hill as follows:

THAT the Council of the Town of Richmond Hill requests the Province of Ontario to immediately commence a consultative process with the municipal and development sectors to revise the *Development Charges Act* to address the issues noted above, improving the capacity for growth to pay for growth related costs, and other concerns that may be raised by the municipal sector as part of the recently announced Provincial-Municipal Fiscal and Service Delivery Review process;

AND THAT such Provincial-Municipal Fiscal and Service Delivery Review process conclude with a public final report presented prior to the November 2007 provincial election;

AND THAT a copy of this resolution be forwarded to the Premier of Ontario, the Ministers of Finance and Municipal Affairs and Housing, the Municipal Finance Officers Association of Ontario, the Association of Municipalities of Ontario, York Region and the local municipalities of York Region."

In accordance with Council's directive, the foregoing Council resolution in this regard has been forwarded to your attention. If you require further information, please contact Dan Elliott, Commissioner of Finance and Treasurer, at (905) 771-2497.

Sincerely,



Robert C. Prowse  
Town Clerk

cc: The Honourable Dalton McGuinty, Premier of Ontario  
The Honourable Greg Sorbara, Minister of Finance  
The Honourable John Gerretsen, Minister of Municipal Affairs and Housing  
Dan Cowin, Executive Director, Municipal Finance Officers' Association of Ontario  
Doug Reycraft, President, Association of Municipalities of Ontario  
Denis Kelly, Regional Clerk  
York Region Municipalities  
Dan Elliott, Commissioner of Finance and Treasurer

