DATE: July 3, 2009  
TO: All Ontario Municipalities  
SUBJECT: Resolution to request support for a review of Chapter 27, Sec, 5(2) of the Development Charges Act 1997

On June 30, 2009, the Council of the Township of Woolwich passed the following resolution and respectfully requests support for this resolution by all municipalities in Ontario:

WHEREAS development charges are collected fees levied on new development to help pay for the infrastructure required to service growth;

AND WHEREAS development charges help finance capital projects that would otherwise be financed through property taxes or other means;

AND WHEREAS Chapter 27, Section 5 (2) of the Development Charges Act 1997 states that, “The capital costs, determined under paragraph 7 of subsection (1), must be reduced, in accordance with the regulations, to adjust for capital grants, subsidies and other contributions made to a municipality or that the council of the municipality anticipates will be made in respect of the capital costs”;

AND WHEREAS municipalities in Ontario have recently been approved for grant funding under the Infrastructure Stimulus Fund and Building Canada Fund for capital works that have development charge components;

AND WHEREAS municipalities are unable to collect that development charge component when they receive funding from sources such as the Infrastructure Stimulus Fund and Building Canada Fund;

NOW THEREFORE be it resolved that the Council of the Township of Woolwich requests the Ministry of Municipal Affairs to conduct a review of Chapter 27, Section 5 (2) of the Development Charges Act 1997 and make changes that would eliminate the requirement for municipalities to deduct grant funding received from eligible portion of development charges;

AND FURTHER that this resolution be forwarded to The Honourable Jim Watson, Minister of Municipal Affairs and Housing; Harold Albrecht, MP Kitchener-Conestoga; Leanna Pendergast, MPP Kitchener-Conestoga; and to all municipalities in Ontario for support.
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