



ONE VOICE FOR ONTARIO PUBLIC LIBRARIES

August 21, 2019

John Ballantine, Manager
Municipal Finance Policy Branch
Municipal Affairs and Housing
13th Floor, 777 Bay St.
Toronto, ON, M5G 2E5

Dear Mr. Ballantine:

Re: ERO 019-0183 – Proposed new regulation pertaining to the community benefits authority under the Planning Act

On June 6, 2019, the *More Homes, More Choices Act* (the Act) received Royal Assent. It is our understanding that, upon proclamation, the Act will introduce significant changes to Ontario's Development Charges framework. In particular, Public libraries will no longer be eligible beneficiaries for Development Charges, and will instead, be eligible to receive funds from a new Community Benefits Charge, as established by the municipality through by-law. The new Community Benefits Charge will encompass a wide range of capital infrastructure for community services, as set out in a corresponding municipal community benefits strategy, and is to be structured, as required, per the proposed regulation.

The **Federation of Ontario Public Libraries** (FOPL) and the **Ontario Library Association** (OLA) support the Ontario government's objective of providing municipalities with a transparent, predictable model to fund growth-related capital infrastructure for community services. We are concerned, however, that the transition from Development Charges to Community Benefits Charges may create serious unintended consequences that could threaten the financial sustainability of local Public libraries.

We are greatly encouraged by the province's commitment that the introduction of the Community Benefits Charge is to be revenue neutral. Public libraries depend on development charge revenue to fund new and renovated buildings, digital infrastructure, and collection growth in order to keep up with the growing demand for library space and resources in communities across Ontario. It is crucial that the proposed regulation provides municipalities with the flexibility to continue providing consistent revenue to support their local public libraries, as well as other community services, at levels that are consistent with what is currently received through development charges.

Public libraries are Ontario's farthest-reaching, most cost-effective public resource, reaching 98% of Ontarians in hundreds of communities of all sizes. Ontario's 306 public libraries (including First Nation Public libraries) are primarily funded through local municipal budgets. Public libraries deliver a big return on investment – more than \$5 in direct, local economic benefits for every \$1 invested. They're experts at maximizing the value of every dollar and focused on providing frontline support and people-focused resources.

But many public library budgets are stretched to the limit, even as more people depend on local public libraries than ever before. Many communities face growing fiscal pressures from local economic changes, growing and aging populations, and rising costs for maintaining infrastructure. Amidst this, public libraries have made smart, locally-responsive investments to grow their many service portfolios by up to 83%, maintain all offerings and collections, while embracing modern, cost-effective services and technologies.

As part of the consultation process, FOPL and OLA offered their expertise to the proposed technical working group to help ensure that the proposed regulation would achieve the province's stated objective. Although we were not selected to formally participate in that body, we are providing the following detailed recommendations that will collectively ensure that the proposed regulation will not have unintended impacts that threaten the sustainability of local public libraries across Ontario.

Recommendations

FOPL and OLA, informed by the detailed input from public libraries across Ontario, recommend that the Ontario government ensures that the following issues be addressed in the preparation of the proposed Community Benefits Charge Regulation under the Act:

1. The proposed regulation should reflect the Ministry's stated objective of **being revenue neutral**, with the formula designed to **ensure that municipalities retain the flexibility to provide revenue for public libraries consistent with what they currently receive through Development Charges**. It is essential that this includes permitting tiered funding based on property values, since building costs are similar regardless of location while land values differ greatly across the province;
2. Funds collected or allocated for public libraries under existing municipal Development Charges bylaws should be transitioned to the new Community Benefits Charge model, **such that all funds collected for public libraries currently held in municipal DC reserves remain allocated for this purpose going forward**;
3. There are a large number of public library facilities that have been built with the understanding that the municipality is to contribute funding through development charges over a number of years, as well as a large number of facilities that are in various planning stages. **It should be required that any outstanding development charges revenue (including pre-committed negative balances) already committed/allocated/spent for library capital investments is to be clearly identified, with a plan to be recouped, in the Community Benefits Charge strategies going forward**;
4. The definition of eligible capital costs for discounted services eligible for Development Charges (as it existed in the *Development Charges Act* prior to its amendment by the *More Homes, More Choices Act*) should be reflected in the Regulations for Community Benefits Charges under the

Act. **This will ensure that important public library uses of development charge revenue, including the collections, opening day and regular growth, as well as virtual services, continue to be eligible.** If these definitions are not maintained, the result could be new libraries with no opening day collections, reflecting a de facto 30% cut to public library collections budgets across the province, and restricting investment in online and digital resources.

5. That the province provides guidance to municipal councils for the development of Development Charges and Community Benefit Charges municipal bylaws that encourage long-term planning for the role of community infrastructure like public libraries, and opportunities to align and partner with other community institutions to deliver even greater benefit.

Conclusion

We welcome the opportunity to participate in this consultation, and strongly believe that our recommendations can effectively mitigate and avoid the unintended negative consequences of the transition from Development Charges to Community Benefits Charges. We are available at your convenience to participate in the ongoing development of the Regulation and to provide further technical detail and insight as required.

Thank you for taking this feedback into consideration.

Regards,



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Development Charges and Public libraries Fact Sheet

Public libraries are essential to people and families across Ontario

The Federation of Ontario Public libraries undertook a survey of its members in 2019 about the role Development Charges play in the communities and in the institution of Public libraries.

As Ontario's farthest-reaching, most cost-effective public resource and community hubs, Public libraries are helping millions of Ontarians independently train, learn and reach their potential. Reaching 98% of Ontarians in hundreds of Ontario communities of all sizes, Public libraries are local, close to home, and adapt to the priorities of the people and communities they serve. Trained, frontline library staff are people-focused, responding to these unique needs by developing, providing and offering:

- Job training – and re-training – programs and resources
- Small business support and community economic development
- Equitable, reliable access to broadband internet in underserved areas
- Frontline access and support for digital government services through ServiceOntario
- Affordable, high-quality children's programs for young families

It's no surprise that Public libraries are consistently voted by people as one of Ontario's most trusted institutions.

Ontario's Public libraries serve 98% of Ontario's population through its 444 municipalities and First Nation communities. 74% of Ontarians report owning a public library card. Public libraries usage has grown every year for over 100 years. Indeed, we receive over 6 visits per second every second 24/7/365. Probably no other public institution can parallel our usage success and the trust and affection Ontario's residents place in their libraries.

Conservatively, Ontarians Visit their Public Library a LOT!

Public Library Visits



200 Million Visits per year



548,000 Visits per day



22,831 Visits per hour



381 Visits per minute!

There's simply no other public institution which gets **6.34 visits every second**, all year long.

Public library Systems and Development Charges: What we Learned:

How do Public libraries use DC dollars?

- Over 56% use DC's to build new branches based on population growth standards, community needs, and to adapt to digital opportunities.
- Over 52% use DC's to renovate current branches based on population growth standards, restoring more spaces to the public based on community needs, and to adapt to digital opportunities.
- Almost 46% of Public libraries use DC's to build joint facilities with community centres, parks & recreation, and other community hub initiatives.
- Over 30% of Public libraries use DC's to invest in digital branches that now comprise well over 50% of library usage. Indeed, Public libraries are a top exemplar of digital adaptation to the internet juggernaut in the municipal sector.
- 34% of Public libraries used DC's for opening day collections, 66% use them for collection growth, 44% use DC's for all collection development, 47% use DC's for purchasing digital collections and technology upgrades.
- 88% of Public libraries capitalize their collections in order to smooth the impact of community growth for the acquisition of these key municipal assets.
- 39% of Public library systems in Ontario have current commitments to new buildings and renovations based on DC funding.
- 75% of Ontario's Public library Systems have a dedicated portion of DC funds.
- This survey was based on a good sample of all Public library Systems in Ontario of all sizes. DC's are less used in the Northern portion of our province and quite heavily used in the South.

Ontario Library Association / Federation of Ontario Public libraries

The **Federation of Ontario Public Libraries (FOPL)** represents 306 Public library systems in Ontario, including 47 First Nations Public libraries, in communities throughout the Province.

The **Ontario Library Association (OLA)** is the oldest continually-operating non-profit library association in Canada, with over 5,000 members comprised of library staff and supporters from public, school, academic, and special libraries.

Together, OLA & FOPL are committed to ensuring that libraries can continue to play a critical role in the social, education, cultural and economic success of our communities.