

## **Finance, Administration and Audit Committee Report**

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**DATE:** Monday, March 04, 2019

**WARD(S):** ALL

**TITLE: MINISTRY OF ENVIRONMENT, CONSERVATION AND PARKS  
TRANSFER OF REVIEW PROGRAM  
AGREEMENTS FOR ADMINISTRATION AND DELEGATION OF  
RESPONSIBILITY**

**FROM:**

Jason Schmidt-Shoukri, Deputy City Manager, Planning and Growth Management

**ACTION:** DECISION

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**Purpose**

The Ministry of Environment, Conservation and Parks (MECP) established a program that permits municipalities to review and recommend approval of applications for Environmental Compliance Approval (ECA) for eligible sewerage works. The transfer of review to the City would eliminate duplication of work and significantly expedite the development approval process. This report recommends that the City Manager execute agreement(s) with the MECP to delegate the transfer of review program responsibilities in relation to sewerage and storm water infrastructure to the City's Development Engineering Department.

**Report Highlights**

- The City is eligible to participate in the MECP Transfer of Review Program associated with the review and approval of ECA applications.
- The review of ECA applications by the City would streamline and expedite the development approval process and contribute to establishing a "one window" service delivery approach at the City.

## **Recommendations**

1. THAT the City Manager be authorized to execute the Transfer of Review Program Agreements with the Minister of Environment, Conservation and Parks for the review of standard and specific non-standard sewerage and storm water works; and
2. THAT Schedule “K” of the Fees and Charges By-law be amended to add the fees for the review of Environmental Compliance Approval (ECA) applications for all new municipal sewerage and storm water management infrastructure as identified in this report.

## **Background**

Under the Environmental Protection Act and the Ontario Water Resources Act, the Ministry of Environment, Conservation and Parks (MECP) is required to issue an Environmental Compliance Approval (ECA) for all new municipal sewerage and storm water management infrastructure.

In 1978, the Ministry of Environment established the Transfer of Review Program (TOR) to create efficiencies in the review of ECA Applications and to improve timelines of issuing such approvals. Under the Program, participating municipalities and the MECP enter into an agreement(s) which permits qualified and designated professional municipal engineers to conduct the technical review of ECA Applications for specific low risk sewerage works. This arrangement places the responsibility to review the ECA Application on the municipality instead of the MECP. Once the application and supporting technical information is complete and found to be satisfactory, the municipality submits the completed ECA Application together with an approval recommendation to the MECP for final approval. The TOR Program recognizes that the municipality assumes ownership of these sewerage works and is consequently highly involved in the development process to ensure they are properly designed and constructed.

To date, the Region of York has been participating in the TOR Program and reviewing ECA applications for sewerage works for the City and other municipalities in the Region.

## **Previous Reports/Authority**

<https://www.ontario.ca/document/guide-applying-environmental-compliance-approval-0>

## **Analysis and Options**

In October 2017, the MECP enhanced and expanded the TOR program and encouraged increased participation by area municipalities having organizational structure that meet the requirements under the TOR Program. The benefits of the TOR Program include:

- Increased review efficiency of ECAs, allowing the ministry to focus resources on more complex applications
- Improved timelines of issuing such ECAs to allow better municipal planning and an expedited development process
- Reduced overlap between municipal and ministry approval processes
- Municipalities able to ensure proper design and construction of sewerage works

Since 2017, the participation in the TOR Program has grown from 12 to approximately 37 municipalities covering 95 upper, lower and single tier municipalities. Collectively, these participating municipalities serve over 75% of the population of Ontario. The MECP is actively seeking further participation from the remaining municipalities to improve current wait times for approval.

Over the last several months, staff have had discussions with MECP to better understand staffs' role and responsibilities under the TOR Program and to define the list of standard and non-standard works which are to be included under the transfer of review to the City.

### **The Development Engineering Department has the organizational structure to support the transfer of review**

To participate in the TOR Program, the organizational structure of the municipality must have sufficient engineering expertise (i.e. licensed professional engineers) on staff that can review ECA Applications. Currently, the Development Engineering Department has a complement of eight professional engineers that are directly responsible for the engineering review of development related municipal services design submissions, which meets the MECP requirements.

### **City participation in the TOR Program would save a minimum of 30 days in the approval process**

Under the TOR Program, York Region has been undertaking the review of ECA Applications for sewerage works (sanitary and storm sewers) in the City for many years. On average, it takes York Region staff approximately 30 days from submission to complete their review. ECA Applications for more complex works, such as storm water management facilities, must be submitted directly to MECP for review. Direct ECA submissions to MECP can take many months to be reviewed and approved. The

review of ECA Applications by the City rather than the Region would streamline and reduce the development approval process by at least 30 days and contribute to establishing a “one window” service delivery approach at the City.

**The review ECA Applications and the implication of LPAT reporting requirements will likely require additional staff resources**

Once transferred, the review of ECA Applications will be incorporated into the development engineering review process and will require additional work effort. This additional work will initially be undertaken by existing staff. Over the next several months, staff will assess what impact this additional work and the implications of LPAT reporting deadlines may have on service delivery. Staff will make a submission through the 2020 Budget process if additional staff resources are needed to maintain service delivery expectations. Any additional staff resources that may be required to support the review process would be funded by application and Development Engineering fees.

**An Agreement with MECP is required to facilitate the transfer of review to the City**

The necessary agreement(s) between the City and MECP to facilitate the transfer of review to the City is being drafted. The template agreement is being prepared by MECP and can be executed by the City Manager.

**Financial Impact**

Under the TOR Program, the City may collect a fee for the review and processing of ECA Applications. Initially, staff propose to adopt the MECP’s application fee structure, which ranges between \$1,100 and \$2,200 depending on the category of application. The ECA application fees are expected to generate approximately \$30,000 annually in additional revenue based on the current MECP fee structure. Over the first six months of participating in the TOR Program, staff will more accurately quantify the additional work effort and then adjust the application fee, as necessary, through the 2020 Budget process. The City’s Fees and Charges By-law should be amended to include the following fees:

| <b>Category of Application</b>                                                                                                                                                                                              | <b>Proposed Fee</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Storm and sanitary sewers and appurtenances, including expansion of existing sewers                                                                                                                                         | \$900               |
| Storm and sanitary pump stations, force mains, and sanitary sewage detention chambers or oversized sewers, including the expansion of an existing facility that involves an increase in the rated capacity of the facility. | \$1,800             |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| A facility for attenuating storm water runoff peak flow rate or volume or for managing storm water runoff quality, such as detention or retention pools, underground chambers, oversized sewers, rooftop storage, parking lot storage, oil, grit and silt separators, flow control outlet structures, infiltration wells, perforated sewers, and trenches or outfalls, including the expansion of an existing facility that involves an increase in the rated capacity of the facility | \$2,000 |
| Administration fee per application                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$200   |

### **Broader Regional Impacts/Considerations**

The Region of York has been participating in the TOR Program and reviewing ECA applications for the nine area municipalities for many years. Regional staff are encouraging area municipalities to take over the transfer of review once its organizational structures can support the function. Currently, both the City of Markham and Town of Richmond Hill participate in the TOR Program and more recently the Town of Aurora and the Town of Newmarket requested participation in the program.

### **Conclusion**

The City's participation in the MECP Transfer of Review Program will streamline and expedite the development approval process and contribute to establishing a "one window" service delivery approach at the City.

**For more information**, please contact: Andrew Pearce, Director, Development Engineering at Ext.8255

### **Attachments**

None

### **Prepared by**

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