

Ontario
Home Builders' Association

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October 16, 2014

Hon. Steven Del Duca
Minister of Transportation
77 Wellesley St West, 3rd Flr
Toronto, ON M7A1Z8

Re: Proposed Changes – MTO Corridor Permit Fee Structure

Dear Minister:

On behalf of the Ontario Home Builders' Association we are concerned by the proposed changes to the MTO Corridor Permit Fee Structure. OHBA notes that increases on any government imposed fees, including MTO permit fees are passed on to new neighbours (new home buyers and new employers) and thus decrease the affordability of new Ontario communities.

The Public Transportation and Highway Improvement Act gives MTO the authority to control activities within a permit control area adjacent to provincial highways. MTO currently reviews applications and issues permits for encroachments, building and land use (B&LU), entrances and signs to ensure safety, operating efficiency of public highways and to protect highway corridors for future expansion. The Ministry is considering increasing fees to move to a full cost recovery model. It is concerning that the industry is once again faced with potential increases in planning and development related fees. It will be unacceptable to have a constant increase in fees without a clear and demonstrated improvement in the level of service received by the applicant. Any fee increase has to be reasonable and reflect the appropriate cost of review and processing.

OHBA recommends that the Ministry consider a reasonable transition period that is fair to proponents with pending applications. Any increase will have a negative financial impact, especially on the applicant who has not planned for this added expense. OHBA recommends that staff consider grandfathering all fees for applications received prior to the adoption of a new fee structure.

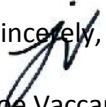
OHBA is opposed to MTO increasing overall revenue by increasing fees for both commercial and residential building and land use permits. OHBA is furthermore opposed to an automatic inflationary increase as any future increases should include consultation with industry stakeholders and consideration for fee decreases as a result of inflationary decreases has similarly not been presented. Our members require further information to clarify why administration costs are at current levels and additional information regarding the gap between current permit fees and administration costs. OHBA recommends that MTO review opportunities for administrative efficiencies and explore all the tools available to government prior to considering fee increases. This review should include considering a reduction in the scope of situations where permits are required and exploring a transfer of review or delegation of permits to other levels of government through the one window approach.

Minister, OHBA requests MTO to reconsider increasing fees on new businesses and new home buyers. As noted, these fees ultimately reduce the affordability of new neighbourhoods. Furthermore, OHBA requests additional consultation regarding the fee structure and the fee quantum.

OHBA is the voice of the residential construction industry in Ontario. Our association includes over 4,000 member companies organized into a network of 31 local associations across the province, contributing over \$44 billion to Ontario's economy and employing over 313,000 people.

I look forward to your response.

Sincerely,


Joe Vaccaro
CEO, Ontario Home Builders' Association