

**PUBLIC INPUT & INFORMATION SESSION  
DEVELOPMENT CHARGES  
TUESDAY JUNE 21, 2016**

**WRITTEN SUBMISSIONS**

NO.	ORGANIZATION
1	Greater Sudbury Chamber of Commerce

**From:** Development Charges 2016 <webmaster@greatersudbury.ca>  
**To:** <clerks@greatersudbury.ca>  
**Date:** 6/15/2016 4:12 PM  
**Subject:** Development Charges 2016

This form was sent at: 15-Jun-2016 4:12 PM

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Dear Mayor and Council,

We are writing to provide input into the proposed amendment to the development charges by-law 2014-151. We are supportive of the proposed freeze, however we believe a wider discussion is required about the impact of development charges on the overall attractiveness of our city to developers and investors.

In 2014, during the development charges review process, the chamber advanced a submission with a number of recommendations. At that time, the chamber recommended that there be a 0% increase in development charges in all categories. Following council's decision to phase in development charge increases over two years, the chamber recommended that the City re-examine the economic environment after the two year time frame to assess whether an increase in fees would be warranted at that point. Development charges may be appropriate for communities experiencing rapid growth; when taking into consideration GDP, population growth, new builds and job statistics, we do not feel that Greater Sudbury has achieved the growth figures necessary to merit the current high development charge rates, let alone increases in the near future. We believe the current development charge rates remain high in comparison to other northern jurisdictions and restrict growth. The local economy is experiencing a prolonged period of stagnation, due in part to the low commodity prices, and any additional increases in the cost of doing business will certainly hinder our ability to recover from this downturn.

Development charges factor into a city's overall competitiveness and act as a tool that attracts or deters commercial, industrial and residential investment. Considering that a number of other northern cities have very low or no development charges, high development charges could translate into the potential leakage of investment out of Greater Sudbury. We remain concerned that developers, construction firms and builders will choose to develop in nearby jurisdictions with lower or no development charges.

Additionally, the reduction of new start-ups over recent years is a concern for the city. As development charges are passed on to the consumer, high development charges can also result in families and individuals choosing to look elsewhere to purchase or build their new home or increasingly choose to rent rather than buy.

The chamber continues to contend that development charges should not be looked at in isolation and should take into consideration the extra costs already paid by developers and builders in the city. Developers are at times faced with infrastructure costs not required or included in their specific development (i.e. offsite and downstream costs) such as street lights, traffic calming measures, highway laning and off-site roads and sewers. The chamber maintains the view that the commercial sector continue to pay significantly higher taxes while receiving fewer services than the residential sector. Development charges should reflect the real costs associated with the related expansion and should fairly/accurately attribute infrastructure costs to growth and the existing tax base. Development charges

compounded with other fees can greatly impact the cost of doing business as well as the overall affordability of a home.

Businesses are currently faced with an increased cumulative burden including high WSIB rates, business taxes, the rising cost of electricity, increases in minimum wage, and a proposed Ontario Retirement Pension Plan. All these factors together with high development charges can be crippling to business. The Municipal Development Charges Act should not be interpreted beyond its scope to raise revenues that go outside the legislative requirements of the Act.

We also recommend that any discussion about development charges compares Greater Sudbury to similar jurisdictions in Northern Ontario. Greater Sudbury is too often compared to jurisdictions with different growth prospects or needs or to our southern counterparts facing a different set of realities. It is important that we compare ourselves to our competitors in other northern jurisdictions to ensure that we are the number one place to live, invest and do business in the North.

The chamber recognizes the difficult position council faces in terms of balancing decisions about development charges and potential increases to the tax base. We appreciate the discussion council is having about potentially freezing development charges at the June 30, 2016 levels for a period of one year. We believe a freeze will provide some relief to businesses in the short-term that are currently faced with an economic downturn. However, this relief would be temporary. We recommend that council assess the potential negative implications of high development charges on Greater Sudbury's "open for business" environment and on our ability to attract and grow business.

We appreciate you providing an opportunity to discuss this issue and for allowing us to share our views. We trust that Council will take the chamber's position, and the 1000 businesses we represent, into consideration during your deliberations.

Greater Sudbury Chamber of Commerce