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Vision: A Home for Every Albertan

Mission: Advocate for Housing Choices

Philosophy: One Voice – One Industry

Honourable Danielle Larivee
Minister of Municipal Affairs

sent via email

November 28, 2016

Dear Minister:

Re: Bill 21 Amendments

Last week we read and reviewed the amendments to Bill 21 that were recently introduced in the house. It is disappointing that after being assured on multiple occasions that substantive changes were not in the cards, major changes to the legislation were proposed without any discussion with ourselves and other key stakeholders. Of particular concern are changes to offsite levies which include removal of the 30% threshold and limiting the ability for applicants to appeal a levy amount charged against their project.

The 30% benefit threshold associated with the newly proposed levies was a fundamental component of Bill 21 that shaped the discussions that took place regarding the regulations. Eliminating this threshold negates the work of experts and requires a restart of the levy regulation discussion. It would be unfortunate to see the progress that was made through collaborative work to date compromised by a seemingly small, but very impactful change this late in the process.

This change is compounded by another amendment which would limit the ability for applicants to appeal the amount of a levy - something that was being discussed just two weeks ago. We have worked hard to establish trust with this government. Many of our members have invested significant amounts of time and energy to work alongside you as partners to build a stronger province and this sudden change has eroded some of members' confidence in the overall process. We respectfully request that steps be taken to mitigate the impact this will have on rising housing costs for Albertans and our industry.

Understanding the limited time available for us to work with the province on the numerous policy streams associated with City Charters, draft regulations and potential Bill 21 amendments, we propose the following:

1. Withdraw the proposed amendment to Bill 21 which would eliminate the previously established 30% threshold - or that the province consider a modified threshold for smaller municipalities.
2. If there can be no change to the amendment, it is vital that the consultation on the Off-Site Levy Regulation be completely restarted. There needs to be a fulsome review and appeal process included in the regulations relating to levies, as well as mandatory contributions from municipalities. These are critical items that would have been discussed in a very different manner had the threshold not been in place.

3. Specifically related to levies, discussions are required surrounding the appealability of all levies. Without an effective appeal process for a levy bylaw, levy calculation and levy amount, there are substantial risks for the accountable and transparent use of the millions of dollars collected through levies. This can be achieved through modifications to the regulation or through use of a provincial inspector which was recommended by industry earlier in the consultation process.

Further complicating the overall MGA Review process is the *Continuing the Conversation* discussion guide released at the same time as the Bill 21 amendments. This document includes numerous policy proposals that have never been discussed through more than four years of consultation on the MGA. While we appreciate the province is reaching out to us before the process has started, the next several months will require all parties to review, build and vet these policies while also providing adequate consultation on the draft regulations and City Charters. There is simply not the time available for all parties to understand how these policies will directly contribute to rising housing costs and make an informed decision. We ask that:

4. Policy proposals that could be generated from *Continuing the Conversation* be delayed until considerable consultation with stakeholders has occurred. These proposals have substantial implications for Albertans and a final decision on these items should wait until after the fall 2017 municipal elections.
5. In consideration of recommendation #4 and in keeping with the logical and reasonable progression of policy - in coordination with the cities of Edmonton, Calgary and other stakeholders, charter discussions be delayed until January 2018.

CHBA – Alberta represents home builders, suppliers and trades from across the province along with the development industry in the Calgary Region. Our voice represents these different yet interrelated industries which build Alberta's communities.

Protecting the vision of a home for every Albertan is something our Association takes seriously, and the reason we write to you today. We have worked with Municipal Affairs in good faith throughout this process and are concerned about how this dramatic policy shift could impact the industry and affect Albertans who are already struggling with job losses and increased costs.

We ask that you strongly consider the above recommendations and would sincerely appreciate the opportunity to discuss these issues further.

Yours truly,



Donna Moore
Chief Executive Officer

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