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Municipal charges:
Big impact on new housing

By: *Dan* **Clement** & Greg *Lampert*

Municipal Levies, Fees and Charges in the GTA, a study released by the Greater Toronto Home Builders' Association in February 1998, has focused attention on the impact of municipal charges at an important time.

The Province's new Development Charges Act took effect March 1, 1998. A new Municipal Act, which will provide municipalities with broad authority to impose fees and charges for municipal services, will likely be introduced into the Legislature in the near future. In the past six months, several GTA municipalities have signaled their interest in pursuing higher fees for development related services.

In today's debates on responsibilities, fees and charges, we hope the report will remind participants to consider the total burden of government charges on housing before new or revised charges are decided.

Methodology

The study presents and discusses the full range of levies, fees and charges imposed in the GTA by regional and local municipalities, school boards and public utility commissions. For the purpose of the study, we categorized municipal charges into four groups:

Infrastructure **charges** - development charges, engineering review and inspection fees, and meter fees for water and hydro.

Land dedications - conveyance of land for parks or recreational uses.

Development application and processing fees - application fees for development approvals, and related legal and administrative charges.

Building permit fees - application fees for building permits.

While this study deals only with municipal charges, it is important to realize that the federal and provincial governments also levy substantial taxes on new houses. Taxes such as the GST, PST, and land transfer tax can add roughly $16,000 in costs to a typical $200,000 detached house.[1] Taken together, municipal, provincial and federal charges can amount to roughly 20% of the sale price of a typical GTA house.

Measuring the Impact of Municipal Charges

The study presents estimated costs for three typical GTA housing types - single-detached house, townhouse and condominium apartment unit. Some of the key findings of the study were as follows:

- On average, total municipal fees imposed in the "905" regions were $22,000 for a single-detached house, $18,000 for a townhouse, and $13,000 for a condominium apartment unit. These charges are equivalent to 9.6% of the price for a typical single-detached house, 11.7% for townhouses, and 9.4% for condominium apartments.
- The total impact of municipal charges for a single detached house in the "905" municipalities of the GTA ranged from $17,000 in Oshawa

Total levies, Fees and Charges, Standard Single-Detached Dwelling

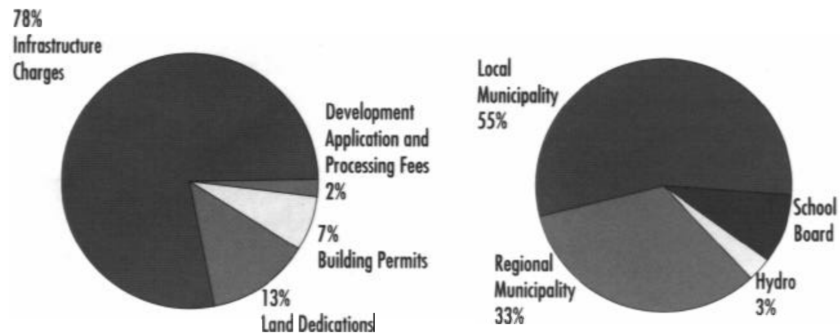
Municipality	Dwelling Price	Infrastructure Charges	Land Dedicotiom	Development Application 8 Pro&sing Fees	Building Permit Fees	Total	Total Charges as Percent of Price
Durham Region							
Ajax	$210,000	$15,742	51,899	$297	$1,580	$19,518	9.3%
Oshawa	$190,000	$14,401	$1,166	$237	$1,200	$17,004	8.9%
Pickering	$223,000	$14,906	52,541	$358	$1,580	$19,385	8.7%
Whitby	$200,000	$15,130	$1,530	$265	$1,580	$18,505	9.3%
York Region							
Aurora	$245,000	$17,533	$3,541	$534	$1,490	$23,098	9.4%
Markham	$260,000	$20,844	$4,375	$470	$2,230	$27,919	10.7%
Newmorket	$225,000	$16,632	$3,186	$270	$1,535	$21,623	9.6%
Richmond Hill	$265,000	$26,177	$4,530	5576	$1,890	$33,173	12.5%
Vaughan	$250,000	$19,640	$3,836	$350	$2,090	$25,916	10.4%
Peel Region							
Brampton	$215,000	$16,806	$3,073	$302	$1,119	$21,300	9.9%
Caledon	5216,000	$18,169	52,704	$207	$1,140	522.220	10.3%
Mississauga	$235,000	$15,353	53,745	$200	$1,640	$20,938	8.9%
Hahon Region							
Burlington	$220,000	$15,985	52,764	5493	$1,302	$20,544	9.3%
Holton Hills	$215,000	$13,177	$2,706	$446	$1,311	$17,640	8.2%
Oakville	$240,000	$15,198	53,404	$522	$1,620	520,744	8.6%
Metro Toronto							
Etobicoke	$270,000	$6,575	$5,371	$276	$2,150	$14,372	5.3%
North York	$285,000	$4,237	$6,088	$312	$2,120	$12,757	4.5%
Scarborough	$255,000	$4,681	$4,866	$359	$1,900	$11,806	4.6%
Toronto	$320,000	$70	$7,097	$331	$1,819	$9,317	2.9%

Source: Municipal levies, Pees and Charges in the GTA.

to $33,000 in Richmond Hill. York Region faces the highest burden of municipal charges.

- Municipal charges imposed by the former municipalities within Metro Toronto are considerably lower. The difference, however, is almost entirely the result of lower development charges.
- Infrastructure charges typically account for between 75% and 85% of total charges. Development charges are responsible for most of these costs.
- On average, local municipalities account for 55% of total charges, while regional municipalities are responsible for 33% of total charges. The remaining 12% represents charges by school boards and public utility commissions.

What gets charged Who gets the money



Percent Distribution of Total Levies, Fees and Charges on a Single-Detached House in the "905" Municipalities

New Legislation Will Impact Municipal Fees

The new Development Charges Act gives municipalities 18 months to undertake development charge studies and adopt new by-laws. This legislation includes new prohibitions against the collection of development charges for matters such as city halls, tourism, parkland acquisition, hospitals, and cultural facilities. In addition, the costs of some services are discounted by 10% when calculating their capital costs for the purpose of determining development charges.

These changes suggest there is the potential to achieve lower development charges. However, there is concern within the home building industry that gains achieved in the new legislation are likely to be offset by higher municipal capital costs, which may increase due to new municipal funding responsibility for matters such as public transit.

The Province's proposed Municipal Act would provide municipalities with the authority to levy fees and charges for most municipal services. While the legislation directs that fees should reflect the cost of the service, the legislation contains no explicit prohibition against fees that exceed municipal costs.

Municipalities Seeking Higher Fees

The Province's Who Does What exercise has significantly changed municipal funding responsibilities, and in many cases, resulted in higher municipal costs. These new funding responsibilities, along with pressure to hold the line on property taxes is leading many municipalities to review existing charges, as well as new fees, as a means to increase revenues.

In the past six months, several GTA municipalities have signaled their interest in pursuing higher fees for development related services. Building permit fees have increased by 20% in Oshawa, 10% in Aurora, and 8% in Richmond Hill. In addition, the Town of Ajax will likely propose higher development application fees during the spring.

The amalgamation of municipalities into the new City of Toronto is expected to result in the standardization of municipal charges imposed on new development. Standard building permit and planning application fees have recently been established, which will likely result in an increase in total revenues for the new City. A critical issue is likely to be whether development charges will be extended to projects in the former City of Toronto.

Sum-up

The estimates presented in the municipal charges report by no means represent the total effect of government on the cost of developing new housing. The federal and provincial governments each collect significant revenues through sales taxes and land transfer taxes. Furthermore, there are considerable costs involved in simply proceeding through the development approval process. Our report, however, emphasizes the importance of considering the total burden of municipal charges already imposed on new housing, whenever new or revised fees are considered.

A copy of the report on Municipal Levies, Fees and Charges in the GTA can be obtained by contacting the GTHBA at (416) 391-3445.

Greg Lampert is a housing and economic research consultant. Dan Clement is an urban planning and housing research consultant. Together, they prepared the report Municipal Levies, Fees and Charges in the GTA for the Greater Toronto Home Builders' Association.

[1] Information on federal and provincial taxes imposed on new residential development can be found in the study on Levies, Fees, Charges, Taxes and Transaction Costs on New Housing, prepared for the Canadian Home Builders' Association and CMHC by Greg Lampert and Marc Denhez, January, 1997.

Iceberg Ahoy!

Toronto may be the "iceberg" for Ontario's new assessment and property tax system, according to many of the panelists at "Have We Boarded the Titanic?", OLE's Spring Seminar. And when the two meet, said Michael Bowman, partner with the law firm Osler, Hoskin & Harcourt, things could get "pretty hot and steamy".

Over almost three decades, a number of proposals to update the system have foundered on the problems inherent in the Province's largest city. 'What was a hand grenade when (former Ontario Treasurer Darcy) McKeough left the Cabinet, has now become an atom bomb," said Chris Shulze, a lawyer specializing in assessment litigation.

The Province has already introduced several changes to accommodate the City, said Peter Tomlinson, economics lecturer at the University of Toronto and the City's former director of economic development.

For example, although the Minister of Finance had said he would freeze business education taxes, the May 5 Budget announced a break for municipalities paying more than the provincial average. And the new 2.5% cap on tax increases and decreases for commercial and industrial properties was a direct reaction to protests by Toronto's small business people.

But the basic problems still remain. Updating the patchwork system of out-of-date assessments across the new City produces some huge shifts in the tax burden, which are top priority in the City right now.

In other areas, where assessments are more up to date, there are problems that most Torontonians have barely recognized yet. By its nature, a market-based assessment system produces continuous tax shifts, as values for certain properties go up and down in relation to one another. And all of this is happening at the same time as an unprecedented rearrangement in provincial and municipal roles. This downloading makes the bills higher, and exaggerates the problem. Property taxes "should not be used for funding ambulance, health or education," said Trent University Economics Professor Harry Kitchen.

Photo courtesy Wen Day Publishing Ltd

"We should restore the increase in the personal income tax rate, and take services off the property tax."

The Provincial View

Scarborough East MPP, Steve Gilchrist, suggested that the idea of taking at least some services off the property tax base might not be so far fetched.

The May 5 Budget announced that the Province would cut business education taxes in those municipalities where they are above the provincial average. The extra taxes would be phased out over eight years. That means a $64 million cut this year – $50 million of it in Toronto. By 2005, this should reduce taxes on Toronto industrial properties by about $112 million, and those on its commercial properties by about $290 million, Gilchrist said.

Plans call for the Province to bring in a balanced budget by the year 2000-2001. At that point, he said, "the numbers may well be digestible within the first couple of years of surplusses. There might even be an appetite for a wholesale shift away from the property tax to a couple of points on the retail sales tax."

Given all this, by the end of the 3-year cap, Gilchrist said, "we could go to CVA without major disruption."

And if the City of Toronto had made use of some of the tools it was given to create new classes, the disruption to date would not have happened, he said. Instead of giving 79% of all businesses an increase of more than 100%, he said, "90% of the reassessments would have been within 7.5%."

Municipal choices

Municipalities have a number of choices under the new system. They can impose a 2.5% cap on commercial, industrial and/or larger rental apartment properties; they can choose graduated rates for commercial and for industrial properties; they can introduce a number of new classes of property for assessment purposes, and they can phase in reassessments over up to eight years. What are they likely to do?

In the City of Toronto, where small business people went to the streets when they saw how tax shifts might affect them, the cap is certain to be used. "It just makes Current Value Assessment go away for three years," said Tomlinson. For other municipalities, most of whom have already gone to a form of Market Value Assessment, it is probably less attractive.

However, he said, it is less likely that Toronto will cap the apartment rates: "that would put the residential rate up to 1.3 to 1.35 (compared to 1.24 currently anticipated), which spoils the break for the outlying areas."

And homeowners will almost certainly not get an eight-year phase in. Immediate implementation doesn't have enough votes to pass either — except if all of the other phase-in options fail. But "provided we have rational voting, I believe it will pass at three years."

Three-year, 2.5% Cap

Although Current Value Assessment was brought in to bring more fairness to the system, it has been significantly undermined, several panelists said. Capping is the most obvious example. "If you have a cap on any class," pointed out Chris Schulze, assessment lawyer, "the assessment becomes absolutely irrelevant."

There are definitely some disadvantages to the cap. For example, said Gilchrist, the 2.5% figure is absolute – municipalities can't use it and then pass through additional increases for their own budget purposes. If they need overall budget increases, that will have to be picked up by the residential class.

And then, there's the issue of what capping does to 1998 appeals. If a property owner appeals the assessment and gets it reduced by 50%, for example, but the City puts in a 2.5% cap for 1998, 1999 and 2000, the maximum reduction will probably by 7.5%. And then, by June 30, 1999 (the next reassessment date), the value will almost certainly have gone up, so the owner loses all the benefit he/she should have got.

The 1997 assessments are the only ones that can affect tax for the next three years, Bowman said, so 1997 tax appeals are "gold".

Capitalization Effect

"If you think there's a problem now, just wait till the 1999 numbers come out," said Paul Morassutti, senior partner with the Morassutti Group.

The valuation date for the current assessments (June 30, 1996) reflected "the most severe recession in real estate – especially commercial real estate – since the 1930s," Morassutti said. "But rents that were $10 a square foot then are currently $20." and they're not likely to fall before the next valuation date — June 30, 1999. "If the assessors take those rents into account, assessed values will be wildly higher."

Business Occupancy Taxes

The elimination of business occupancy taxes is "a big benefit" for municipalities, panelists agreed. The old tax was "extremely cumbersome" to collect, since the municipality had to chase tenants for unpaid amounts -which wasn't easy. In fact, said Gilchrist, "only about 60% were ever collected".

Now that the property tax system is being used to collect the funds, it is the landlord who becomes liable to pay. That should cut down on the number of bills the municipality has to collect, and the number of possible appeals. It also gives municipalities a lot more security, backed up by land and buildings, Bowman explained. "Unpaid realty taxes are a first lien against the property, ahead of any other interest save the Crown."

Gross Lease Pass Throughs

When the Fair Municipal Finance Act was introduced last year, industry warned that collecting BOTs would create problems for landlords. The taxes can be substantial, ranging from zero to 125% of property taxes, depending on the type of business. Landlords with fixed leases would have to pay the tax, but have no right to collect it.

The Small Business and Charities Protection Act, introduced on May 7, attempts to correct that situation, by giving landlords the right to pass on an amount representing the previous year's property taxes, multiplied by a Business Rate Factor (42% in Toronto). In general, stores used to be assessed at 30% under the BOT; banks about 75%. Some members of the audience objected loudly to this pass through, claiming it represents double taxation.

Landlords must notify tenants of their intent to impose these charges no later than 30 days after the assessment roll is returned. Notice must meet specific information requirements.

This report prepared by Rowena Moyes, Journal editor.

Pack Rat Alert!

The first issue of The Land Economist was published back in March of 1966. It was the first in a long series of OLE Journals, delving into land economics, development, land assemblies, taxation, construction and the roles of the public and private sectors.

We'd like to fill in some holes in our archive of back issues of the Journal. Can anyone out there help out? If you have back issues of The Land Economist, please contact Keith Hobcraft at (416) 486-9997, or Bonnie Bowerman at (416) 864-8603.

It's not what you know . . .

Information for the new Membership Directory is being assembled now. Please make sure that we have your current address, phone number, fax number and e-mail address. Contact Mary Sargent by phone at (416) 340-7818, by fax at (416) 979-9159, or by e-mail at msargent@idirect.com.

Location, location, location

Advertising is now being accepted for the OLE Membership Directory. Business card ads cost a very reasonable $50; half pages are $150 and full pages are $275. (black and white). Cost does not include design. Don't miss this opportunity to support your Association and your business at the same time! Contact Mary (see above.)

Mobile communication networks and the landlord

by Richard Atkinson, AACI

Wireless phones are the fastest growing consumer product in history, with an annual growth rate of 30 per cent. Cell phones, using analog technology, have been in existence from the mid 1980s, but digital Personal Communication Services (PCS) networks, which use a clearer and more secure pulsating signal, didn't start their implementation/build outs until 1995/96. They require an extensive network of cell sites with aboveground antennas, plus small transmitters to service underground areas.

This requires significant capital outlays; therefore, PCS companies look for long term lease arrangements which will give them the security of uninterrupted operation. For landlords and land owners, a cell site installation can offer an opportunity to generate additional revenue through a guaranteed lease income with no associated installation, insurance or operating costs. This can add value to the owner's property: value that could potentially be accessed through a mortgage.

Companies licensed in 1995

The current wireless communications services companies competing for space in Canada on land and buildings are: BCE Mobile Communications Inc., Cleamet PCS Inc., Microcell Telecommunications Inc., Rogers Cantel Mobile Communications Inc. Industry Canada awarded the four PCS licenses in December 1995.

Site fees

The average rental fee for cell sites will vary between $6,000 and $12,000 per annum in urbanized areas. In some specific urban areas, where appropriate antenna locations may be limited, a premium is usually demanded by a well informed landlord. Its size will depend largely on the options available to the PCS operator.

PCS companies sometimes share locations. If a newer company has difficulty finding a site or if the local municipality now is opposed to further towers, it can make good political sense to co-locate on the same tower or building. Network sharing arrangements have also been negotiated for micro cell locations.

Site specifications

A cell site consists of antennas installed on a tower or located on a building rooftop, connected to associated electrical and electronic equipment.

Antenna height and clear sight lines are critical to the interconnection of the whole network, as each cell site is linked to all the others. There are several types of antenna installations:

Monopole tower (25 - 40 m high)
A tapered steel tube-shaped pole, this requires the smallest ground base area, but is expensive.

Self-support tower (45 m +)
Similar to a small hydro tower, this requires a larger base area but is cheaper to construct.

Guy wire **supported tower (90** m)
Requires approximately four acres.

Roof-top antennas
Generally six antennas grouped in three sections, plus one microwave antenna, either wall mounted on the equipment room or at the edge of the roof, or sometimes pole mounted on the roof.

Repeaters or micro cells
Small transmitters that service underground areas such as parking lots or below-grade retail and walkways, where ground, steel and concrete interfere with normal transmissions.

A full installation of equipment cabinets usually takes from 150 to 300 square feet, depending on the system installed. Typically, each cabinet is about 40"W x 40"D x 5'H, and requires an 8' ceiling height. Although the facilities are self contained, the room(s) must be ventilated. If necessary, cabinets can be separated by up to 60 feet of cable distance.

Some considerations

Some early examples of rooftop antennas were unfortunately not so well done. However, in many instances, the smaller PCS antennas can be made to match the exterior of a building so they are quite discreet. There is some possibility of damage to the roof membrane, but the better operators have successfully overcome these problems.

Communication companies require access to the sites on a demand basis, and may need to attend to the equipment at any time of the day or night. Arrangements can often be made with on-site security services. But if the building is highly security sensitive, it may create an unworkable situation.

Conclusion

The future growth of mobile telecommunications will depend on factors such as each company's ability to attract new subscribers, rate of growth in the total subscriber base, range and type of services provided and each company's ability to control costs and prices.

In their highest priority areas, PCS companies already have a fairly extensive network in position on open land, office buildings, water towers, apartment buildings, hospitals, retail stores and industrial buildings. New aboveground cell sites will reflect infill needs, service improvement and expansions. Micro cells for servicing underground space offer additional opportunities.

There is always the future possibility that roof top antennas may be replaced by some other form of more efficient transmission such as satellites, etc. This might curtail a reliable income flow that the landlord had come to expect.

In the interim, cell sites offer landlords an opportunity to general additional revenue with minimal inconvenience and no additional costs.

Richard Atkinson provides consulting services in retail planning, land management and appraisals.

Call for Articles

The Land Economist welcomes input from members. If you would like to prepare an article or suggest topics for future issues, please contact:

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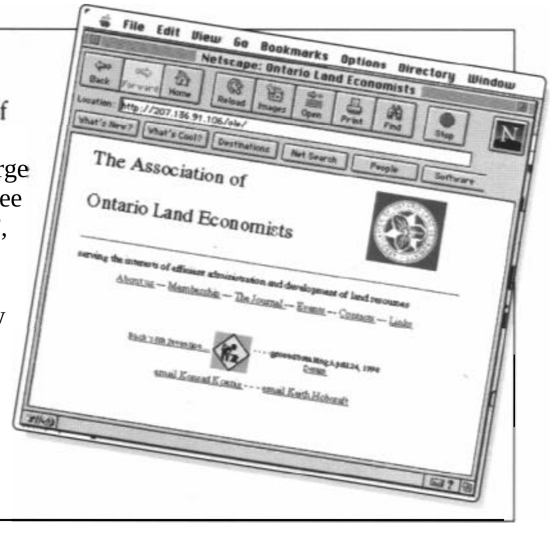
Web Site Construction

Work is well under way on the construction of OLE's Web Site. Project team includes Keith Hobcraft, Bonnie Bowerman, Ian Brown, George Carras and Konrad Koenig. Already, you can see the home page design, find out "Who We Are", find out about membership and upcoming meetings, get a list of Council Members, and check out links. Soon, you will be able to view back issues of the Journal since 1996.
For a peek "behind the hoardings", visit **http://www.rpf.com/ole.**
We'd really appreciate comments and suggestions. Please e-mail them to hobcraft@ica.net



More cranes around Toronto

Drivers Jonas has just started the Crane Survey – intended to provide a snapshot of what's going up and what's coming down in the Toronto area. The first issue focused on Downtown Toronto, where, after a long absence from the city skyline, construction cranes are once more rearing their heads. A few highlights:

Festival Hall

Five "urban entertainment centres" are planned for the GTA, and one is currently under construction downtown at 126 John Street in Toronto's Entertainment District. The site is being redeveloped by Azure Developments and Brooklyn Roads as a three storey 267,000 sq. ft. retail-entertainment centre which will house a 13-screen multiplex cinema. Construction of the $70 million project began in September 1997 and is scheduled for completion in April 1999. Committed tenants include IMAX Corporation (with the first 3-D IMAX theatre in Ontario), Famous Players, Playdium Toronto and Chapters Bookstore, who will have a 31,000 sq. ft. superstore.

11 & 5 King Street West

Hammerson Canada Inc. have given the former Montreal Trust Building an $8 million facelift. The 1966 19-storey tower, which has been vacant for some time, has undergone a major refit and is to be connected to the underground PATH system. Five floors of the 165,000 sq. ft. building have been leased, with occupancy to commence in July.

Shoe-homed into the 9 metre wide site at 5 King Street West, "The Sliver" is the vision of Harry Stinson (of Candy Factory loft fame). Forty-one units (some spanning two floors with double height foyers) are proposed in the spectacular 40-storey 150 metre high condo next door to Hammerson's office reno at 11 King Street West.

CN Tower Expansion

The indoor market and shops should be completed by May 1998. In a second phase, TrizecHahn proposes a more ambitious $150 million plan which will add 350,000 sq. ft. of retail and restaurant space, a landscaped deck, an underground garage and a glassed-in walkway to connect the tower to the SkyDome.
Entertainment renovations will include simulator rides and interactive computer stations.

Air Canada Centre

Highly visible from the Gardiner Expressway, the roof is now going on the new $288 million stadium at 40 Bay Street, which will accommodate both hockey and basketball.
Anchoring the project is a 12-storey 174,000 sq. ft. office tower, the top ten floors of which will be the regional headquarters of Air Canada. Plans are afoot to purchase the interest in Union Station to create a "gateway" to the waterfront. A major renovation would accommodate retailing opportunities.

Watch This Space

The main topic of conversation around water coolers lately has been the recent announcement by TrizecHahn and CN Pension Investments that the Bay-Adelaide Centre is to rise phoenix-like from the ashes of the early '90s recession. Construction is expected to commence this fall, with completion in the spring of 2000. Although the 6-storey concrete stump atop an underground parking garage will form the base of the 50-floor tower, the design of the 1.28 million sq. ft. office building has changed. Less ambitious than its predecessor, which was designed to accommodate 1.6 million sq. ft. in two towers, the single tower will be seven storeys shorter. The existing structure will save a year of construction, and reduce some of the disruption which inevitably attends huge projects like this in the heart of downtown.

Abridged and reprinted with permission from Drivers Jonas, real estate consultants providing valuation, strategic advice and development services.

The Legislative Beat

by Andy Manahan PLE

Provincial Budget and other Tax Measures

Finance Minister Ernie Eves delivered his third Budget on May 5th. Assistance will be given to commercial and industrial property owners by lowering the education business tax rate where it is higher than the provincial average. The $510 million cut will be phased in over eight years.

Additional tax cuts for small business and an early phase in of the Employer Health Tax exemption were welcomed by business groups. Earlier cuts to the remaining persona! income tax rate should bolster consumer confidence and Ontario's economy.

In another tax measure, on April lst, the Province announced another extension of the ***Land Transfer Tax*** refund for first-time buyers of newly-built homes. Agreements of purchase and sale have to be completed by March 31, 1999. The maximum rebate remains at $1,725. Close to 29,000 households have taken advantage of the plan since its introduction in May 1996.

Bill 16, the ***Small Business and Charities Protection Act, was*** introduced on May 7. It will allow municipalities to set a 2.5% cap on property tax increases and decreases for owners of commercial, industrial and multi-residential properties. It also contains a system of graduated taxes for industrial properties and four new property classes. The deadline for lodging an appeal on 1998 assessment has been extended to July 31, 1998.

New Municipal Act

In mid-February, 1998, the Ministry of Municipal Affairs and Housing (MMAH) released ***"A Proposed New Municipal Act Consultation Document",*** with the goal of replacing the current Act and many related pieces of legislation. It is a far-reaching document which will have a major impact on many practitioners. A great deal of concern has been expressed about the ability of municipalities to implement user fees which could exceed cost recovery. In addition, municipal licensing provisions and the lack of appeal mechanisms in the draft legislation have been criticized by industry groups. On the other hand, municipalities are apprehensive about greater exposure to liability. The deadline for comments was May 8th.

One Window Approach to Building Regulation

The Red Tape Commission and MMAH have initiated a consultation on the extent to which the Province can move to a one window approach to building and construction regulation. In the current system, the authority for building regulation and approval is separated by several different acts, regulations and codes. For example, MMAH is responsible for the Building Code, the Solicitor Genera! is responsible for the Fire Code/Office of the Fire Marsha! and the Ministry of Energy, Science and Technology looks after the Electrical Code. At the municipal level, there is often segmentation along the following lines: building, fire and by-law enforcement departments. Approaches in other jurisdictions will be assessed to determine whether there is a mode! which could be applied in Ontario. Improved customer service and efficiency are desired outcomes.

Two Transfers of Responsibility

The approval, inspection and regulation of on-site sewage systems has been transferred from the ***Environmental Protection Act*** to the ***Building Code Act,*** effective April 6th. Municipal building officials will take on added responsibilities formerly held by the Ministry of the Environment and their delegated agents such as Health Units.

In another transfer of powers, implementation and enforcement of property standards bylaws (formerly under the ***Planning Act)*** have been moved to the ***Building Code Act.***

New Regulations for Industrial Establishments

In yet another example of government promoting greater industry self-reliance, design drawings, layout and specifications for certain hazardous equipment used in factories or arenas will no longer have to be filed to the Ministry of Labour for pre-development review. Instead, the amended regulation requires that a report bearing the sea! of a professional engineer must be kept at or near the workplace where the equipment is located.

Tenant Protection Act

The new ***Tenant Protection Act*** will come into effect mid June. MMAH has completed the regulations which will accompany this legislation but it delayed implementation because of related changes being made to the Human Rights legislation and Tribunal administrative issues.

Andy Manahan is director of industry relations for the Ontario Home Builders' Association.