

MEMORANDUM



Bill 131: Transportation for the Future Act, 2023

Proposed Development Charges Changes

By: Stephanie Fleming

The Minister of Infrastructure, Ms. Kingma Surma, introduced [Bill 131, Transportation for the Future Act, 2023](#) on September 25, 2023. It has been through first and second reading and was referred to the Standing Committee on Heritage, Infrastructure and Cultural Policy for consideration. Certain amendments have been made and it was sent for third reading on November 1, 2023.

If implemented, this Bill would permit municipalities to pass a by-law imposing a development charge to pay for the construction of a GO Transit station. The application of this by-law is limited to any new station whose construction is started after Bill 131 receives Royal Assent.

A municipality could apply the by-law to any of the following types of developments within a mapped area defined in the by-law:

1. The passing of a zoning by-law or amendment to same;
2. The approval of a minor variance;
3. The conveyance of lands that have been designated by the municipality to not be within part-lot control;
4. The approval of a plan of subdivision;
5. A consent to sever a lot under s.53 of the *Planning Act*;
6. The approval of a description under s.9 of the *Condominium Act*; or
7. The issuance of a building permit.

It does not apply to any prescribed or required development. This charge would be payable when the building permit for the property is issued; if it is not paid at that time, the municipality will not be required to issue same. In addition, the municipality would also be entitled to charge interest up to a maximum rate as determined by the formula set out in the Bill.

Prior to passing the by-law, the municipality must complete a background study and provide notice of same to the public. The regulations setting out what must be in this study have not yet been issued. Following the passing of the by-law by council, they must resolve to send it to the Minister of Infrastructure for final approval of same.

It appears that the amount that will be charged will be set out in the by-law passed by the municipality. Said charge could only be used for the following purposes:

1. The costs for which the charges were imposed;
2. Any interest charged on any debt incurred by the municipality to pay any costs for which the charges were imposed; or
3. Any other amount provided for in the transit station charges by-law.

The Lieutenant Governor in Council can also make regulations governing the costs that this type of by-law could be applied to.

It is also proposed that the regulations could pass transit station charges for rental housing development and institutional development, although there is no indication of how this would be payable at this time.

If this Bill is passed, it is unclear how the amount being charged will be determined or whether it will be required to have an expiration date once the costs of construction have been paid. It is also unclear how this will relate to the development of rental housing or if it would apply to affordable housing. As currently drafted, it appears any sort of development could require the payment of this charge, including any sort of home renovation requiring approval of a minor variance. I will continue to follow up with this Bill- if you have any questions about its potential impact, please reach out to me at the contact information below.

Link to the Bill: <https://www.ola.org/en/legislative-business/bills/parliament-43/session-1/bill-131>