

Make Growth Pay Its Way

Growth Must Bring the Infrastructure and Services It Requires

When new development occurs in Burlington, it creates new demands.

More residents mean greater use of roads, transit, parks, recreation facilities, libraries, fire services, stormwater systems and other municipal infrastructure.

That infrastructure has to be built, expanded, operated and eventually replaced.

My position is straightforward:

Growth should pay its fair share of the costs it creates.

Existing Burlington homeowners and businesses should not be expected to carry an unreasonable share of the cost of infrastructure and services required primarily to accommodate new development.

At the same time, we need to recognize that municipal financing is governed by provincial legislation. The City cannot simply charge developers whatever amount it chooses.

That makes it even more important that Burlington identify the true costs of growth, use every appropriate funding mechanism available to us and be transparent with residents when provincial rules prevent municipalities from recovering those costs.

Burlington's Challenge Has Changed

For many years, Burlington and other municipalities were told to plan for very substantial population growth.

Those forecasts influenced decisions about housing, infrastructure, transportation and municipal services.

More recently, economic conditions, housing markets, development activity and provincial planning decisions have changed.

Burlington must continue planning responsibly for future development, but we should also solve the problems Burlington actually has today rather than automatically spending based upon growth projections made several years ago.

That means infrastructure should be appropriately timed.

Build what we need, when we need it.

We should not build major infrastructure years ahead of demonstrated demand simply because an earlier forecast suggested development would arrive sooner.

Nor should we wait until development has occurred and residents are already experiencing overcrowded facilities, traffic problems or inadequate infrastructure.

Good growth management requires balancing both risks.

Growth Isn't Free

A new development may generate additional property-tax revenue once it is occupied.

But it also creates costs.

Road intersections may require modification.

Transit service may need to expand.

Parks and recreation facilities may need additional capacity.

Fire protection may require new equipment, stations or personnel.

Stormwater infrastructure may need improvement.

Libraries and community facilities may experience additional demand.

New roads, sidewalks, lighting, trees and other municipal assets eventually become Burlington's responsibility to maintain and replace.

That last point is particularly important.

A developer may build an asset once.

Burlington taxpayers may have to maintain and replace it forever.

The financial analysis of growth therefore cannot stop at the initial construction cost.

Council needs to understand the full lifecycle cost of the infrastructure it assumes.

Development Charges Must Reflect Real Growth Costs

Development charges are one of the principal tools municipalities use to recover the capital costs associated with growth.

Burlington should ensure that its development-charge studies identify eligible growth-related infrastructure as completely and accurately as provincial legislation permits.

We should not intentionally understate those costs simply to make development appear less expensive.

If growth creates an eligible municipal capital requirement, the appropriate development-related funding should be collected.

That protects existing taxpayers.

It also improves decision-making because Council and the public can see more clearly what development actually requires.

But Development Charges Don't Pay for Everything

It is equally important to be transparent about what development charges cannot accomplish.

Provincial legislation determines what municipalities can collect, what infrastructure is eligible and how charges are calculated.

Some costs cannot be fully recovered.

Other infrastructure benefits both existing and future residents, requiring costs to be shared.

And even when development pays for the initial capital asset, the municipality may inherit its future operating, maintenance and replacement costs.

So when someone says “**growth pays for growth**,” the reality is more complicated.

My objective is therefore better expressed as:

Make growth pay its way to the greatest extent reasonably and legally possible—and clearly identify what existing taxpayers are being asked to contribute.

Infrastructure Must Keep Pace With Development

Growth should not arrive years before the infrastructure required to support it.

Residents understandably become frustrated when development occurs first and governments respond later to congestion, overcrowded facilities or inadequate services.

That is why one of my broader campaign commitments is:

Ensure infrastructure and services keep pace with new development.

Transportation capacity, stormwater management, parks, recreation, fire services and other municipal requirements should be considered as part of growth planning—not after problems have developed.

Where infrastructure is required primarily because of development, its timing and funding should be connected as closely as possible to that development.

Don't Make Existing Residents Pay Twice

Existing residents have already helped pay for Burlington's current infrastructure through decades of property taxes.

They continue paying to maintain and replace those assets.

When new development requires additional infrastructure, we need to avoid a situation where existing residents effectively pay twice—first for the infrastructure serving the community they already have, and again for a disproportionate share of infrastructure required to accommodate growth.

There will inevitably be projects that benefit both existing and future residents.

Those costs should be allocated fairly.

But fairness must work in both directions.

The fact that an infrastructure project provides some benefit to existing residents should not automatically become a reason to shift an unreasonable portion of a growth-related cost onto the existing tax base.

Growth Must Also Pay Attention to Operating Costs

The discussion about growth often concentrates on capital infrastructure.

Operating costs can be just as important.

A new park has to be maintained.

A new community centre needs staff, utilities and programming.

New roads require snow clearing, street sweeping and eventual resurfacing.

Additional transit service requires vehicles and operators.

Additional fire-service requirements may create permanent staffing costs.

These expenses recur every year.

Before Burlington approves major new municipal infrastructure associated with development, Council should understand both:

What will it cost to build?

and

What will it cost Burlington taxpayers to operate and maintain for the next 20, 30 or 50 years?

That lifecycle perspective needs to become standard municipal financial management.

Use Existing Infrastructure More Intelligently

Making growth pay its way does not mean building a new municipal facility every time population increases.

Sometimes the best answer is to make better use of what we already own.

Can an existing community facility serve more people?

Can programs operate at different times?

Can technology improve service capacity?

Can facilities be shared with schools, community organizations or other governments?

Can an existing park be redesigned to provide additional recreation opportunities?

Can transportation demand be addressed through better transit or traffic management before adding expensive road capacity?

Every dollar we avoid spending unnecessarily is a dollar residents and future residents don't have to fund.

The first question shouldn't always be "What should we build?"

It should be:

"What capacity do we need, and what is the most efficient way to provide it?"

Development Must Respect Infrastructure Capacity

Growth also needs to be considered in the context of the infrastructure already serving an area.

Development decisions cannot be separated from transportation, water, wastewater, stormwater, parks, community facilities and other infrastructure.

If substantial additional development is proposed, we need to understand whether the infrastructure can accommodate it and what improvements will be necessary.

If additional capacity is required, the funding and timing of those improvements should be identified.

Approving development while leaving the infrastructure question for another day is not responsible growth management.

Protect Established Communities

Making growth pay its way isn't solely a financial issue.

Growth also has impacts on the communities around it.

Construction traffic, neighbourhood traffic, pressure on parks, stormwater runoff and demands on local services can all affect existing residents.

Development should therefore be planned in a way that respects established communities and mitigates avoidable impacts.

Growth can contribute positively to Burlington.

But successful growth means integrating new development into the city rather than asking existing communities simply to absorb its consequences.

Provincial Decisions Matter

Municipalities operate within rules established by the Province of Ontario.

Over recent years, the Province has repeatedly changed planning responsibilities, development-charge rules and other aspects of municipal growth management.

One example is the transfer of land-use planning responsibilities previously undertaken by Halton Region to Burlington and the other lower-tier municipalities.

That change transferred personnel and operating costs from one municipal level to another. From the taxpayer's perspective, it was principally a reallocation within the combined municipal tax bill rather than the creation of an entirely new municipal service.

Provincial decisions can similarly affect how much of the cost of development municipalities are permitted to recover.

When provincial policy shifts costs away from development and onto existing property taxpayers, Burlington should identify that impact clearly and advocate for a fairer approach.

Residents deserve to know **who is paying for growth and why**.

Growth Should Strengthen Burlington

I am not opposed to development.

Development can bring new residents, businesses, investment, housing choices and renewal.

The question is whether it is planned and financed responsibly.

Good growth should strengthen Burlington.

It should contribute to the infrastructure it requires.

It should make efficient use of existing municipal assets.

It should not overwhelm transportation or community facilities.

It should respect our established neighbourhoods and natural environment.

And it should not create an unreasonable long-term financial burden for existing taxpayers.

My Priorities for the Next Four Years

- 1. Make growth pay its fair share.** Use development charges and every other appropriate municipal funding mechanism to recover growth-related costs to the fullest extent reasonably permitted.
- 2. Ensure infrastructure keeps pace with development.** Connect the timing of roads, transit, stormwater, parks, recreation and other infrastructure with the development creating the demand.
- 3. Stop automatically building ahead of demand.** Continually update growth assumptions and infrastructure timing so taxpayers aren't financing expensive capacity years before it is actually required.
- 4. Measure lifecycle costs.** Before accepting new municipal infrastructure, identify not only its construction cost but what taxpayers will spend operating, maintaining and eventually replacing it.
- 5. Use existing infrastructure first.** Examine whether existing facilities, technology, partnerships or service redesign can accommodate additional demand before automatically constructing new assets.
- 6. Protect existing taxpayers.** Clearly identify which infrastructure costs are growth-related, which benefit the existing community and how the costs are being allocated.
- 7. Protect established neighbourhoods.** Consider traffic, stormwater, parks, construction and other community impacts when planning development.
- 8. Keep Burlington's rural and natural heritage protected.** Maintain the urban-rural boundary that has protected approximately 50% of Burlington's land mass for more than 50 years.
- 9. Demand transparency from the Province.** When provincial decisions restrict Burlington's ability to recover growth-related costs or transfer costs to local taxpayers, clearly identify the financial impact and advocate for change.
- 10. Regularly update our assumptions.** Plan responsibly for future development, but adjust capital and operating plans when the timing or amount of expected growth changes.

The Test Is Fairness

The debate about growth can become unnecessarily polarized.

The choice isn't between stopping all development and accepting development at any cost.

There is a more responsible approach.

Plan for growth realistically.

Build infrastructure when it is needed.

Use what we already own efficiently.

Make development contribute its fair share.

Understand the long-term operating costs before we commit taxpayers to them.

Protect existing communities and Burlington's natural heritage.

And be completely transparent about who ultimately pays.

Burlington will continue to evolve. Our responsibility is to make sure that evolution strengthens the city rather than creating financial obligations future Councils and taxpayers are left to solve.

My commitment is simple:

Growth must bring the infrastructure and services it requires—and growth should pay its way to the greatest extent reasonably possible.

Paul Sharman

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