Ministry of Municipal Affairs and Housing

Office of the Minister

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234-2022-4624

October 25, 2022

Good afternoon,

On October 25, 2022, our government released More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023 that proposes bold and transformative action to get 1.5 million homes built over the next 10 years.

Details about the range of measures in our plan can be found in the <u>news release here</u>.

The More Homes Built Faster Plan proposes policies and tools that reflect recommendations from the Homes, More Choice and the More Homes for Everyone Plan. Our plan also draws on many elements from AMO's 2022 A Blueprint for Action: An Integrated Approach to Address the Ontario Housing Crisis and ROMA's 2022 Task Force Report on Attainable Housing and Purpose-Built Rentals. These changes are providing a solid foundation to address Ontario's housing supply crisis over the long term and will be supplemented by continued action in the future.

Our government has also introduced the More Homes Built Faster Act, 2022, and is seeking feedback on the changes proposed under the legislation and associated regulations. Additionally, various housing and land use policy reviews – including a housing-focused policy review of A Place to Grow and the Provincial Policy Statement, with a theme of supporting rural and northern housing – are being undertaken to identify and remove barriers to getting more homes built. These and other related consultations can be found through the Environmental Registry of Ontario and the Ontario Regulatory Registry.

We encourage you share this information with senior staff in the municipality and to inform the newly elected head of council and council members. Our government is building a strong foundation for action that will continue to ensure Ontario is a prosperous and growing province – and the best place in the world to call home. We look forward to continued collaboration with our municipal partners to get more homes built faster.

Sincerely,

Steve Clark Minister

 The Honourable Michael Parsa, Associate Minister of Housing Kate Manson-Smith, Deputy Minister
 Ryan Amato, Chief of Staff, Minister's Office
 Joshua Paul, Assistant Deputy Minister, Housing Division Municipal Chief Administrative Officers



October 31, 2022

To Our Municipal and Conservation Authority Clients:

Re: <u>Bill 23, More Homes Built Faster Act, 2022 – Changes to the Development Charges Act, Planning Act, and Conservation Authorities Act</u>

Further to our correspondence of October 27, 2022, we indicated that we would be providing further information on the changes arising from Bill 23, the More Homes Built Faster Act, 2022. On behalf of our municipal and conservation authority clients, we are continuing to provide the most up to date information on the Bill's proposed changes to the *Development Charges Act* (D.C.A.), *Planning Act*, and *Conservation Authorities Act*. As at the time of writing, the Ontario Legislature moved to closed debate on second reading of the Bill.

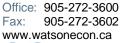
By way of this letter, we are providing a high-level summary of the proposed changes to the D.C.A., *Planning Act*, and *Conservation Authorities Act*, with some further commentary on the proposed planning changes for the Province. We will be providing a full evaluation and summary of the legislative changes to you in the coming days. We are also available to discuss how these changes may impact your organization at your convenience.

Changes to D.C.A.

Additional Residential Unit Exemption: The rules for these exemptions are now provided in the D.C.A., rather than the regulations and are summarized as follows:

- Exemption for residential units in existing rental residential buildings for rental residential buildings with four or more residential units, the greater of one unit or 1% of the existing residential units will be exempt from development charges (D.C.s)
- Exemption for additional residential units in existing and new residential buildings
 the following developments will be exempt from D.C.s.
 - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit;
 - A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
 - One residential unit in a building or structure ancillary to a detached, semidetached, or rowhouse on a parcel of urban land, if the detached, semi-









detached, or rowhouse contains no more than two residential units and no other buildings or ancillary structures contain any residential units.

Removal of Housing as an Eligible D.C. Service: Housing is removed as an eligible service. By-laws which include a charge for Housing Services can no longer collect for this service once s.s. 2(2) of Schedule 3 of the Bill comes into force.

New Statutory Exemptions: Affordable Units, Attainable Units, Inclusionary Zoning Units and Non-Profit Housing developments will be exempt from payment of D.C.

- Affordable Rental Unit: Where rent is no more than 80% of the average market rent as defined by a new Bulletin published by the Ministry of Municipal Affairs and Housing.
- Affordable Owned Unit: Where the price of the unit is no more than 80% of the average purchase price as defined by a new Bulletin published by the Ministry of Municipal Affairs and Housing.
- Attainable Unit: Excludes affordable units and rental units, will be defined as prescribed development or class of development and sold to a person who is at "arm's length" from the seller.
 - Note: for affordable and attainable units, the municipality shall enter into an agreement which ensures the unit remains affordable or attainable for 25 years.
- <u>Inclusionary Zoning Units</u>: Affordable housing units required under inclusionary zoning by-laws will be exempt from D.C.
- <u>Non-Profit Housing</u>: Non-profit housing units are exempt from D.C. installment.
 Outstanding installment payments due after this section comes into force will also be exempt from payment of D.C.s.

Historical Level of Service: Currently the increase in need for service is limited by the average historical level of service calculated over the 10 years preceding the preparation of the D.C. background study. This average will be extended to the historical 15-year period.

Capital Costs: The definition of capital costs that are eligible for D.C. funding will be revised to prescribe services for which land or an interest in land will be restricted. Additionally, costs of studies, including the preparation of the D.C. background study, will no longer be eligible capital costs.



Mandatory Phase-in of a D.C.: For all D.C. by-laws passed after June 1, 2022, the charge must be phased-in relative to the maximum charge that could be imposed under the by-law. The proposed phase-in for the first 5-years that the by-law is in force, is as follows:

- Year 1 80% of the maximum charge;
- Year 2 85% of the maximum charge;
- Year 3 90% of the maximum charge;
- Year 4 95% of the maximum charge; and
- Year 5 to expiry 100% of the maximum charge
- Note, for a D.C. by-law passed on or after June 1, 2022, the phase-in provisions would only apply to D.C.s payable on or after the day s.s. 5(7) of Schedule 3 of the Bill comes into force (i.e., no refunds are required for a D.C. payable between June 1, 2022 and the day the Bill receives Royal Assent). The phased-in charges also apply with respect to the determination of the charges under s. 26.2 of the Act (i.e., eligible site plan and zoning by-law amendment applications).

D.C. By-law Expiry: D.C. by-laws would expire 10 years after the day the by-law comes into force. This extends the by-laws life from 5 years currently. D.C. by-laws that expire prior to s.s. 6(1) of the Bill coming into force would not be allowed to extend the life of the by-law.

Installment Payments: Non-profit housing development has been removed from the installment payment section of the Act (section 26.1), as these units are now exempt from payment of a D.C. (see above).

Rental Housing Discount: The D.C. payable for rental housing developments will be reduced based on the number of bedrooms in each unit as follows:

- Three or more bedrooms 25% reduction;
- Two bedrooms 20% reduction; and
- All other bedroom quantities 15% reduction.

Maximum Interest Rate for Installments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications: No maximum interest rate was previously prescribed. Under the proposed changes, the maximum interest rate would be set at the average prime rate plus 1%. How the average prime rate is



determined is further defined under s.9 of Schedule 3 of the Bill. This maximum interest rate provisions would apply to all installment payments and eligible site plan and zoning by-law amendment application occurring after s.9 of Schedule 3 of the Bill comes into force.

Requirement to Allocate Funds Received: Similar to the requirements for Community Benefit Charges, annually beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year for water, wastewater, and services related to a highway. Other services may be prescribed by the Regulation.

Amendments to Section 44 (Front-ending): This section has been updated to include the new mandatory exemptions for affordable, attainable, and non-profit housing, along with required affordable units under inclusionary zoning by-laws.

Amendments to Section 60: Various amendments to this section were required to align the earlier described changes.

In-force Date of Changes: The mandatory exemptions for affordable and attainable housing come into force on a day to be named by proclamation of the Lieutenant Governor. All other changes come into force the day the Bill receives Royal Assent.

2. Changes to the Planning Act regarding Community Benefits Charges (C.B.C.)

New Statutory Exemptions: Affordable Units, Attainable Units, and Inclusionary Zoning Units will be exempt from C.B.C. These types of development are defined in the proposed amendments to the D.C.A. (see above). The exemption is proposed to be implemented by applying a discount to the maximum amount of the C.B.C. that can be imposed based on the proportionate share of floor area, as contained in s.s. 37(32) of the Act. For example, if the affordable, attainable and inclusionary zoning housing units represent 25% of the total building floor area, then the maximum C.B.C. that could be imposed on the development would be 3% of the total land value (i.e., a reduction of 25% from the maximum C.B.C. of 4% of land value).

Incremental Development: Where development or redevelopment is occurring on a parcel of land with existing buildings or structures, the maximum C.B.C. would be calculated on the incremental development only. The amount of incremental development would be determined as the ratio of new development floor area to the total floor area. For example, if development of a 150,000 sq.ft. of building floor area is occurring on a parcel of land with an existing 50,000 sq.ft. building, then the maximum C.B.C. that could be imposed on the development would be 3% of the total land value (i.e. the maximum C.B.C. of 4% of land value multiplied by 150,000/200,000).



3. Changes to the Planning Act regarding Parkland Dedication

New Statutory Exemptions: Affordable Units, Attainable Units, and Inclusionary Zoning Units will be exempt from Parkland Dedication provision. Similar to the rules for C.B.C., these types of development are defined in the proposed amendments to the D.C.A. (see above). The exemption is proposed to be implemented by discounting the application of the standard parkland dedication requirements to the proportion of development excluding affordable, attainable and inclusionary zoning housing units. For example, if the affordable, attainable and inclusionary zoning housing units represent 25% of the total residential units of the development, then the standard parkland dedication requirements of the total land area would be multiplied by 75%.

Non-Profit Housing Exemption: Non-profit housing development, as defined in the D.C.A., would not be subject to parkland dedication requirements.

Additional Residential Unit Exemption: Exemption for additional residential units in existing and new residential buildings – the following developments will be exempt from parkland dedication:

- A second unit in a detached, semi-detached, or rowhouse if all buildings and structures ancillary cumulatively contain no more than one residential unit;
- A third unit in a detached, semi-detached, or rowhouse if no buildings or structures ancillary contain any residential units; and
- One residential unit in a building or structure ancillary to a detached, semidetached, or rowhouse on a parcel of urban land, if the detached, semidetached, or rowhouse contains no more than two residential units and no other buildings or structures ancillary contain any residential units.

Determination of Parkland Dedication: Similar to the rules under the D.C.A., the parkland dedication determination for a building permit issued within 2 year of a Site Plan and/or Zoning By-law Amendment approval would be subject to the requirements of the by-law as at the date of planning application submission.

Alternative Parkland Dedication Requirement: The following amendments are proposed for the imposition of the alternative parkland dedication requirements:

 The alternative requirement of 1 hectare (ha) per 300 dwelling units would be reduced to 1 ha per 600 net residential units where land is conveyed. Where the municipality imposes cash-in-lieu (CIL) of parkland requirements, the



amendments would reduce the amount from 1 ha per 500 dwelling units to 1ha per 1,000 net residential units.

- Proposed amendments clarify that the alternative requirement would only be calculated on the incremental units of development/redevelopment.
- The alternative requirement would not be applicable to affordable and attainable residential units.
- The alternative requirement would be capped at 10% of the land area or land value where the land proposed for development or redevelopment is 5 ha or less; and 15% of the land area or land value where the land proposed for development or redevelopment is greater than 5 ha.

Parks Plan: Currently a Parks Plan is required to include the alternative parkland dedication requirements in an Official Plan. This proposed to be revised to require a Parks Plan before passing a parkland dedication by-law under s.42 of the Act.

Identification of Lands for Conveyance: Owners will be allowed to identify lands to meet conveyance requirements, with regulatory criteria requiring the acceptance of encumbered and privately owned public space (POPs) as parkland dedication. Municipalities may enter into agreements with the owners of the land re POPs to enforce conditions, which may be registered on title. Suitability of land for parks and recreational purposes will be appealable to the Ontario Land Tribunal (O.L.T.).

Requirement to Allocate Funds Received: Similar to the requirements for C.B.C. and proposed for D.C.A., annually beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year.

4. Changes to the Planning Act, and other Key Initiatives regarding Planning Matters

Provided below is a high-level summary of the proposed key changes impacting housing, growth management and long-range planning initiatives at the municipal level.

4.1 2031 Municipal Housing Targets

The Province has identified that an additional 1.5 million new housing units are required to be built over the next decade to meet Ontario's current and forecast housing needs. Further, the Province has assigned municipal housing targets, identifying the number of new housing units needed by 2031, impacting 29 of Ontario's largest and many of the fastest growing single/lower tier municipalities, as summarized in Table 1 below. Key observations include:



- Of the 29 municipalities identified, 25 are within the Greater Golden Horseshoe (G.G.H.) region and four are located in other municipalities within Southern Ontario. Municipalities with the highest housing growth targets include the City of Toronto (285,000 new housing units by 2031), City of Ottawa (151,000 units) City of Mississauga (120,000 units) and City of Brampton (113,000).
- Collectively, the housing targets for the 29 municipalities total 1,229,000 new housing units, representing about 82% of Ontario's 1.5 million housing units needed over the next decade.
- The municipal housing targets do not provide details regarding housing form, density or structure type.
- The province is requesting that identified municipalities develop municipal
 housing pledges which provide details on how they will enable/support housing
 development to meet these targets through a range of planning, development
 approvals and infrastructure related initiatives.
- These pledges are not intended to replace current municipal plans and are not expected to impact adopted municipal population or employment projections.

Table 1: 2032 Housing Growth Target

Greater Golden Horseshoe (GGH) - Greater Toronto Hamilton Area (GTHA)	Greater Golden Horseshoe (GGH) Outer Ring	Non-GGH
Toronto (City): 285,000	Kitchener (City): 35,000	Ottawa (City): 151,000
Mississauga (City): 120,000	Barrie (City): 23,000	London (City): 47,000
Brampton (City): 113,000	Cambridge (City): 19,000	Windsor (City): 13,000
Hamilton (City): 47,000	Guelph (City): 18,000	Kingston (City): 8,000
Markham (City): 44,000	Waterloo (City): 16,000	
Vaughan (City): 42,000	St. Catharines (City): 11,000	
Oakville (Town): 33,000	Brantford (City): 10,000	
Richmond Hill (City): 27,000	Niagara Falls (City): 8,000	
Burlington (City): 29,000		
Oshawa (City): 23,000		
Milton: (Town): 21,000		
Whitby (Town): 18,000		



Ajax (Town): 17,000	
Clarington: 13,000	
Pickering (City): 13,000	
Newmarket (Town): 12,000	
Caledon (Town): 13,000	

4.2 Potential Changes to Provincial and Regional Planning Framework

Streamlining Municipal Planning Responsibilities

Schedule 9 of the Bill proposes a number of amendments to the Planning Act. Subsection 1 (1) of the Act is proposed to be amended to provide for two different classes of upper-tier municipalities, those which have planning responsibilities and those which do not.

- Changes are proposed to remove the planning policy and approval responsibilities from the following upper-tier municipalities: Regions of Durham, Halton, Niagara, Peel, Waterloo, and York as well as the County of Simcoe.
- Future regulations would identify which official plans and amendments would not require approval by the Minister of Municipal Affairs and Housing (i.e., which lower-tier plans and amendments of the lower-tier municipality would need no further approval).
- The proposed changes could also potentially be applied to additional upper-tier municipalities in the future via regulation.

Creation of Supporting Growth and Housing in York and Durham Regions Act, 2022

Schedule 10 of the Bill presents the Supporting Growth and Housing in York and Durham Regions Act, 2022. The proposed Act would require York and Durham Regions to work together to enlarge and improve the existing York Durham Sewage System. Implementation of this proposal would accommodate growth and housing development in the upper part of York Region to 2051.

Review of Potential Integration of Place to Grow and Provincial Policy Statement (PPS)

The Ministry of Municipal Affairs and Housing (MMAH) is undertaking a housingfocused policy review of A Place to Grow and the Provincial Policy Statement.



The Government is reviewing the potential integration of the PPS and A Place to Grow into a new province-wide planning policy framework that is intended to:

- Leverage housing-supportive policies of both policy documents while removing or streamlining policies that result in duplication, delays or burden the development of housing;
- Ensure key growth management and planning tools are available to increase housing supply and support a range and mix of housing options;
- Continue to protect the environment, cultural heritage and public health and safety; and
- Ensure that growth is supported with the appropriate amount and type of community infrastructure.

Potential key elements of a new integrated policy instrument, as identified by the Government, include the following:

- Residential Land Supply more streamlined and simplified policy direction regarding settlement area boundary expansions, rural housing and employment area conversions that better reflect local market demand and supply considerations to expand housing supply opportunities.
- Attainable Housing Supply and Mix policy direction that provides greater
 certainty that an appropriate range and mix of housing options and densities to
 meet projected market-based demand and affordable housing needs of current
 and future residents can be developed. This includes a focus on housing
 development within Major Transit Station Areas (M.T.S.A.s) and Urban Growth
 Centres (U.G.S.) across the Province.
- **Growth Management** policy direction that enables municipalities to use current and reliable information about the current and future population and employment to determine the amount and type of housing needed and the amount and type of land needed for employment. Policy direction should also increase housing supply through intensification in strategic areas, such as along transit corridors and major transit station areas, in both urban and suburban areas.
- Environment and Natural Resources continued protection of prime agricultural areas which promotes Ontario's Agricultural System, while creating increased flexibility to enable more residential development in rural areas that minimizes negative impacts to farmland and farm operations. More streamlined policy direction regarding natural heritage, natural and human-made hazards, aggregates and with continued conservation of cultural heritage to also be considered.



- Community Infrastructure increased flexibility for servicing new development (e.g., water and wastewater) encouraging municipalities to undertake long-range integrated infrastructure planning. A more coordinated policy direction is also to be considered that ensures publicly funded school facilities are part of integrated municipal planning and meet the needs of high growth communities.
- Streamlined Planning Framework more streamlined, less prescriptive policy direction including a straightforward approach to assessing land needs, that is focused on outcomes that focus more on relevance and ease of implementation.

Review of Revocation of the Central Pickering Development Plan and the Parkway Belt West Plan

The Government of Ontario is proposing to revoke two existing provincial plans as a means to reduce regulatory burdens and remove barriers to expanding housing supply; including;

- Central Pickering Development Plan, under the Ontario Planning and Development Act, 1994; and
- Parkway Belt West Plan, 1978, under the Ontario Planning and Development Act, 1994.

4.3 Potential Changes to Expand/Support Rental and Affordable Housing Supply Opportunities

Potential Changes to Planning Act and Ontario Regulation 299/19: Addition of Residential Units

Schedule 9 of Bill 23 proposes amendments to the Planning Act (Subsection 34 (19.1) with amendments to Ontario Regulation 299/19: Additional Residential Units to support gentle intensification in existing residential areas. The proposed changes would:

 allow, "as-of-right" (without the need to apply for a rezoning) up to 3 units per lot in many residential areas, including those permitting residential uses located in settlement areas with full municipal water and sewage services. This includes encompassing up to 3 units in the primary building (i.e, triplex), or up to 2 units allowed in the primary building and 1 unit allowed in an ancillary building (e.g. garden suite).

Potential Changes to Inclusionary Zoning

Ontario Regulation 232/18 is the regulation to implement inclusionary zoning in Ontario. The proposed amendments to O. Reg 232/18 would:



- Establish 5% as the upper limit on the number of affordable housing units. The 5% limit would be based on either the number of units or percentage share of gross floor area of the total residential units; and
- Establish a maximum period of twenty-five (25) years over which the affordable housing units would be required to remain affordable.

Affordable units are defined as those which are no greater than 80% of the average resale purchase price for ownerships units or 80% of the average market rent (A.M.R.) for rental units.

5. Changes to the Conservation Authorities Act

Programs and services that are prohibited within municipal and other programs and services: Authorities would no longer be permitted to review and comment on a proposal, application, or other matter made under a prescribed Act. The Province proposes that a new regulation would prescribe the following Acts in this regard:

- The Aggregate Resources Act
- The Condominium Act
- The Drainage Act
- The Endangered Species Act
- The Environmental Assessment Act
- The Environmental Protection Act
- The Niagara Escarpment Planning and Development Act
- The Ontario Heritage Act
- The Ontario Water Resources Act
- The Planning Act
- These changes would focus an authority's role in plan review and commenting on applications made under the above Acts (including the Planning Act) to the risks of natural hazards only. Authorities would no longer be able to review applications with respect to natural heritage impacts.
- With respect to natural heritage review requirements, the Province is proposing
 to integrate the Provincial Policy Statement, 2020 and A Place To Grow: Growth
 Plan for the Greater Golden Horseshoe into a new Province-wide planning policy
 instrument. It is proposed that this new instrument could include changes to
 natural heritage policy direction (see section 4.2 above).



Minister's ability to freeze fees: The Minister would have the ability to direct an authority to not change the amount of any fee it charges (including for mandatory programs and services) for a specified period of time.

Exemptions to requiting a permit under section 28 of the Conservation Authorities Act: Where development has been authorized under the Planning Act it will be exempt from required permits to authorize the development under section 28 of the Conservation Authorities Act. Exemptions to permits would also be granted where prescribed conditions are met.

 Regulation making authority would be provided to govern the exceptions to section 28 permits, including prescribing municipalities to which the exception applies, and any other conditions or restrictions that must be satisfied.

Shortened timeframe for decisions: Applicants may appeal the failure of the authority to issue a permit to the Ontario Land Tribunal within 90 days (shortened from 120 days currently).

6. Next Steps

We will continue to monitor the legislative changes and keep you informed. Further, there will be opportunities for municipalities to provide comments and/or written submissions through the provincial process. We note that there may be further questions and concerns which we may advance to the Province after our detailed review of this Bill and potential regulation(s).

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.



November 14, 2022

To Our Conservation Authority and Municipal Clients:

Re: <u>Assessment of Bill 23 (More Homes Built Faster Act) – Conservation Authorities Act</u>

On behalf of our many conservation authority and municipal clients, we are continuing to provide the most up-to-date information on the proposed changes to the *Conservation Authorities Act* (C.A. Act) as proposed by Bill 23 (*More Homes Built Faster Act*). As identified in our October 31, 2022 letter to you, our firm is providing an evaluation of the proposed changes to the C.A. Act along with potential impacts arising from these changes. The following comments will be included in our formal response to the Province.

1. Overview Commentary

The Province has introduced Bill 23 with the following objective: "This plan is part of a long-term strategy to increase housing supply and provide attainable housing options for hardworking Ontarians and their families." The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over the next 10 years. To implement this plan, Bill 23 introduces a number of changes to the C.A. Act., along with nine other Acts including the *Development Charges Act* and the *Planning Act*, which seek to increase the supply of housing.

One of the proposed amendments to the C.A. Act is that the Minister of Natural Resources and Forestry would have the authority to prevent a conservation authority from increasing their fees and charges. Providing the Minister with this power is proposed to limit the financial burden of any fee increases on developers and landowners in an attempt to accelerate housing in Ontario and make housing more affordable. The proposed limitation would result in a cross-subsidization of the costs of plan review and permitting for development to existing taxpayers. This is a result of these costs having to be offset by the municipal levy charged by conservation authorities.

If these costs cannot be recovered from the municipal levy, then conservation authorities would be under pressure to provide the intended level of service for development approvals with less funding. When considered in combination with the other changes proposed that would limit the scope of conservation authority involvement in the development approvals process, this may impact the quality and efficiency of the approvals process, and potentially impair the Province's goal of accelerating an increase in housing development.





Over the past 33 years, there have been other changes to legislation, such as the *Development Charges Act*, that have reduced the costs payable by development. These historical reductions have not resulted in a decrease in housing prices; hence, it is difficult to relate how further limiting funding for municipal and conservation authority services will increase the supply of affordable housing. Moreover, conservation authority fees for plan review and permitting in the Greater Toronto Area and outer rim typically comprise less than 0.1% of the cost of a new home. This further illustrates the limited impact this proposal would have on making housing more affordable. The potential increase on the municipal levy, however, would add to the burden of housing affordability for the existing taxpayer, particularly when coupled with the other legislative changes proposed by Bill 23.

2. Changes to the C.A. Act

2.1 Changes to conservation authority involvement in the development approvals process

- Programs and services that are prohibited within municipal and other programs and services:
 - Authorities would no longer be permitted to review and comment on a proposal, application, or other matter made under a prescribed Act (if not related to their mandatory programs and services under O. Reg. 686/21).
 The Province proposes that a new regulation would prescribe the following Acts in this regard:
 - The Aggregate Resources Act
 - The Condominium Act
 - The *Drainage Act*
 - The Endangered Species Act
 - The Environmental Assessment Act
 - The Environmental Protection Act
 - The Niagara Escarpment Planning and Development Act
 - The Ontario Heritage Act
 - The Ontario Water Resources Act
 - The *Planning Act.*
- Exemptions to requiting a permit under section 28 of the Conservation Authorities
 <u>Act</u>
 - Where development has been authorized under the *Planning Act* it will be exempt from required permits to authorize the development under section 28 of the *Conservation Authorities Act*. Exemptions to permits would also be granted where prescribed conditions are met.
 - Regulation making authority would be provided to govern the exceptions to section 28 permits, including prescribing municipalities to which the exception applies, and any other conditions or restrictions that must be satisfied.



Shortened timeframe for decisions

 Applicants may appeal the failure of the authority to issue a permit to the Ontario Land Tribunal within 90 days (shortened from 120 days currently).

Analysis/Commentary

- These changes would focus an authority's role in plan review and commenting on applications made under the above Acts (including the *Planning Act*) to the risks of natural hazards only, limit the developments in which permits under section 28 of the C.A Act would be required, and shorten timeframes for issuing permits. Authorities would no longer be able to review applications with respect to the natural heritage impacts.
- With respect to natural heritage review requirements, the Province is proposing
 to integrate the Provincial Policy Statement, 2020 (P.P.S.) and A Place To Grow:
 Growth Plan for the Greater Golden Horseshoe into a new Province-wide
 planning policy instrument. It is proposed that this new instrument could include
 changes to natural heritage policy direction.
- Recent amendments to the C.A. Act have already been implemented to limit a conservation authority to programs and services within their core mandate unless they have entered into an agreement with a municipal partner. Conservation authorities are able to efficiently provide services, such as natural heritage review required under the P.P.S., to municipalities across their watershed. Removing this ability from conservation authorities may result in municipalities having to find other external sources with the expertise to undertake this review, adding to the cost and timeframes for development approvals and negatively impacting the Province's goal of creating more housing.

2.2 Minister's ability to freeze fees

 The Minister would have the ability to direct an authority to not change the amount of any fee it charges (including for mandatory programs and services) for a specified period of time.

Analysis/Commentary

- Limiting the ability of conservation authorities to recover the costs of plan review and permitting from benefiting developers and landowners will place additional financial burdens on conservation authorities and municipalities to fund these activities.
- As the goal of the Province is to create more housing, it is suggested that any limitations to conservation authority fees that are implemented should only apply to plan review and permitting fees related to the construction of new homes.



We will continue to monitor the legislative changes and advise as the Bill proceeds.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

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November 14, 2022

Dear Clients:

Re: <u>Assessment of Bill 23 (More Homes Built Faster Act) – Planning Matters</u>

On behalf of our many municipal clients, we are continuing to provide the most up to date information on the proposed changes to housing and planning related legislation as proposed by Bill 23 (*More Homes Built Faster Act*). As identified in our October 31, 2022 letter to you, our firm is providing an evaluation of the proposed changes along with potential impacts arising from these changes. The following comments will be included in our formal response to the Province which we anticipate presenting to the Standing Committee on Heritage, Infrastructure and Cultural Policy this week.

Overview Commentary

The Province has introduced Bill 23 with the following objective: "This plan is part of a long-term strategy to increase housing supply and provide attainable housing options for hardworking Ontarians and their families." The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over the next 10 years. To implement this, Bill 23 introduces a number of changes which seek to increase the supply of housing. The following summary of proposed key housing and planning related changes, along with our firm's commentary, is provided below. It is noted that this letter specifically focuses on the impacts of Bill 23 regarding long-range planning and growth management initiatives at the municipal level.

Streamlining Municipal Planning Responsibilities

Schedule 9 of the Bill proposes a number of amendments to the *Planning Act*. Subsection 1 (1) of the Act is proposed to be amended to provide for two different classes of upper-tier municipalities; those that have planning responsibilities and those that do not. Changes are proposed to remove the planning policy and approval responsibilities from the following upper-tier municipalities: Regions of Durham, Halton, Niagara, Peel, Waterloo, and York, as well as the County of Simcoe. In addition, the proposed changes could potentially be applied to additional upper-tier municipalities in the future via regulation.

The proposed amendments under Schedule 9 of the Bill introduce numerous questions related to the approach to ensuring effective leadership, management and integration of regional and local land use planning across the affected jurisdictions. In addition to providing a broad vision and planning direction with respect to the long-term management of urban, rural and natural systems, upper-tier municipal planning authorities also play a critical role regarding the coordination, phasing, and delivery of





water, wastewater and transportation infrastructure as well as other municipal services. The Provincial Policy Statement, 2020 (P.P.S.), sets out specific responsibilities for upper-tier municipalities, in consultation with lower-tier municipalities, related to planning coordination, housing, economic development, natural environment and municipal infrastructure. Furthermore, the P.P.S. directs upper-tier municipal planning authorities to provide policy direction to lower-tier municipalities on matters that cross municipal boundaries.

While the proposed amendment to the Bill aims to streamline the land use planning process across the affected municipalities, it risks increasing complexity and miscommunication while adding to the technical and administrative efforts of both lower-tier and upper-tier municipalities, as well as the Province.

Furthermore, it would remove critical planning resources and knowledge at the uppertier level which are required when addressing matters that cross technical disciplines and municipal jurisdictions. This would potentially result in disjointed efforts and outcomes with respect to local planning approvals and regional municipal service delivery.

Review of the Potential Integration of A Place to Grow and the Provincial Policy Statement (P.P.S.)

The Ministry of Municipal Affairs and Housing is undertaking a housing-focused policy review of A Place to Grow: the Growth Plan for the Greater Golden Horseshoe (G.G.H.), 2019, as amended, hereinafter referred to as the Growth Plan, and the P.P.S. The Province is reviewing the potential integration of the P.P.S. and the Growth Plan into a new Province-wide planning policy framework that is intended to:

- Leverage housing-supportive policies of both policy documents, while removing or streamlining policies that result in duplication, delays or burden the development of housing;
- Ensure key growth management and planning tools are available to increase housing supply and support a range and mix of housing options;
- Continue to protect the environment, cultural heritage, and public health and safety; and
- Ensure that growth is supported with the appropriate amount and type of community infrastructure.

Since the release of the Growth Plan in 2006 under the *Places to Grow Act, 2005*, G.G.H. municipalities have been in a continuous cycle of developing and defending growth management processes and Official Plan updates. Over the past several years, all G.G.H. upper-tier, single-tier, and most lower-tier municipalities have initiated the process of updating their respective Official Plans to bring these documents into conformity with the Growth Plan. Within the G.G.H., this process is referred to as a Municipal Comprehensive Review (M.C.R.). Many of these municipalities have



completed their draft M.C.R. analyses and draft Official Plan updates for provincial approval, while several others are approaching completion.

The required technical analysis associated with the growth analysis and urban land needs assessment component of the M.C.R. process is set out in the Provincial Land Needs Assessment (L.N.A.) methodology, which is specific to G.G.H. municipalities. The M.C.R. process has required tremendous time and effort on behalf of municipalities, consulting agencies, stakeholder groups and involved residents. The results of these efforts represent a key planning milestone for all G.G.H. municipalities and provide a solid foundation to build on as it relates to future growth management implementation, monitoring and benchmarking.

Ontario municipalities located outside the G.G.H. are also now in the process of updating their respective Official Plans in accordance with the P.P.S. For municipalities in these jurisdictions, this process is referred to as a Comprehensive Review (C.R.). While there are potential benefits regarding the consolidation of the P.P.S. and the Growth Plan, as it relates to the M.C.R. and C.R. process, there are a number of issues that should be considered regarding this effort, particularly as they relate to long-term growth management and urban land needs, discussed below.

Long-Term Population and Employment Forecasts

Schedule 3 of the Growth Plan establishes minimum long-term population and employment forecasts for upper-tier and single-tier municipalities in the G.G.H. to the year 2051. The Ministry of Finance (M.O.F.) also establishes long-term population forecasts for all Ontario Census Divisions (C.D.s), which typically represent upper-tier municipalities, separated municipalities, and single-tier municipalities. The M.O.F. forecasts are not recognized as official forecasts for planning purposes in Ontario; however, they are updated annually and can be used to inform population forecasts in Official Plans. Under a consolidated Growth Plan and P.P.S., consideration would need to be given to the role and source of growth forecasts established by the Province for all Ontario municipalities.

Provincial Land Needs Assessment Methodology Guidelines

As previously noted, the L.N.A. methodology for G.G.H. municipalities was updated by the Province in 2020. In accordance with the Growth Plan, the L.N.A. methodology provides a step-by-step approach to conducting growth forecasts and urban land need assessments for upper-tier and single-tier municipalities for both Community Areas (i.e., living areas) and Employment Areas. All other Ontario municipalities rely on the 1995 Provincial Projection Methodology Guidelines (P.P.M.G.) for guidance regarding the technical approach to growth forecasts and urban land need assessments. It is noted

^[1] A Place to Grow: Growth Plan for the Greater Golden Horseshoe, Land Needs Assessment Methodology for the Greater Golden Horseshoe. August 2020.



that the 1995 P.P.M.G. suggests that a simplified methodology can be used for smaller or low-growth municipalities. It is further noted that the P.P.M.G. is meant to be used as "best practices" and the guidelines are not mandatory. Under a consolidated Growth Plan and P.P.S., consideration is required regarding the application of a standardized L.N.A. methodology for all Ontario municipalities.

Addressing Urban Land Needs for Urban Settlement Areas

An important term used in the P.P.S. in the context of both urban land needs and housing affordability is the *Regional Market Area (R.M.A.)*. The R.M.A. is defined in the P.P.S. and Growth Plan (with modifications) as follows:

"an area that has a high degree of social and economic interaction. The upper- or single-tier municipality, or planning area, will normally serve as the regional market area. However, where a regional market area extends significantly beyond these boundaries, then the regional market area may be based on the larger market area. Where regional market areas are very large and sparsely populated, a smaller area, if defined in an official plan, may be utilized."

With respect to urban residential land needs assessments, the broad objective of this policy is to ensure the efficient and wise use of all designated urban lands, both occupied and vacant, within the R.M.A. before expanding Urban Settlement Area boundaries. Across southern Ontario municipalities, a key challenge with the application of this policy is the mismatch of urban residential land needs at the urban settlement area level within the defined R.M.A. geography.

If the R.M.A. definition is interpreted too rigidly, it can constrain urban residential development within Urban Settlement Areas, and more broadly across entire municipalities, where identified urban land surpluses have been determined elsewhere within the R.M.A. Neither the P.P.S. nor the Growth Plan provide adequate direction for addressing residential urban land supply and demand mismatches within the R.M.A. Subsection 2.2.1.6 of the Growth Plan provides policy direction regarding *Excess Lands*, which applies exclusively to Outer Ring G.G.H. municipalities. Under a consolidated Growth Plan and P.P.S., a review of the R.M.A. and Excess Lands policies would be required to determine an appropriate and standardized approach to addressing localized urban residential land needs for Urban Settlement Areas and local municipalities.

Residential Intensification Targets and Minimum Density Requirements

Subsection 2.2.7.2 of the Growth Plan provides direction with respect to minimum greenfield density targets for G.G.H. upper-tier and single-tier municipalities. These densities range between 40 and 50 people and jobs per gross hectare (ha). Minimum density requirements are also prescribed in the Growth Plan for Strategic Growth Areas,



such as Urban Growth Centres and Major Transit Station Areas (M.T.S.A.s). The P.P.S. does not prescribe minimum density targets for Ontario municipalities but does require municipalities to establish density targets for areas adjacent, or in proximity, to M.T.S.A.s and corridors.

Subsection 2.2.2.1 of the Growth Plan requires upper-tier and single-tier G.G.H. municipalities to establish minimum intensification targets within delineated built-up areas (B.U.A.s). These were established under the Growth Plan, 2006. The delineated B.U.A.s within G.G.H. municipalities have remained unchanged since the Growth Plan was established in 2006. The P.P.S. also requires municipalities to establish residential intensification targets but does not prescribe minimum density targets for Ontario municipalities. Furthermore, the P.P.S. does not require municipalities to delineate built area boundaries in Official Plans; however, some Ontario municipalities outside the G.G.H. have delineated built area boundaries for planning purposes. It is noted that the delineation of built area boundaries may be subject to change or update for municipalities outside the G.G.H., while B.U.A.s within the G.G.H. will remain fixed as of 2006. Under a consolidated Growth Plan and P.P.S., a standardized approach to minimum density requirements and residential intensification targets would be required for all Ontario municipalities.

Rural Housing

An identified area of the Growth Plan and P.P.S. review is to provide policy direction to enable more residential development in Rural Areas. Rural Settlement Areas include existing hamlets or similar existing small settlement areas that are established in Official Plans. These communities are typically serviced by individual, private, on-site water and/or private wastewater systems. Rural Settlement Areas provide clusters of business operations that are essential to future economic growth. Infilling and minor rounding out of existing residential and non-residential development within Rural Settlement Areas is important to ensure that these areas remain vibrant, sustainable and complete communities. Under a consolidated Growth Plan and P.P.S., enabling more residential development in Rural Settlement Areas, and Rural Areas more broadly, would need to be considered within the context of the existing provincial and local policy frameworks, the land use hierarchy identified in Official Plans, the provision of servicing, as well as the protection of natural heritage and agricultural lands.

Employment Area Conversion

An identified area of the Growth Plan and P.P.S. review is to provide policy direction to streamline and simplify the conversion of Employment Areas to new residential and mixed-use development, where appropriate. Employment Areas form a vital component of a municipality's land use structure and represent an integral part of the local economic development potential and competitiveness of municipalities. If not carefully evaluated, the conversion of Employment Areas to non-employment uses can potentially lead to negative impacts on the local economy in several ways. First,



Employment Area conversions can reduce employment opportunities, particularly in export-based sectors, creating local imbalances between population and employment. Second, Employment Area conversions can potentially erode employment land supply and lead to further conversion pressure as a result of encroachment of non-employment uses within, or adjacent to, Employment Areas. Finally, Employment Area conversions can potentially fragment existing Employment Areas, undermining their functionality and competitive position. Under a consolidated Growth Plan and P.P.S., policy direction regarding the conversion of Employment Areas should emphasize principles and criteria that examine both the quantity and quality of Employment Areas within the context of the local and regional market attributes, as well as the planned urban function of the subject conversion sites.

2031 Municipal Housing Targets

The Province has identified that an additional 1.5 million new housing units are required to be built over the next decade to meet Ontario's current and forecast housing needs. Furthermore, the Province has assigned municipal housing targets, identifying the number of new housing units needed by 2031, impacting 29 of Ontario's largest and many of the fastest growing single/lower tier municipalities. Key observations on the Province's plan are as follows:

- The municipal housing targets for 2031 collectively account for 1,229,000 units, representing about 82% of Ontario's overall 1.5 million new homes target.
- Of the 29 municipalities with housing targets identified, 25 are within the G.G.H. and four are located in other areas of southwestern and southeastern Ontario.
- Within the G.G.H. municipalities, the municipal housing targets are generally higher than approved housing forecasts. In non-G.G.H. municipalities, there is generally less discrepancy between the approved housing forecasts and the Province's targets. Having said that, the Municipal Housing Pledges are not intended to replace current municipal Official Plans.
- The municipal housing targets are based on current and future housing needs. A share of the overall housing need is attributed to a structural deficit in existing housing inventories, while a portion of the housing need is linked to anticipated population growth over the next decade.
- The housing targets are adapted from the housing needs assessment provided in the "Ontario's Need for 1.5 Million More Homes" report, prepared by Smart Prosperity Institute, dated August 2022.
- The impacted municipalities are being asked to prepare Municipal Housing Pledges to meet these housing targets. These pledges must include details on how the municipality will enable/support housing development through a range of planning, development approvals and infrastructure related initiatives.
- These housing pledges are not intended to replace current municipal Official Plans and are not expected to impact adopted municipal population or employment projections.



- While the municipal housing targets do not specify housing form, density, or geographic location (e.g., greenfield, intensification), it is anticipated that any needs beyond adopted housing forecasts will largely comprise rental and affordable housing units primarily located within B.U.A.s, and to a lesser extent, designated greenfield areas (D.G.A.s).
- To develop effective local policies and programs to support the achievement of the housing targets, it is recommended that municipalities assess their existing and future housing needs through a local lens, building on the high-level assessment provided by the Province.
- Local housing needs should be considered within a broader growth management framework, reflecting population, labour and employment/economic growth potential, and addressed through a planning, economic, fiscal and housing affordability lens.

Potential Changes to Inclusionary Zoning

Inclusionary zoning is a tool that can be used by municipalities to ensure the provision of affordable housing. Ontario Regulation (O. Reg.) 232/18 implements inclusionary zoning in Ontario. The proposed amendments to O. Reg 232/18 would:

- Establish 5% as the upper limit on the number of affordable housing units; the 5% limit would be based on either the number of units or percentage share of gross floor area of the total residential units; and
- Establish a maximum period of twenty-five (25) years over which the affordable housing units would be required to remain affordable.

While the proposed changes provide certainty with respect to affordable housing to be provided under inclusionary zoning, they greatly limit a municipality's ability to tailor the provision for affordable housing to the local market and for development feasibility considerations identified through the required Inclusionary Zoning Assessment Report.

We will continue to monitor the legislative changes and advise as the Bill proceeds.

Yours very truly,

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November 16, 2022

To Our Parkland Dedication By-Law Clients:

Re: Assessment of Bill 23 (More Homes Built Faster Act)

On behalf of our many municipal clients, we are continuing to provide the most up-to-date information on the proposed changes to the parkland dedication requirements of the *Planning Act*, as proposed by Bill 23 (*More Homes Built Faster Act*). As identified in our October 31, 2022 letter to you, our firm is providing an evaluation of the proposed changes to section 42 of the *Planning Act*, along with potential impacts arising from these changes. The following comments will be included in our formal response to the Province, which we anticipate presenting to the Standing Committee on Heritage, Infrastructure and Cultural Policy later this week.

1. Overview Commentary

The Province has introduced Bill 23 with the following objective: "This plan is part of a long-term strategy to increase housing supply and provide attainable housing options for hardworking Ontarians and their families." The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over the next 10 years. To implement this plan, Bill 23 introduces a number of changes to the *Planning Act* (along with nine other Acts, including the *Development Charges Act* (D.C.A.)), which seek to increase the supply of housing.

As discussed later in this letter, the proposed changes to parkland dedication would significantly reduce the amount of parkland conveyance and payments-in-lieu (P.I.L.) of parkland to municipalities. The proposed changes under Bill 23 would impact municipalities by:

- Reducing the amount of development subject to parkland dedication by exempting affordable, attainable, non-profit and additional residential dwelling units;
- Reducing P.I.L. revenues for some developments by grandfathering in charges by up to 2 years, reflecting land values at the time of Site Plan and Zoning By-law Amendment applications;
- Reducing and capping the alternative requirements for parkland dedication, which results in significant reductions in parkland conveyance and P.I.L. revenues, particularly for high-density developments;
- Increasing the administrative burden on municipalities by requiring the preparation of and consultation on a parks plan with the passage of a parkland



- dedication by-law, whether utilizing the standard or alternative requirements, and by requiring the allocation and reporting on funds annually; and
- Limiting local decision-making by allowing the Province to prescribe criteria for municipal acceptance of incumbered lands and privately owned public space (POPs) for parks purposes.

It is anticipated that the resultant loss in parkland dedication from development will result in either a cross-subsidization from existing taxpayers having to provide increased funding for parks services to maintain planned levels of service in their community, or an erosion of service levels over time. The timing of these changes, and others proposed in Bill 23 to limit funding from development, is occurring at a time when municipalities are faced with increased funding challenges associated with cost inflation and the implementation of asset management plans under the *Infrastructure for Jobs and Prosperity Act*.

A summary of the proposed parkland dedication changes under section 42 of the *Planning Act*, along with our firm's commentary, is provided below.

2. Changes to Section 42 of the *Planning Act*

- **2.1 New Statutory Exemptions**: Affordable residential units, attainable residential units, inclusionary zoning residential units, non-profit housing and additional residential unit developments will be exempt from parkland dedication requirements. For affordable, attainable, and inclusionary zoning residential units, the exemption is proposed to be implemented by:
 - discounting the standard parkland dedication requirements (i.e., 5% of land) based on the proportion of development excluding affordable, attainable and inclusionary zoning residential units relative to the total residential units for the development; or
 - where the alternative requirement is imposed, the affordable, attainable and inclusionary zoning residential units would be excluded from the calculation.

For non-profit housing and additional residential units, a parkland dedication by-law (i.e., a by-law passed under section 42 of the *Planning Act*) will not apply to these types of development:

- Affordable Rental Unit: as defined under subsection 4.1 (2) of the D.C.A., where
 rent is no more than 80% of the average market rent as defined by a new bulletin
 published by the Ministry of Municipal Affairs and Housing.
- Affordable Owned Unit: as defined under subsection 4.1 (3) of the D.C.A., where
 the price of the unit is no more than 80% of the average purchase price as
 defined by a new bulletin published by the Ministry of Municipal Affairs and
 Housing.



- Attainable Unit: as defined under subsection 4.1 (4) of the D.C.A., excludes
 affordable units and rental units, will be defined as prescribed development or
 class of development and sold to a person who is at "arm's length" from the
 seller.
- Inclusionary Zoning Units: as described under subsection 4.3 (2) of the D.C.A.
- Non-Profit Housing: as defined under subsection 4.2 (1) of the D.C.A.
- Additional Residential Units, including:
 - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit:
 - A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
 - One residential unit in a building or structure ancillary to a detached, semidetached, or rowhouse on a parcel of urban land, if the detached, semidetached, or rowhouse contains no more than two residential units and no other buildings or ancillary structures contain any residential units.

Analysis/Commentary

- While reducing municipal requirements for the conveyance of land or P.I.L. of
 parkland may provide a further margin for builders to create additional affordable
 housing units, the proposed parkland dedication exemptions will increase the
 financial burdens on municipalities to fund these exemptions from property tax
 sources (in the absence of any financial participation by senior levels of
 government) or erode municipalities' planned level of parks service.
- The definition of "attainable" is unclear, as this has not yet been defined in the regulations to the D.C.A.
- Under the proposed changes to the D.C.A, municipalities will have to enter into agreements to ensure these units remain affordable and attainable over a period of time, which will increase the administrative burden (and costs) on municipalities. An agreement does not appear to be required for affordable/attainable units exempt from parkland dedication. Assuming, however, that most developments required to convey land or provide P.I.L. of parkland would also be required to pay development charges, the units will be covered by the agreements required under the D.C.A. As such, the *Planning Act* changes should provide for P.I.L. requirements if the status of the development changes during the period.
- It is unclear whether the bulletin provided by the Province to determine if a
 development is affordable will be specific to each municipality or aggregated by
 County/Region or Province. Due to the disparity in incomes across Ontario,
 affordability will vary significantly across these jurisdictions. Even within an
 individual municipality there can be disparity in the average market rents and
 average market purchase prices.



- While the proposed exemptions for non-profit housing and additional residential
 units may be easily applied for municipalities imposing the alternative
 requirement, as these requirements are imposed on a per residential unit basis, it
 is unclear at this time how a by-law requiring the standard provision of 5% of
 residential land would be applied.
- **2.2 Determination of Parkland Dedication**: Similar to the rules under the D.C.A., the determination of parkland dedication for a building permit issued within two years of a Site Plan and/or Zoning By-law Amendment approval would be subject to the requirements in the by-law as at the date of planning application submission.

Analysis/Commentary

- If passed as currently drafted, these changes would not apply to site plan or zoning by-law applications made before subsection 12 (6) of Schedule 9 of the *More Homes Built Faster Act* comes into force.
- For applications made after the in-force date, this would represent a lag in P.I.L. value provided to municipalities, as it would represent the respective land value up to two years prior vs. current value at building permit issuance. For municipalities having to purchase parkland, this will put additional funding pressure on property tax funding sources to make up the difference, or further erode the municipality's planned level of parks service.
- **2.3 Alternative Parkland Dedication Requirement:** The following amendments are proposed for the imposition of the alternative parkland dedication requirements:
 - The alternative requirement of 1 hectare (ha) per 300 dwelling units would be reduced to 1 ha per 600 dwelling units where land is being conveyed. Where the municipality imposes P.I.L. requirements, the amendments would reduce the amount from 1 ha per 500 dwelling units to 1 ha per 1,000 net residential units.
 - Proposed amendments clarify that the alternative requirement would only be calculated on the incremental units of development/redevelopment.
 - The alternative requirement would be capped at 10% of the land area or land value where the land proposed for development or redevelopment is 5 ha or less; and 15% of the land area or land value where the land proposed for development or redevelopment is greater than 5 ha.

Analysis/Commentary

- If passed as currently drafted, the decrease in the alternative requirements for land conveyed and P.I.L. would not apply to building permits issued before subsection 12 (8) of Schedule 9 of the *More Homes Built Faster Act* comes into force.
- Most municipal parkland dedication by-laws only imposed the alternative requirements on incremental development. As such, the proposed amendments

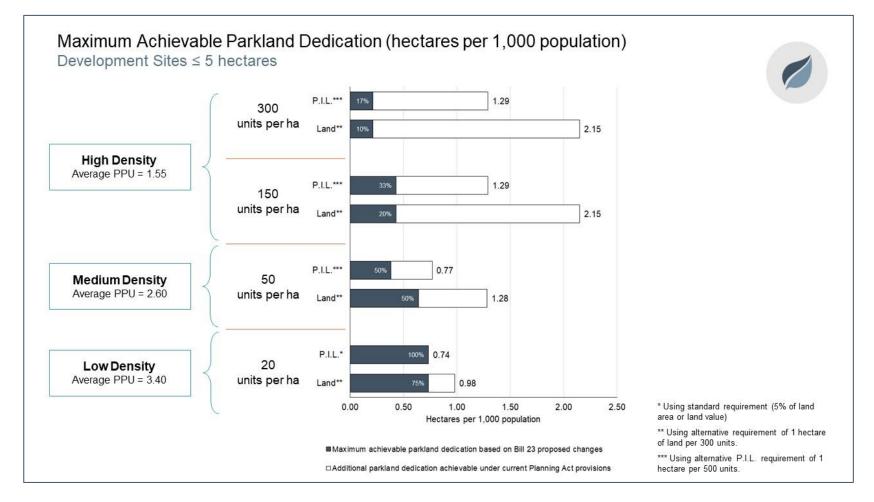


- for net residential units seek to clarify the matter where parkland dedication bylaws are unclear.
- Section 42 previously imposed the alternative requirement caps of 10% and 15% of land area or value, depending on the respective developable land area, for developments only within designated transit-oriented communities. By repealing subsection 42 (3.2) of the *Planning Act*, these caps would apply to all developable lands under the by-law.
- As illustrated in the figure below, lowering the alternative parkland dedication requirement and imposing caps based on the developable land area will place significant downward pressure on the amount of parkland dedication provided to municipalities, particularly those municipalities with significant amounts of highdensity development. For example:
 - Low-density development of 20 units per net ha (uph), with a person per unit (P.P.U.) occupancy of 3.4, would have produced a land conveyance of 0.98 ha per 1,000 population. The proposed change would reduce this to 0.74 ha, approximately 75% of current levels.
 - Medium-density development of 50 uph, with a P.P.U. of 2.6 would produce land conveyance at 50% of current levels (0.64 vs. 1.28 ha/1,000 population).
 - Low-rise development of 150 uph, with a P.P.U. of 2.6 would produce land conveyance at 20% of current levels (0.43 vs. 2.15 ha/1,000 population).
 P.I.L. would be approximately 1/3 of current levels.
 - High-rise development of 300 uph, with a P.P.U. of 2.6 would produce land conveyance at 10% of current levels (0.22 vs. 2.15 ha/1,000 population). P.I.L. would be approximately 17% of current levels.^[1]

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^[1] Low-rise and high-rise developments with sites larger than 5 ha would only be marginally better under the proposed changes, at 30% and 15% of land conveyance and 50% and 25% P.I.L., respectively.







- Based on the proposed alternative requirement rates and land area caps, municipalities would be better off:
 - For land conveyance, imposing the alternative requirement for densities greater than 30 units per ha.
 - Sites of 5 ha or less, land conveyance would be capped at 10% of land area at densities greater than 60 units per ha.
 - Sites greater than 5 ha, land conveyance would be capped at 15% of land area at densities greater than 90 units per ha.
 - For P.I.L. of parkland, imposing the alternative requirement for densities greater than 50 units per ha.
 - Sites of 5 ha or less, land conveyance would be capped at 10% of land area at densities greater than 100 units per ha.
 - Sites greater than 5 ha, land conveyance would be capped at 15% of land area at densities greater than 150 units per ha.
 - For densities less than 30 units per ha, imposing the standard requirement of 5% of land area for land conveyance and P.I.L. of parkland.
- **2.4 Parks Plan:** The preparation of a publicly available parks plan as part of enabling an Official Plan will be required at the time of passing a parkland dedication by-law under section 42 of the *Planning Act*.

Analysis/Commentary

- The proposed change will still require municipal Official Plans to contain specific policies dealing with the provision of land for parks or other public recreational purposes where the alternative requirement is used.
- The requirement to prepare and consult on a parks plan prior to passing a by-law under section 42 would now appear to equally apply to a by-law including the standard parkland dedication requirements, as well as the alternative parkland dedication requirements. This will result in an increase in the administrative burden (and cost) for municipalities using the standard parkland dedication requirements.
- Municipalities imposing the alternative requirement in a parkland dedication bylaw on September 18, 2020 had their by-law expire on September 18, 2022 as a result of the COVID-19 Economic Recovery Act amendments. Many municipalities recently undertook to pass a new parkland dedication by-law, examining their needs for parkland and other recreational assets. Similar transitional provisions for existing parkland dedication by-laws should be provided with sufficient time granted to allow municipalities to prepare and consult on the required parks plan.
- **2.5** Identification of Lands for Conveyance: Owners will be allowed to identify lands to meet parkland conveyance requirements, within regulatory criteria. These lands may include encumbered lands and privately owned public space (POPs).



Municipalities may enter into agreements with the owners of the land regarding POPs to enforce conditions, and these agreements may be registered on title. The suitability of land for parks and recreational purposes will be appealable to the Ontario Land Tribunal (OLT).

Analysis/Commentary

- The proposed changes allow the owner of land to identify encumbered lands for parkland dedication consistent with the provisions available to the Minister of Infrastructure to order such lands within transit-oriented communities. Similar to the expansion of parkland dedication caps, these changes would allow this to occur for all developable lands under the by-law. The proposed changes go further to allow for an interest in land, or POPs.
- The municipality may refuse the land identified for conveyance, providing notice to the owner with such requirements as prescribed. The owner, however, may appeal the decision to the OLT. The hearing would result in the Tribunal determining if the lands identified are in accordance with the criteria prescribed. These "criteria" are unclear, as they have not yet been defined in the regulations.
- Many municipal parkland dedication by-laws do not except encumber lands or POPs as suitable lands for parkland dedication. This is due, in part, to municipalities' inability to control the lands being dedicated or that they are not suitable to meet service levels for parks services. Municipalities that do accept these types of lands for parkland or other recreational purposes have clearly expressed such in their parkland dedication by-laws. The proposed changes would appear to allow the developers of the land, and the Province within prescribed criteria, to determine future parks service levels in municipalities in place of municipal council intent.
- **2.6 Requirement to Allocate Funds Received:** Similar to the requirements for C.B.C.s, and proposed for the D.C.A. under Bill 23, annually beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year.

Analysis/Commentary

 This proposed change appears largely administrative, increasing the burden on municipalities. This change would not have a fiscal impact and could be achieved as a schedule to annual capital budget. Moreover, as the Province may prescribe annual reporting, similar to the requirements under the D.C.A. and for a C.B.C under the *Planning Act*.



We will continue to monitor the legislative changes and will keep you informed as the Bill proceeds.

Yours very truly,

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November 16, 2022

To Our Municipal Clients:

Re: <u>Assessment of Bill 23 (More Homes Built Faster Act) – Community Benefits Charges</u>

On behalf of our many municipal clients, we are continuing to provide the most up-to-date information on the proposed changes to the *Planning Act* related to community benefits charges (C.B.C.s), as proposed by Bill 23 (*More Homes Built Faster Act*). As identified in our October 31, 2022 letter to you, our firm is providing an evaluation of the proposed changes to C.B.C.s along with potential impacts arising from these changes. The following comments will be included in our formal response to the Province, which we anticipate presenting to the Standing Committee on Heritage, Infrastructure and Cultural Policy later this week.

Overview Commentary

The Province has introduced Bill 23 with the following objective: "This plan is part of a long-term strategy to increase housing supply and provide attainable housing options for hardworking Ontarians and their families." The Province's plan is to address the housing crisis by targeting the creation of 1.5 million homes over the next 10 years. To implement this plan, Bill 23 introduces several changes to the *Planning Act*, along with nine other Acts including the *Development Charges Act* (D.C.A.) and the *Conservation Authorities Act*, which seek to increase the supply of housing.

One of the proposed amendments to the *Planning Act* seeks to exempt affordable housing units (ownership and rental) and attainable housing units from C.B.C.s. While the creation of affordable housing units is an admirable goal, there is a lack of robust empirical evidence to suggest that reducing development-related fees improves housing affordability. Municipalities rely on C.B.C. funding to emplace the critical infrastructure needed to maintain livable, sustainable communities as development occurs. Introducing additional exemptions from the payment of these charges results in further revenue losses to municipalities. The resultant shortfalls in capital funding then need to be addressed by delaying growth-related infrastructure projects and/or increasing the burden on existing taxpayers through higher property taxes (which itself reduces housing affordability). If the additional exemptions from C.B.C.s are deemed to be an important element of increasing the affordable housing supply, then adequate transfers from the provincial and federal governments should be provided to municipalities to offset the revenue losses resulting from these policies.





A summary of the proposed C.B.C. changes, along with our firm's commentary, is provided below.

2. Changes to the *Planning Act* – C.B.C.s

- **2.1 New Statutory Exemptions:** Affordable residential units, attainable residential units, and inclusionary zoning residential units will be exempt from the payment of C.B.C.s., with definitions provided as follows:
 - Affordable Residential Units (Rented): Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - <u>Affordable Residential Units (Ownership)</u>: Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
 - Attainable Residential Units: Excludes affordable units and rental units; will be defined as prescribed development or class of development and sold to a person who is at "arm's length" from the seller.
 - <u>Inclusionary Zoning Units</u>: Affordable housing units required under inclusionary zoning by-laws.

The exemption is proposed to be implemented by applying a discount to the maximum amount of the C.B.C. that can be imposed (i.e., 4% of land value, as specified in section 37 of the *Planning Act*). For example, if the affordable, attainable, and/or inclusionary zoning residential units represent 25% of the total building floor area, then the maximum C.B.C. that could be imposed on the development would be 3% of total land value (i.e., a reduction of 25% from the maximum C.B.C. of 4% of land value).

Analysis/Commentary

- While this is an admirable goal to create additional affordable housing units, further C.B.C. exemptions will continue to provide additional financial burdens on municipalities to fund these exemptions without the financial participation of senior levels of government.
- The definition of "attainable" is unclear, as this has not yet been defined in the regulations.
- Under the proposed changes to the D.C.A, municipalities will have to enter into
 agreements to ensure that affordable units remain affordable for 25 years and
 that attainable units are attainable at the time they are sold. An agreement does
 not appear to be required for affordable/attainable residential units exempt from
 payment of a C.B.C. Assuming, however, that most developments required to
 pay a C.B.C. would also be paying development charges, the units will be
 covered by the agreements required under the D.C.A. These agreements should
 be allowed to include the C.B.C. so that if a municipality needs to enforce the



provisions of an agreement, both development charges and C.B.C.s could be collected accordingly.

- These agreements will increase the administrative burden (and costs) on municipalities. Furthermore, the administration of these agreements will be cumbersome and will need to be monitored by both the upper-tier and lower-tier municipalities.
- It is unclear whether the bulletin provided by the Province will be specific to each municipality, each County/Region, or Province-wide. Due to the disparity in incomes across Ontario, affordability will vary significantly across these jurisdictions. Even within an individual municipality, there can be disparity in the average market rents and average market purchase prices.
- Where municipalities are imposing the C.B.C. on a per dwelling unit basis, they
 will need to ensure that the total C.B.C. being imposed for all eligible units is not
 in excess of the incremental development calculation (e.g., as per the example
 above, not greater than 3% of the total land value).

2.2 Limiting the Maximum C.B.C. in Proportion to Incremental Development:

Where development or redevelopment is occurring on a parcel of land with an existing building or structure, the maximum C.B.C. that could be imposed would be calculated based on the incremental development only. For example, if a building is being expanded by 150,000 sq.ft. on a parcel of land with an existing 50,000 sq.ft. building, then the maximum C.B.C. that could be imposed on the development would be 3% of total land value (i.e., 150,000 sq.ft. / 200,000 sq.ft. = 75% x 4% maximum prescribed rate = 3% of total land value).

Analysis/Commentary

 With municipal C.B.C. by-laws imposing the C.B.C. based on the land total land value or testing the C.B.C. payable relative to total land value, there will be a reduction in revenues currently anticipated. At present, some municipal C.B.C. by-laws have provisions excluding existing buildings from the land valuation used to calculate the C.B.C. payable or to test the maximum charge that can be imposed. As such, this proposal largely seeks to clarify the administration of the charge.



We will continue to monitor the legislative changes and will keep you informed as the Bill proceeds.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

Andrew Grunda, MBA, CPA, CMA, Principal Gary Scandlan, BA, PLE, Managing Partner Jamie Cook, MCIP, RPP, PLE, Managing Partner Peter Simcisko, BA (Hons), MBE, Managing Partner Sean-Michael Stephen, MBA, Managing Partner Jack Ammendolia, BES, PLE, Managing Partner



November 29, 2022

Dear Clients:

Re: More Homes Built Faster Act

In our continued efforts to keep our clients up to date on the legislative amendments resulting from Bill 23 (*More Homes Built Faster Act*), we are writing to inform you that <u>Bill 23 received Royal Assent on November 28, 2022</u>. This letter highlights the changes that were introduced with the Second Reading of the Bill and identifies the amendments that are currently in effect for the *Development Charges Act* (D.C.A.), as well as section 37 (community benefits charges (C.B.C.s)) and section 42 (parkland dedication) of the *Planning Act*.

Development Charges Act

- Second Reading of the Bill introduced two substantive modifications to the proposed changes, including:
 - For the phase-in of the charges over the first four years of a development charges (D.C.) by-law, under First Reading the transition provisions only applied to existing D.C. by-laws passed on or after June 1, 2022. These rules now apply to a D.C. by-law passed on or after January 1, 2022.
 - The discount for rental housing developments is applicable to a D.C. payable under a section 27 agreement, for prescribed developments that were entered into before the *More Homes Built Faster Act* received Royal Assent. These discounts do not apply to payments made under the agreement prior to this date.
- All sections of Schedule 3 of the More Homes Built Faster Act are in effect as of November 28, 2022 (date of Royal Assent) with the exception of:
 - Subsection 4.1 of the D.C.A., which provides exemptions for affordable and attainable residential units;
 - Rules under front-ending agreements with respect to affordable and attainable residential units; and
 - Regulation powers related to defining attainable housing and criteria for arm's length transactions.

These exceptions will come into effect on the date of proclamation. As of the date of this letter, proclamation has not been given.

Section 37 of the *Planning Act* – Community Benefits Charges

Office: 905-272-3600

 Second Reading of the Bill introduced an additional change to the proposed C.B.C. amendments under section 37 of the *Planning Act*. The change allows a municipality to enter into an agreement with a landowner for the provision of in-





kind contributions. It also allows for this agreement to be registered on title of the land to which the charge applies.

- Section 10 of Schedule 9 of the More Homes Built Faster Act is in effect as of November 28, 2022 (date of Royal Assent) with the exception of:
 - Subsection 37 (32.1) of the *Planning Act*, which provides reductions in the maximum charge for developments containing affordable and attainable residential units.

This subsection of the *Planning Act* will come into effect on the date of proclamation. As of the date of this letter, proclamation has not been given.

Section 42 of the *Planning Act* – Parkland Dedication

- No additional changes or modifications were made since First Reading of the Bill with respect to the parkland dedication amendments under section 42 of the Planning Act.
- Section 12 of Schedule 9 of the More Homes Built Faster Act is in effect as of November 28, 2022 (date of Royal Assent) with the exception of:
 - Subsections 42 (1.1) and 42 (3.0.3) of the *Planning Act*, which provide reductions in the standard and alternative parkland dedication requirements for affordable and attainable residential unit developments; and
 - Subsections 42 (4.30) through 42 (4.39) of the *Planning Act* which allow a landowner to identify the land for parkland conveyance under the by-law.

These subsections of the *Planning Act* will come into effect on the date of proclamation. As of the date of this letter, proclamation has not been given.

We would be pleased to discuss the changes resulting from the *More Homes Built Faster Act* with you in further detail at your convenience.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

Andrew Grunda, MBA, CPA, CMA, Principal Gary Scandlan, BA, PLE, Managing Partner Peter Simcisko, BA (Hons), MBE, Managing Partner Sean-Michael Stephen, MBA, Managing Partner Jamie Cook, MCIP, RPP, PLE, Managing Partner Jack Ammendolia, BES, PLE, Managing Partner



hemson@hemson.com

November 16, 2022

ERO number: 019-6172

Ministry of Municipal Affairs and Housing

Email: MFPB@ontario.ca

To Whom It May Concern:

Re: Comments on Development Charges Act Changes Proposed In Bill 23

This letter addresses the proposed amendments to the *Development Charges Act* (DC Act) contained in Bill 23 (the *More Homes Built Faster Act*). The changes are addressed from the perspective of a consulting firm with 40 years' experience providing expert advice notably in areas of planning policy, municipal finance, demographic and economic forecasting. Of particular relevance is our extensive knowledge and understanding of development charges (DCs). We have undertaken over 250 DC studies for municipalities across Ontario.

The observations we make in this letter are also informed by extensive consultation with municipal clients as well as with the Municipal Finance Officers' Association (MFOA) and the Association of Municipalities of Ontario (AMO). However, the views expressed below are our own.

A. PROPOSED CHANGES ARE BOTH POSITIVE AND NEGATIVE

In our judgement, the impact of DC Act changes will be mixed. On the positive side, key changes being proposed will encourage the building of more housing units which are certainly needed:

 Affordable housing, which would be exempt from DCs, CBCs, and parkland dedication requirements.

- Mandatory discounts on DCs for rental housing will promote purpose built apartment rental buildings and the scaled approach to these discounts could encourage more family-sized rentals.
- DC exemptions for inclusionary zoning support the Government's desire to build affordable and market-rate housing in transit corridors and other high-density areas.

However, without a new revenue stream to offset these foregone DC payments the legislation will hamper the ability of municipalities to fund and deliver growth-related infrastructure. More specifically,

- The fiscal impact of the legislation on municipalities is substantial. We estimate that individual municipalities will collect between 10% and 35% less DC revenue in the next 5 years. The cumulative impact on all municipalities runs into the billions of dollars over the same period.
- The significance of this revenue reduction cannot be overstated as there are no provisions through Provincial-municipal revenue sharing, or new revenue raising tools, to make up for the loss. Instead, DC revenue shortfalls will have to be funded through increases in property taxes and water/wastewater utility rates. This erodes the affordability of existing homes and undermines the long established principal that growth should pay for itself.
- With the likelihood of additional municipal property taxes and utility rates being needed to cover DC shortfalls, municipal Councils may well choose to delay the delivery of growth-related infrastructure. Such delays would not be in the interests of either municipalities or the development industry and would run counter to the Government's efforts to spur housing construction.
- The DC reductions may undermine municipal-developer infrastructure cost sharing agreements that facilitate infrastructure in high growth areas of the province. These complex agreements facilitate infrastructure using DC credits or reimbursement through future DC revenue. They often require the municipality to have DC revenue on hand before issuing reimbursements. In such cases, DC revenue shortfall arising from Bill 23 would delay repayment, to the financial detriment of developers who are parties to such agreements.
- The broad application of the mandatory phase-in required for area-specific DCs is a further complication. Frequently, ASDC by-laws are used to facilitate DC credit arrangements to pay for critical hard services in targeted growth areas.



- Currently many municipalities across the Province provide DC exemptions and discounts to affordable, non-profit, and purpose-built rental housing. A consequence of Bill 23 is that these financial incentives, which have been tailored to meet the specific needs of local communities, will be replaced with broad mandatory provisions, which may not work as well. Moreover, with their DC revenue raising ability curtailed, municipalities may choose to discontinue existing incentives entirely in order to mitigate revenue losses.
- Finally, because key provisions of the DC Act proposals are unclear, this could lead to unintended outcomes. For example, the exemption for affordable ownership residential units applies when the unit price is no greater than 80% of the "average purchase price". If the average purchase price includes resales as well as new unit sales then the scope of the exemption is potentially very broad.

B. MANDATORY PHASE-IN OF DC'S IS A CONCERN

While the new DC Act provisions that seek to promote specific types of new housing supports the Government's overall policy objective, the proposed mandatory 5-year "phase-in" of new DCs raises questions.

- Fairness: First, the proposed phase-in is costly for municipalities and taxpayers. While there is little evidence to show that the changes will reduce the price of homes, at the very least in the near-term, the phase-in will mean a loss for municipalities of DC revenue and a saving for builders and developers, regardless of the type of housing being constructed.
- Not a Phase-in: Second, the phase-in is excessive relative to its purpose as articulated by Minister Clarke in the legislature on October 26th: "If and when new development charge bylaws are passed, the charges would be phased in over five years, making increases more manageable for home builders [emphasis added]." The phase-in does not apply only to DC rate increases but rather to the total DC rate. As such, it unnecessarily reduces municipal revenues when the DC rate is relatively stable.
- Retroactivity: Third, the retroactive application of the phase-in to by-laws passed after June 1, 2022 does not take into account the public consultation process and municipal-developer negotiations in advance of by-laws passed before Bill 23 was

¹ Legislative Assemble of Ontario, Hansard Transcript 2022-Oct-26 vol. A.



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tabled. This penalizes municipalities who have phased-in or otherwise discounted their DC rates to address local housing supply concerns. There are several examples of large, fast-growing municipalities, where the effect of the phase-in will be that DC rates in 2023 are lower than rates that were in force prior to by-law passage in the summer of 2022.

- **Non-Residential**: Fourth, although the phase-in is intended to stimulate residential construction, it applies to all DCs, including those imposed on commercial and industrial development. There is no apparent basis to expect that a broad application of the phase-in on non-residential development will increase housing supply.
- **Fiscal Impact**: The financial impact of the phase-in is substantial. Over the next five years, it is likely that the largest or second-largest source of DC revenue losses will be attributable to the mandatory phase-in.

C. CHANGES TO DC CALCULATION METHODOLOGY

Several additional changes proposed in Bill 23 are specifically designed to restrict municipalities from using DCs to pay for growth-related infrastructure. The following are concerns regarding these changes:

- The removal of Housing Services as a service eligible for DC funding appears counterproductive to one of the Government's stated objectives of promoting affordable housing. It hampers efforts by municipalities and non-profit organizations to provide such housing since Housing Services DCs are used to pay for a portion of municipally constructed affordable units and to provide financial support for third parties to deliver those units. The objection to using DCs to fund social housing and affordable housing overlooks the substantial "benefit to existing" shares of municipal capital expenditures that are paid for by property tax payers.
- The potential removal of **Land Acquisition** as a DC eligible cost is of special concern. Land acquisition for new infrastructure and facilities is critical in capital development planning, and acquiring land is often the step that gets infrastructure projects "up and running". Not being able to use DCs to pay for land for some or all DC services will have a negative financial impact on municipalities, resulting in infrastructure delays which will negatively impact housing supply. It will be especially concerning to municipalities who need to use DCs to acquire land for roads, transit, water and wastewater infrastructure, which typically comprise between 70% and 80% of DC revenue.



- **Growth-Related Studies**: Another proposed change is to remove the cost to undertake studies from the list of DC eligible costs. Such studies typically include master servicing plans to determine growth-related infrastructure needs. As with land, these studies form the basis of long-term capital programs and, by extension, reflect the intentions of municipal councils in managing long-term growth. Typically, projects are not approved for construction unless appropriate studies have been completed. As the need for studies is largely driven by development, they should continue to be funded from DCs.
- 15-Year Service Level: The proposal to change the calculation of historical service levels based on 10 years to one based on 15 years, over the long-term, will erode municipal efforts to use DCs to maintain service levels in the face of rapid growth. This may delay infrastructure and facilities required to build "complete" communities (e.g. fire stations, recreation facilities, libraries).

D. RECOMMENDATIONS

In summary, the Government's efforts to promote the construction of new affordable, rental, and non-profit housing through targeted DC incentives will to an extent be supported by the proposed changes to the DC Act. However, in the absence of provisions to replace the loss in DC revenues, the initiative will erode the ability of municipalities to pay for growth-related infrastructure.

Moreover, the broad cuts to DC revenues arising from the mandatory phase-in and changes to the DC calculation methodology runs counter to the Government's objectives to quickly stimulate housing construction.

Accordingly, it is suggested that the Government amend Bill 23 to:

- remove the requirement to phase-in DCs under subsection 5 of the DC Act;
- OR, should the mandatory phase-in be maintained, require that
 - it only apply if the proposed DC rate increase is greater than 20%;
 - the phase-in period be reduced from 4 years to 2 years;
 - it only apply to residential DCs;
 - it only apply to DC rate increases and not to the total DC payable; and
 - it not apply retroactively.



Moreover, it is recommended that:

- Housing Services not be removed as a DC eligible service (subsection 2 (4) of the DC Act);
- the definition of DC eligible capital costs under subsection 5 (3) of the DC Act be left unchanged; and
- the 10-year historical service level be retained under subsection 5 (1) of the DC Act and consideration be given to replacing the historical service level standard with one based on a planned service level (similar to Transit Services).

Additionally, in order to offset the DC revenue loss arising from exemptions/discounts targeted to affordable and rental housing in Bill 23, the Government should:

- expand the level of grant funding to municipalities for growth-related infrastructure;
- and/or provide a dedicated revenue stream to municipalities to pay for growthrelated infrastructure (e.g. through HST revenue sharing);
- and/or expand the range of funding tools available to municipalities to pay for growth-related infrastructure (e.g. by giving the similar revenue raising powers as the City of Toronto has under the City of Toronto Act to all large municipalities).

This letter reflects our considered opinion regarding the proposed legislation and takes account of the views of the many municipal clients with which we have discussed the matter. We thank you for the opportunity to make this submission. Should you have any questions regarding our comments please do not hesitate to contact us.

Yours truly,

HEMSON Consulting Ltd.

Craig Binning

Partner





NVCA's statement in response to Bill 23, the More Homes Built Faster Act

In response to Bill 23, the *More Homes Built Faster Act*, which was announced on Tuesday, October 25th, 2022, specifically regarding Schedule 2, NVCA offers the following:

NVCA agrees that there is a housing and affordability issue in the Nottawasaga Watershed and across the province, and the Board of Directors are fully supportive of the Ontario government to build 1.5 million homes. NVCA is prepared to do our part along with the province, upper tier governments and watershed municipalities to ensure that these homes are safe from natural hazards.

However, the proposed legislation may jeopardize the Province's goals to protect lives and properties from natural hazards, result in longer response times and increased costs to homes.

For over 70 years, conservation authorities have been responsible for directing development outside of natural hazards, such as floodplains and areas prone to erosion. These watershed-based organizations also ensure development does not impact sensitive environmental areas, such as wetlands, shorelines and watercourses.

Conservation Authorities are recognized internationally to be a cost-effective solution to help solve challenging local issues on a watershed basis. When planning developments, we need to consider how development in one municipality impacts the ones adjacent or downstream of them.

In review of the proposed legislation, there appears to be inconsistency regarding protecting lives and properties from natural hazards. While conservation authorities will be able to comment on natural hazards for new developments under the *Planning Act*, there is a proposal to exempt developments that have historic *Planning Act* approvals from natural hazard permits.

In addition, conservation authorities will also be prohibited from entering into agreements with municipalities to comment on natural heritage, and select aspects of stormwater management reviews.

In the Nottawasaga Watershed, one important component of natural heritage is wetlands. They are important for flood control, water filtering, groundwater recharge and discharge and provide important fish and wildlife habitat.

Wetlands absorb excess rainwater and snowmelt, slow floodwaters helping to alleviate property damage and can even save lives. In the face of climate change, wetlands are ever more important as we experience more extreme storm events.

In addition to mitigating flooding, wetlands are intrinsically connected to larger natural heritage systems which includes other habitats like streams, rivers and forests. As

biodiversity hotspots, wetlands are home to species at risk, and provincially and regionally rare species, as well as a number of other fish, wildlife and vegetation.

The degradation of wetlands has cumulative impacts on the watershed – green infrastructure will be weakened, native plants and animals will be displaced, migration and breeding grounds will be disrupted, climate change resiliency in the watershed will be reduced.

Wetlands are currently evaluated under the Ontario Wetlands Evaluations System. In the Nottawasaga Watershed, there are 33 provincially significant wetlands (PSW), 34 important but non-provincially significant wetlands as well as approximately 80 wetlands and wetland complexes in the Nottawasaga watershed that are unevaluated, but would likely become provincially significant if they were evaluated.

The Ontario government is proposing to change the evaluation system and redefine what PSWs are. If the new legislation is approved, the Ministry of Natural Resources and Forestry is no longer involved in evaluating wetlands. If conservation authorities also are taken out of the picture, who will oversee development around wetlands with an objective lens?

The proposed changes are signaling that municipalities will play a large role in protecting people and property from natural hazards and the evaluation of wetlands. Municipalities have neither capacity nor expertise in water resources engineering, environmental planning and regulatory compliance.

Conservation authorities have been strong partners with upper tier municipalities, who provide input and guidance on planning, including development growth, natural heritage, waste management, roads and servicing. NVCA has publicly reported that we can deliver these services efficiently without lengthening the approvals process, and have delivered them under accountable and rigorous service delivery standards.

As noted above NVCA is here to work with key stakeholders to address housing issues in the Nottawasaga Watershed. The Executive Members of NVCA's Board of Directors recommend municipalities retain the option to enter into agreements with conservation authorities, and that the Ontario Government pause Bill 23 and continue to work with conservation authorities through the multi-stakeholder CA Working Group established in 2021.

Sincerely,

Marianne McLeod

Monanental

NVCA Chair

Gail Little

NVCA Vice Chair

Daie Litte



MEDIA RELEASE

FOR IMMEDIATE RELEASE

NVCA responds to *More Homes Built Faster Act*

UTOPIA, Ontario (November 2, 2022) – The Nottawasaga Valley Conservation Authority (NVCA) has released a statement in response to Bill 23, the More Homes Built Faster Act, tabled to the legislature on October 25, 2022.

While the bill aims to reduce development planning process and fees to address housing affordability issues across the province, some of the proposed changes jeopardizes the Province's goals to protect lives and properties from natural hazards, result in longer response times and increased costs to homes.

"The NVCA Board of Directors agree that there is a housing and affordability issue in the Nottawasaga Watershed and across the province and we're fully supportive of the Province to build 1.5 million homes," said Mariane McLeod, Chair of the NVCA Board of Directors. "In building these homes, we continue to look towards our local conservation authority to keep our resident's lives and properties protected from natural hazards such as flooding and erosion. One way to do that is to allow wetlands to do their job - flood control, water filtering, groundwater recharge and discharge and provide wildlife habitat."

Wetlands are natural areas that absorb and slow floodwaters when there is a lot of rain or snowmelt, which helps to alleviate property damage and can even save lives. In the face of climate change, these wetlands are ever more important as we experience more extreme storm events.

Under the current wetland evaluation system, the Nottawasaga Watershed is home to the internationally significant Minesing Wetlands, 33 provincially significant wetlands (PSW), 34 important but non-provincially significant wetlands and several of the unevaluated wetlands that would likely become provincially significant if they were evaluated. If the new legislation is passed, the evaluation score of the Minesing Wetlands will be greatly diminished, and many wetlands, including the Mad River portion of the complex will not meet PSW status.

"The proposed changes are signaling that municipalities will be responsible for protecting people and property from natural hazards and the evaluation of wetlands," continued McLeod. "Conservation Authorities work on a watershed basis. If municipalities are directed

to take on this task, we would need to consider how development in one municipality impacts the ones adjacent or downstream of them. We just don't have the staff or expertise in water resources engineering, environmental planning and regulatory compliance for the *Conservation Authorities Act* to do that. We need to keep all hazard-related responsibilities with NVCA."

Additional proposed changes include freezing or eliminating user-pay fees for developers and looking at conservation authority lands as potential areas for housing development.

The NVCA Board Executives are looking forward to the reestablishment of the multistakeholder Conservation Authorities Working Group, formed to help guide the Province in its implementation of the last round of changes to the *Conservation Authorities Act*.

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About NVCA: The Nottawasaga Valley Conservation Authority is a public agency dedicated to the preservation of a healthy environment through specialized programs to protect, conserve and enhance our water, wetlands, forests and lands.

Media contact: Maria Leung, Communications Coordinator 705-424-1479 ext.254, mleung@nvca.on.ca

From: AMO Communications < Communicate@amo.on.ca>

Sent: Tuesday, October 25, 2022 4:42 PM

To: Jennifer Willoughby < jwilloughby@shelburne.ca>

Subject: AMO Policy Update - More Homes Built Faster Act

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October 25, 2022

AMO Policy Update – More Homes Built Faster Act

Today, the government <u>introduced</u> the <u>More Homes Built Faster Act, 2022</u> which proposes significant legislative and regulatory changes that aim to advance the <u>province's goal</u> to increase housing supply in Ontario. It builds on the province's More Homes, More Choice Plan and the More Homes for Everyone Plan.

The More Homes Built Faster Act, 2022 proposes changes to several acts including, but not limited to the Planning Act, Conservation Authorities Act, and Development Charges Act, in accordance with four main themes:

- building more homes
- helping homebuyers
- reducing construction costs and fees
- streamlining development approvals

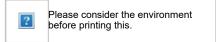
AMO is encouraged to see the province focus on increasing supply, including building more affordable and purpose-built rental housing. However, we are concerned that the province is proposing to exert more centralized control over local planning decisions and limit public consultation and appeals through this Plan.

In AMO's view, the proposed changes to municipal development charges, parkland dedication levies, and community benefits charges may contradict the goal of building more housing in the long-term. Unless fully offset by funding to support growth-related projects, reductions in these fees will shift the financial burden of growth-related infrastructure onto existing municipal taxpayers.

Many of the proposed changes need to be better understood, as they seem to transfer risk from private developers to the public. At first glance these changes seem punitive in nature – at a time where staffing shortages of planners, building officials, and skilled labour are a key factor beyond the control of municipal governments.

AMO will be reviewing the <u>various proposals</u> and cross-ministry initiatives included in today's announcement. We look forward to actively participating in any ongoing consultations and also hope that this work will be informed by the <u>Housing Supply Action Plan Implementation Team</u>.

*Disclaimer: The Association of Municipalities of Ontario (AMO) is unable to provide any warranty regarding the accuracy or completeness of third-party submissions. Distribution of these items does not imply an endorsement of the views, information or services mentioned.



Association of Municipalities of Ontario 200 University Ave. Suite 801,Toronto ON Canada M5H 3C6 To unsubscribe, please <u>click here</u>



From: AMO Communications < Communicate@amo.on.ca>

Sent: Wednesday, November 2, 2022 2:27 PM

To: Jennifer Willoughby < jwilloughby@shelburne.ca>

Subject: AMO Policy Update - Unpacking Bill 23 - More Homes Built Faster Act, 2022

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November 2, 2022

Unpacking Bill 23 – More Homes Built Faster Act, 2022

Earlier this week <u>Bill 23 – More Homes Built Faster Act, 2022</u> passed Second Reading and was referred to the <u>Standing Committee</u> on Heritage, Infrastructure and Cultural Policy. AMO has requested to present at Committee and will submit written comments by the November 17 deadline.

Bill 23 is proceeding quickly through the legislature, which means it is likely to pass before many municipal Councils have been sworn in, and before the AMO Board can prepare a response. Given these tight timelines, AMO's responses to the legislation and regulatory and environmental registry postings associated with it will be informed by our <u>AMO Housing Blueprint</u> and other recent <u>work</u>.

Bill 23 and the province's new More Homes Built Faster Plan, as proposed, will have economic, social, and environmental implications that cannot be ignored. That is why AMO is releasing a preliminary analysis as it continues to work through the complex policy changes. It focuses on the following Schedules:

- Schedule 2 Conservation Authorities Act
- Schedule 3 Development Charges Act, 1997
- Schedule 4 Municipal Act, 2001
- Schedule 6 Ontario Heritage Act
- Schedule 7 Ontario Land Tribunal Act, 2021
- Schedule 9 Planning Act.

Examples below are intended to illustrate AMO's early thoughts on how to approach an overarching response to Bill 23 and its related consultations. It is not intended to be exhaustive or inclusive of all proposed provisions.

Bill 23 proposes numerous changes to the *Development Charges Act* and *Planning Act* that, if passed, will significantly impact how municipal governments recover the costs associated with growth.

For example, Bill 23 proposes to exempt developers who build affordable, inclusionary zoning and select attainable housing units from paying development charges, parkland dedication fees, and community benefit charges. The bill also includes several additional changes, including reductions in costs associated with rental residential construction and changes to the method for determining development charges, amongst others.

The cumulative impact of proposed changes to municipal fees and charges is significant and contrary to the widely accepted concept that growth should pay for growth.

While AMO would like to support the province's housing objectives, it cannot support changes that largely place the burden of carrying the costs associated with development onto municipalities. AMO believes that the proposed changes may contradict the goal of building more housing in the long-term as it merely shifts the financial burden of growth-related infrastructure onto existing taxpayers.

Yesterday the AMO President sent a <u>letter</u> to the Honourable Peter Bethlenfalvy, Minister of Finance, urging the province to address the funding shortfall associated with changes proposed under Bill 23. The province is expected to release its Fall Economic Statement on November 14.

While some of the proposed amendments to the *Planning Act*, *Heritage Act*,

Ontario Land Tribunal Act, and the Conservation Authorities Act have merit, it is unclear how these changes will improve a community's livability (i.e., connected to core infrastructure in an integrated and coordinated way).

AMO understands the desire to reduce barriers to planning and development approvals so that housing can be built faster. That is why many municipalities have made investments to streamline and digitize their processes and are working to improve processes in response to Bill 109.

The proposed changes to increase transparency around the heritage designations and the process at the Ontario Land Tribunal (OLT) will require implementation by already under-resourced municipal staff. The OLT also needs to be properly resourced to eliminate the existing backlog. AMO will be looking for more clarity around what constitutes an "undue delay," and the policy intent behind having a municipality use property tax dollars to pay the successful party's cost if its case is unsuccessful at the OLT.

A broader issue, however, is understanding what the implications are of the reduced role in land use planning proposed for some upper-tier municipalities and conservation authorities. The proposal that an upper-tier municipality could provide advice and assistance to lower-tier municipalities if there is mutual agreement is appreciated, however, the proposals (particularly in Schedule 9) could have the unintended consequence of having local planning disconnected from the servicing requirements that many upper-tier municipalities are responsible for managing and funding.

Many of the proposed amendments to the *Conservation Authorities Act* and the *Planning Act* in Bill 23 are concerning, as they signal a move away from environmental protection at a time when climate change impacts are being felt more at the local level.

Bill 23 proposes sweeping changes to the regulatory responsibilities of Ontario's 36 conservation authorities that, if passed, will undermine the collaborative and productive changes put forward by the Ministry led Conservation Authority Working Group over the past two years.

The proposals under Schedule 2 have raised confusion around how these changes will impact the *Conservation Authorities Act* regulations that recently came into effect. AMO is seeking further clarification to understand how these amendments will impact municipal budgets and environmental outcomes. At first glance, they seem to result in negative consequences (i.e., increased flooding, liability), at a time when the impacts of climate change are increasingly prevalent.

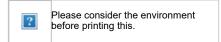
Another emerging area of concern is the proposal to allow pits and quarries to request official plan amendments within two years of a new official plan or secondary plan coming into effect. Finally, there are numerous environmental implications associated with the use of more land and the proposed reduction in revenues to build parkland.

Next Steps

AMO continues to work with provincial ministries to understand the proposed changes under Bill 23. In the meantime, AMO is meeting with stakeholders and our Task Forces to inform our Standing Committee submission and our responses to the relevant consultation postings. A <u>list of regulatory and environmental registry postings</u> has been created to show what should be prioritized.

We recognize that this is a challenging time for AMO members to provide feedback due to the recent municipal elections. If your municipality is providing comments and would like to share them with AMO, please contact policy@amo.on.ca. We will continue to provide further updates to members as the Bill and consultations progress.

*Disclaimer: The Association of Municipalities of Ontario (AMO) is unable to provide any warranty regarding the accuracy or completeness of third-party submissions. Distribution of these items does not imply an endorsement of the views, information or services mentioned.



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POLICY UPDATE

November 17, 2022

AMO Submission on Bill 23, Better Municipal Governance Act, 2022 Introduced – Expanding "Strong Mayor" Tools

Bill 23, More Homes Built Faster Act, 2022

AMO was not provided an opportunity to present to the Legislature's Standing Committee on Heritage and Culture during its review of Bill 23. The Committee heard from dozens of groups and individuals over four days of hearings. AMO was, however, invited by the Official Opposition to present its submission to interested members of the Legislature earlier today through a virtual meeting.

The <u>AMO submission</u>, which has been shared with all MPPs acknowledges that increased housing supply and improved housing affordability is a municipal priority. The submission also urges the government to work in partnership with municipalities in order to achieve its housing goals.

The AMO submission also outlines serious problems with the Bill which was introduced without consultation with municipalities. It illustrates the cost to property taxpayers of transferring a portion of growth costs from private developers to property taxpayers. A preliminary analysis indicates the costs for Ontario's 29 largest municipalities could be as much as \$1 billion annually between 2023 and 2031. The submission also raises serious concerns about the implications for homeowners and communities of undermining Ontario's environmental protections.

Better Municipal Governance Act, 2022

Municipal Affairs and Housing Minister, Steve Clark, <u>introduced</u> new legislation yesterday which will, if passed:

- allow the appointment of provincial facilitators to assess Durham, Halton, Peel, Niagara, Waterloo, and York Regions for expanding strong mayor tools
- reappoint the existing Regional Chairs of Niagara, York, and Peel to ensure stability as the Regions work with the provincial facilitators
- allow the Mayors of Ottawa and Toronto to propose or amend certain municipal by-laws related to prescribed provincial priorities with more than one-third of a council vote and make regulations regarding this power.

The proposed legislation also repeals the *Duffins Rouge Agricultural Preserve Act*, 2005 to allow development of that land.

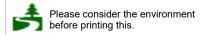
In making the announcement, Minister Clark noted that provincial priorities include increasing the supply of housing. The Minister said that provincially appointed facilitators will assess the municipal governments in the designated regions to determine the best mix of roles and responsibilities between the upper and lower-tier municipalities in those regions, and ensure they are equipped to deliver on the government's commitment to build 1.5 million homes over the next 10 years.

The Minister stated that the Bill builds on the *More Homes Built Faster Act*, the *Strong Mayors*, *Building Homes Act*, and the province's Housing Supply Action Plans.

All three opposition parties sharply criticized the Bill as undermining fundamental democratic principles.

AMO has <u>called</u> for more consultation with municipal governments before expanding strong mayor powers. It is expected that the provincial facilitators will work with municipalities in the designated regions to gather feedback and input on these powers.

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From: karrenwallace karrenwallace

Sent: Wednesday, October 26, 2022 8:40 AM

To: Jennifer Willoughby <jwilloughby@shelburne.ca>

Subject: AMO: More Homes Built Faster Act and impact on Development Charges

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the contents to be safe.

Mayor and Council:

As a ratepayer I am very concerned about this possibility of development being shifted from developers to current property taxpayers.

Karren Wallace

ASSOCIATION OF MUNICIPALITIES OF ONTARIO Ontario's New Housing Supply Action Plan: Some Troubling Features

October 26, 2022

The Government of Ontario introduced the next phase of its Housing Supply Action Plan: the proposed *More Homes Built Faster Act, 2022*. The Plan includes a broad array of legislative and regulatory changes related to land use planning, property taxes, building code, heritage, conservation, and the infrastructure financing framework that supports growth.

"Municipalities will welcome some of the proposed changes, and will be very concerned about others, such as changes to the Development Charges Act," said AMO President Colin Best. "We will work with the government on the ideas that have the potential to make housing more affordable, and we will oppose changes that undermine good economic and environmental policy."

Proposed changes include discounting and, in some cases, eliminating development charges and related developer obligations. When communities grow, infrastructure and public services must be scaled up to meet new demands. The new legislation would shift some of those costs from developers to current property taxpayers.

The Ontario government has signaled it may offset some of the financial impacts for municipalities. However, shifting growth costs from developers to taxpayers represents a fundamental change from the principle that growth should pay for growth, and that current homeowners and renters should not be required to subsidize new development. There are no mechanisms to ensure that developers will pass on cost savings to consumers in need of more affordable housing options.

For years, municipalities have been sounding the alarm about housing affordability and homelessness. Municipal governments deliver many of the front-line services that respond to these complicated and difficult challenges. Municipalities are committed to doing what they can to make housing more affordable, and to support economic growth.

Ontario had 100,000 housing starts in 2021, the highest in 30 years. However, some municipalities have seen a sharp decline in permit applications in 2022, due to factors such as higher interest rates and labour shortages.





To: Province of Ontario - Bill 23 - ERO Posting Number 019-6196

From: David Trotman - Director of Planning

Date: November 23rd, 2022

Deadline: November 24th, 2022

Subject: Bill 23 - More Homes Built Faster Act (2022) - Changes to Planning

Act + Development Charges Act + Conservation Authorities Act

This memorandum provides <u>staff level</u> comments, from the Town of Mono to the Province of Ontario, regarding request for comments, per ERO Posting Number 019-6196, (Bill 23).

Mono is a unique local rural municipality situated in Dufferin County. It is only one of two municipalities, Caledon being the other, that has lands lying within all three Provincial Greenbelt Plans: ORMCP, NEP and Greenbelt Plan.

These comments are focused primarily on changes to the Planning Act (Schedule 9) to Bill 23, but in context to associated changes to other Acts targeted by Bill 23: (i.e., City of Toronto Act, Conservation Authorities Act, Development Charges Act, Municipal Act, New Home Construction Licensing Act, Ontario Heritage Act, Ontario Land Tribunal Act, Ontario Underground Infrastructure Notification Systems Act, Supporting Growth & Housing in York & Durham Regions Act). Staff understand that several regulations are also proposed to be amended through Bill 23.

The approach taken in this memorandum gives regard to the letter submitted by Mayor John Creelman, dated November 08th, to Minster Clark and another separate letter dated November 17th as sent to Mr. Isiah Thorning - Clerk - Standing Committee on Heritage, Infrastructure & Cultural Policy, from the Town Clerk, per directions of Town Council, which are attached.

At the outset, the pace at which Bill 23 is being driven towards legislation is alarming. Its implementation in its present format will undoubtedly result in adverse consequences to the existing taxpaying residents of Ontario and the municipalities of Ontario, all because of unwarranted fast change without better examination and scrutiny for what it is wanting to achieve.

General Observations:

Bill 23 introduces numerous amendments to various Provincial Acts, as cited above with the intent of trying to expedite residential development approvals.

A key problem with Bill 23 is that it doesn't seem to recognize or provide separate measures for short term solutions, if in the spirit of its name, it is meant to provide "a lot more housing, faster."

In fairness, some measures in Bill 23 may help (e.g., 3 units per lot, non-profit and inclusionary zoning DCA exemption, DCA discount for purpose built rental units, 10-year DC bylaw extension period, parkland fees discount on non-profit housing, removal of upper-tier planning approvals).

Bill 23 can only hope to have some degree of positive affect, but only across the medium to long term. For a piece of legislation to be of real a benefit, premised on sound land use planning, to achieve complete community objectives, requires much more examination and thought.

The pattern of reviews, from a variety of stakeholder interests, shows that Bill 23 has entirely missed many adverse impacts that will arise from it, in its present form. Problems identified by just two expert financial consultants: Watson Economists and Hemson ought to cause sufficient circumspection by the Province to pause Bill 23 and re-think its hurried approach in trying to build more housing across Ontario, particularly the broader GTA.

This begs the question as to why the Province first off, did not focus on existing targeted land supplies, whether vacant and/or newly added to existing settlements through MCR exercises, or under-utilized lands, or those that ought to be re-purposed, and then directly and more concertedly engage those landowners to incentivize developments and re-developments over a set timeframe. This would have been a more productive and focused short-term approach for augmenting housing supply, more immediately.

Proposed Consolidation of Provincial Growth Plan & Provincial Policy Statement (PPS)

The Ministry of Municipal Affairs & Housing is undertaking a housing-focused policy review of: Places to Grow: Growth Plan for the Greater Golden Horseshoe (GGH), 2019, as amended. The Province is reviewing the potential integration of the PPS and Growth Plan into a new Province-wide planning policy framework that is purported to:

- Leverage housing-supportive policies of both policy documents, while removing or streamlining
 policies that result in duplication, delays or burden the development of housing.
- Ensure key growth management and planning tools are available to increase housing supply and support a range and mix of housing options.
- Continue to protect the environment, cultural heritage, and public health and safety.
- Ensure that growth is supported with the appropriate amount and type of community infrastructure.

Rural Areas

One measure in the proposed Growth Plan / PPS consolidation, is to provide policy direction to enable more residential development in Rural Areas. Rural Settlement Areas include existing hamlets or similar existing small settlement areas, as identified in local Official Plans. These settlements are usually serviced by private, on-site water and wastewater systems. Rural Settlement Areas provide clusters of business operations that are essential to future economic growth. Infilling and minor rounding out of existing residential and non-residential development within Rural Settlement Areas is important to ensure that these areas remain vibrant, sustainable and complete communities.

Under a consolidated Growth Plan and PPS, enabling more residential development in Rural Settlement Areas, and Rural Areas more broadly, must be considered within the context of the

existing Provincial and local policy frameworks, the land use hierarchy identified in Official Plans, provision of servicing, as well as the protection of natural heritage and agricultural lands.

Bill 23 - Schedule 9 - Planning Act Amendments - Comments

Third Party Appeals:

The prospect of Bill 23 limiting third party appeals of municipal decisions runs counter to the principle by right, of being able to seek examination of a decision under Ontario legislation. The Planning Act already places tests in front of potential appellants to ensure those that get tribunal review are not frivolous or vexatious, or without merit. This was applied through Bill 26. Bill 23 will remove this right. Although Mono Staff support the principle that the tests for any appeal need to be high, outright removal is troubling.

Removal of Upper Tier Approvals:

This Bill 23 provision does not affect Dufferin County, but it is noted that this could change if a separate resolution is passed. The Town of Mono has for some time reliably acted as its own (local municipal) approval authority, prior to the Province imposing this increased bureaucracy in Dufferin.

Bill 23 will allow the Minister to broaden this power to include other upper tier municipalities, should the Minister decide to do so. Doing this would require another regulation because the current one applies only to five regions and one county (Halton / Niagara / Durham / Peel / York and Simcoe County).

As for the impact of this Bill 23 initiative on affected regional and county municipalities, Mono Staff note that the original intent of the Growth Plan was to align development with regionally provided services. Yet, there were circumstances, including Growth Plan Amendment No. 1 that bore evidence that upper-tier decision making was not always being aligned with Growth Plan policy. Given the present significant shortage of housing, this Bill 23 initiative may help alleviate the supply problem.

Removal of Mandatory Public Meeting for Plans of Subdivisions

This Bill 23 measure may not be problematic providing given that associated zoning (implementing) bylaw amendments continue to require a public meeting to deal with the zoning related provisions associate with a given draft plan of subdivision. This measure under Bill 23 doesn't affect complete applications submitted prior to Bill 23 Royal Assent.

Removal of Specified Zoning Restrictions

Bill 23 would allow as of right zoning to permit a maximum of three (3) residential units on a serviced municipal (urban) lot.

Fundamentally, this measure ought to expedite creation of more urban residential dwellings. It is expected that it will provide useful intensification for many situations. What is not clear is how zoning performance standards (e.g., setback, height, lot coverage) would apply in context to existing standards as prescribed for a single dwelling.

This Bill 23 measure does not impact Town of Mono at present. However, once a planned wastewater treatment system is assumed by the Town, this provision is likely applicable; that is to say, any one lot could be used for up to three dwelling units. For Town of Mono, this could be problematic regarding the design capacity of planned and designed wastewater systems having limited capacity. This oversight must be addressed by the Province so planned residential subdivisions do not become embroiled with sewage functionality versus Bill 23 legislative rights.

Site Plan Control

Bill 23 intends to make significant changes to Section 41 of the Planning Act. The exemption from site plan control for residential developments of up to ten (10) units will override review of such matters as: stormwater management, servicing design and capacity, grading, infrastructure, fire attenuation, landscaping and urban design. The result is that engineering matters will now encumber an already overburdened Ontario Building Code permit review process. It is likely that OBC permits will be delayed as a result, so the "red tape" savings will not materialize.

All of these elements are singularly and aggregately important for achieving enhanced community design and character. The engineering related elements are cumulatively very important. All together they help elevate human health which has been demonstrated through recent studies, such as: "Impact of Community Design & Land Use Choices on Public Health: A Scientific Research Agenda" authored by: Andrew L. Dannenberg, MD MPH, Richard J. Jackson, MD, MPH, Howard Frumkin, MD, Dr.PH, et al.

Therefore, the removal of site design oversight is unfortunate and short-sighted. Relinquishing the benefits of good community design will have greater implicit and direct human health and well-being costs from the short term into the long term. Housing Ontario citizens in ill-conceived residential developments may, in some measure, solve the housing supply problem through numbers alone, but given this measure in Bill 23, it won't facilitate better healthy living. So with several of these Bill 23 measures, supply by numbers may rise, but so too will the costs of this ill-considered piece of legislation.

Parkland Dedication & Financial Charges

There are many provisions in the Planning Act that currently provide for charges or rates that will now be capped or frozen. For instance, a community benefit charge will be based only on four (4%) percent of the value of land proposed for new development. The maximum amount of parkland that can be conveyed or paid instead of a conveyance will be capped at ten (10%) percent of the land value. Landowners will also have the option of identifying whether they wish to dedicate parkland or pay cash. The Planning Act currently leaves that decision to the discretion of a municipality. Disputes over whether a municipality wishes to receive parkland or cash, will now be subject to appeal and decided by the OLT. This will have significant implications for the Town as it limits options in future planning for parkland.

Development Charges Act

In addition, Bill 23 proposes to fully exempt certain types of development from DCA charges that meet criteria of affordability which will now be defined by amendment to the Development Charges

Act. These new definitions will not take effect until Bill 23 comes into force (proclamation). Reductions in development charges will also be imposed for by-law passed after June 1, 2022, in what is referred to as a "Special Rule." Several assessment <u>letters</u> regarding impacts of Bill 23, including its proposed financial changes and impacts was prepared by C.N. Watson and sent to all of their municipal clients and also made a <u>Presentation</u> to the Standing Committee.

This memorandum recognizes that comments submitted to the ERO Posting will not facilitate a wiser outcome if they focus solely on the problems afflicting Bill 23. Therefore, the following outlines at least some measures that the Province can act upon to better realize its own goal of getting more housing built faster.

Available Short-Term Solutions

- 1. Province needs to support and encourage, including through the National Housing Strategy, more aggressive mixed use land developments and re-developments. This includes commercial plaza, urban malls, office towers, on-grade parking lots, school sites.
- 2. Re-design and expand Federal Lands Initiative to provide surplus and under-used Crown lands to local municipalities to construct medium density housing inventory.
- 3. Province should fully exempt charitable non-profit organizations from HST for new affordable (controlled rent) new housing projects + purpose built rental projects.

Medium Term to Long Term Solutions

- 4. Federal government needs to entice at a more aggressive pace, training and immigration of skilled tradesmen and other under-serviced professional classes, to more quickly fill chronic worker shortages in key sectors, not just the construction industry.
- 5. Province needs to think about more creative ways to better resolve and support systemic issues, such as: housing affordability, accessibility, homelessness, etcetera, across the long term.
- 6. Province should re-examine the feasibility of Lake Ontario waterfront land reclamation. The shoreline of Lake Ontario pre-20th Century was at the foot of Front Street. It is now well south of there. Since land supply is a key affordability factor in the equation, creating more urban land at the shoreline would help resolve two problems: keep excess soils from Toronto travelling outside of Toronto and putting them at focused areas of waterfront shoreline to create more urban lands. This would require broad coordination with the Federal government and other stakeholder agencies, but reclamation has been done in the past with far less oversight.
- 7. New commercial and low-density residential buildings need to be examined for their design flexibility for adaptive uses and re-uses, so that valuable indoor space does not remain vacant. Had the Province, over the past twenty years or more, required a minimum number of new single-family dwellings, to include a loft space above their typical two-car garage with a separate man-door entry, the Province could have made available an ongoing inventory of thousands more small apartment units across the entire GTA, all the way north to Barrie.

- 8. New residential growth allocations need to be assigned to existing urban communities (villages + towns + cities) that not only have municipal capacity but demonstrate long term municipal infrastructure sustainability and non-flood prone susceptibility, particularly now in view of the global climate crisis.
- 9. Province needs to examine and more aggressively support prefabricated forms of housing where they can be reasonably sited and supported.
- 10. Larger cities, particularly Toronto, need to better capitalize on available legislation (e.g., City of Toronto Act) to apply additional revenue generating measures, such as road tolls to capture additional revenues for re-investment into city infrastructure + subsidized housing + hospitals + schools etcetera and which will also offset carbon pollution.
- 11. Larger cities need to provide pre-allocated areas for some forms of transitory housing during warmer months to better accommodate homeless citizens who, for whatever reasons, can't find more stable short term shelter housing.
- 12. Existing ratepayers should not be encumbered with subsidizing new development proposals through refunds to application fees / deposits under the Planning Act; these intended to cover municipal costs of processing and reviewing such applications. This includes alignment of Provincial infrastructure funding with growth planning to remove servicing gaps.



Standing Committee on Heritage, Infrastructure and Cultural Policy

Bill 23, More Homes Built Faster Act, 2022

Submitted by:

Town of Mono

Town Hall 347209 Mono Centre Road Mono, ON L9W 6S3

Attention: Fred Simpson, Clerk

ClerksOffice@townofmono.com

519.941.3599, 234

November 17th, 2022





November 17, 2022

Isaiah Thorning, Committee Clerk
Standing Committee on Heritage, Infrastructure and Cultural Policy
Procedural Services Branch
99 Wellesley Street West
Room 1405, Whitney Block
Toronto, ON M7A 1A2

Dear Mr. Thorning:

Re: Bill 23, More Homes Built Faster Act, 2022

The Town of Mono makes the following submission to the Standing Committee on Heritage, Infrastructure and Cultural Policy for its consideration as part of the committee's deliberations on Bill 23, More Homes Built Faster Act, 2022.

Summary

The Town has concerns regarding Schedule 2 - Conservation Authorities Act; Schedule 3 - Development Charges Act, 1997; and Schedule 7 - Ontario Land Tribunal Act, 2021. With respect to the Conservation Authorities Act, the Town of Mono is concerned that the effect of the proposed changes would reduce the ability of conservation authorities to protect natural heritage features. Given the increasing impact of climate change, a decay of our ability as a municipality to assess development from a watershed wide perspective is likely to put people and critical infrastructure at risk. It runs contrary to continuing efforts by the Town to ensure climate adaptation measures that factor both upstream and downstream risks. The Town is of

the opinion that it is essential that we maintain the ability to manage natural heritage systems at a watershed wide level.

Hand-in-hand with managing development on a watershed level, the Town is adamant that the cost of new development must not place a burden on existing ratepayers. The proposed changes to the Development Charges Act run contrary to the long standing principle that new development should shoulder the capital cost of the services required for such development. Transferring those costs, estimated by Mono at between 10-15% of the DC costs as determined by the Town's background study, to existing ratepayers would drive up the cost of home ownership and runs contrary to the objectives of Bill 23. The Town of Mono is opposed to the transfer of DC charges from the developer to existing ratepayers.

The Bill proposes to give the Ontario Land Tribunal the power to order an unsuccessful party to pay a successful party's costs. This is likely to place a significant burden on anyone considering filing an appeal unless conditions are specified on when a tribunal could invoke this power. The Town of Mono recommends that the Bill prescribe the conditions under which a tribunal may consider awarding costs.

Schedule 2 - Conservation Authorities Act

Subsections 3(2) and 4(2) of the schedule amend the Act by adding:

An authority shall not provide under subsection (1), within its area of jurisdiction, a program or service related to reviewing and commenting on a proposal, application or other matter made under a prescribed Act.

This change would limit an authority's role in plan review and commenting on applications made under a prescribed Act to only the risks related to natural hazards. The full extent of the effect

of this change would depend on what Acts are prescribed. It is the Town's understanding that the following Acts would be considered:

- The Aggregate Resources Act
- The Condominium Act
- The Drainage Act
- The Endangered Species Act
- The Environmental Assessment Act
- The Environmental Protection Act
- The Niagara Escarpment Planning and Development Act
- The Ontario Heritage Act
- The Ontario Water Resources Act
- The Planning Act

Authorities would no longer be able to review applications with respect to the impact on natural heritage. Removing this function from authorities is likely to result in a loss of development planning that recognizes the essential role that natural heritage plays in maintaining a sustainable community. This would place the burden of undertaking such a review on the Town of Mono. The Town would have to seek this expertise through other external sources with the associated costs falling to the Town.

The Bill proposes to give the Minister of Natural Resources and Forestry the ability to prevent an authority from increasing its fees and charges. The cost of any services provided by an authority that is not recouped from the applicant is likely to be downloaded to the Town. Or, more worrisome, leading to authorities not being able to provide a comprehensive review of

development applications due to lack of resources. The end result of these changes would be to limit a conservation authority's involvement in the development approvals process. This would impact the speed and efficiency of the approval process and be detrimental to the goal of building more houses faster.

The Town of Mono recommends:

- That conservation authorities retain their current responsibility to review and comment on development applications made under the Planning Act;
- 2. That conservation authorities retain the ability to charge fees to undertake a development review that are sufficient to offset the cost of the review.

Schedule 3 - Development Charges Act, 1997

Subsections 5(7) and 5(8) of the schedule creates a phase in of development charges during the initial 5 years of a DC bylaw being passed.

- (7) Subsection (8) applies to a development charge imposed by a development charge by-law passed on or after June 1, 2022 and before the day subsection 5 (7) of Schedule 3 to the More Homes Built Faster Act, 2022 comes into force, unless the development charge was payable before the day subsection 5 (7) of Schedule 3 to the More Homes Built Faster Act, 2022 comes into force.
- (8) The amount of a development charge described in subsection (7) shall be reduced in accordance with the following rules:

- A development charge imposed during the first year that the by-law is in force shall be reduced to 80 per cent of the development charge that would otherwise be imposed by the by-law.
- 2. A development charge imposed during the second year that the by-law is in force shall be reduced to 85 per cent of the development charge that would otherwise be imposed by the by-law.
- 3. A development charge imposed during the third year that the by-law is in force shall be reduced to 90 per cent of the development charge that would otherwise be imposed by the by-law.
- 4. A development charge imposed during the fourth year that the by-law is in force shall be reduced to 95 per cent of the development charge that would otherwise be imposed by the by-law.

The Town of Mono estimates that this phase-in of DCs over 5 years would result in the loss of approximately 10% to 15% of DC revenues over the phase-in period. Without an alternate source of funding to compensate for these losses, the burden to pay for these services would fall onto the existing property tax base. This runs contrary to the principle that growth needs to pay for itself.

The Town of Mono recommends:

1. THAT Subsections 5(7) and 5(8) of Schedule 3 be struck from the Bill.

Schedule 7 - Ontario Land Tribunal Act, 2021

Section 3 of the schedule amends the Act by adding the following clause to Section 20 of the Act:

Subsection (1) includes the power to order an unsuccessful party to pay a successful party's costs.

The Town of Mono is concerned that the possibility of having to pay the opposing party's costs would place an undue burden on parties that may have just cause to appeal to the OLT yet lack the resources to pay those costs in addition to their own. Mono feels that the OLT should only exercise this power in exceptional circumstances. All parties should have a clear, unambiguous understanding of the criteria used by the tribunal when determining if costs are to be awarded prior to an appeal being launched.

The Town of Mono recommends:

- 1. THAT the tribunal's power to award costs be limited and specific;
- THAT the conditions and criteria for determining the awarding of costs be prescribed in Schedule 7;





November 7, 2022

Hon. Steve Clark
Minister of Municipal Affairs and Housing
College Park 17th Floor
777 Bay Street
Toronto, ON M7A 2|3

Dear Minister.

Bill 23 currently before the Legislature gives us concerns on a number of levels. This legislation significantly affects 10 Acts yet is proceeding with undue haste through the legislative process to become law.

Introduced for First Reading on October 25 at 3:00 p.m. in the afternoon it proceeded to Second Reading less than 24 hours later on October 26 at 9:00 a.m. On October 27 closure (cloture) was invoked by the Government to cut off debate with a vote on this deferred to the morning of Monday October 31. The motion of closure (cloture) passed Monday as did the vote on Second Reading. We are; however, happy to see a referral to Committee for further consideration before Third and final reading.

It is clear little or no consultation took place with municipalities or AMO before this Bill was introduced. We trust; however, Committee consideration will be judicious and that you will take into consideration all suggested changes.

In reading the transcription of the Legislative debate on Bill 23 it is apparent the government has good intentions to see more housing constructed but questionable approaches to making it happen. Here are just a few examples:

Impact on public participation in planning matters

In the words of Parliamentary Assistant to the Ministry of Municipal Affairs and Housing Kevin Holland:

"We would also place a limit on appeals from individuals and community groups, for instance, that would further hinder the progress of official plan amendments and zoning bylaw amendments. This would help reduce the tribunal's backlog and speed up approvals." Hansard

These comments of the Parliamentary Assistant speak volumes. More convenient for developers and the Tribunal but no help to municipalities and citizens seeking to legitimately challenge applications.

Of particular concern to us is the expansion the Ontario Land Tribunal's powers to dismiss a proceeding without a hearing. They are also given the power to dismiss a proceeding entirely and to order an unsuccessful party to pay a successful party's costs. All this can be done at the whim of the Ontario Land Tribunal using very subjective grounds. There is only one purpose for this and it is to create a chilling effect on appeals and public participation in the planning process.

Further discounting or eliminating Development Charges to encourage desired housing

Laudable except when one considers Development Charges already fail to offset the cost of development to municipalities. Further discounting or elimination of these charges simply lands at the feet of municipal taxpayers to somehow make up. Here is what AMO said about this:

"The proposed changes to municipal development charges, parkland dedication levies, and community benefits charges may contradict the goal of building more housing in the long-term. Unless fully offset by funding to support growth-related projects, reductions in these fees will shift the financial burden of growth-related infrastructure onto existing municipal taxpayers."

Undermining Conservation Authorities

Bill 23 takes aim at the traditional core responsibility of Conservation Authorities to determine where housing can be safely located proximate to water courses. The comments of the Minister of Finance, Mr. Bethlenfalvy, during the debate are most telling. While at first acknowledging the core role of Conservation Authorities, the Minister went on to state "the status quo is not an option in this province. Some 200,000 more people come to this province every year to call home. Where are they going to live?"

Floodplain housing should not be an option! What your government should do is encourage and financially support updated mapping by Conservation Authorities that clearly identifies vulnerable areas in light of current climate change circumstances.

There are many other problems with this legislation, too many to raise here. Many more will emerge in the weeks and years to come. It is troubling that in our efforts to create more housing we are creating shortcuts, sacrificing due process and municipal autonomy.

Your truly,

Original signed by:

John Creelman, Mayor

John Creelman Mayor

> P: 519.941.3599 F: 519.941.9490

E: info@townofmono.com
W: townofmono.com

347209 Mono Centre Road Mono, ON L9W 6S3 cc: Hon. Doug Ford, Premier of Ontario
Hon. Sylvia Jones, MPP Dufferin-Caledon
Peter Tabuns, Leader, Official Opposition
Jessica Bell, Critic, Housing
Jeff Burch, Critic, Municipal Affairs
John Fraser, Interim Leader of the Ontario Liberal Party
Stephen Blais, Critic for Municipal Affairs and Housing
Mike Schreiner, Leader, Green Party of Ontario
All County of Dufferin Municipalities
AMO

P: 519.941.3599 F: 519.941.9490 E: info@townofmono.com
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347209 Mono Centre Road Mono, ON L9W 6S3



August 19, 2022

The Honourable Steve Clark Minister of Municipal Affairs and Housing 777 Bay Street 17th Floor Toronto ON M7A 2J3

Dear Minister Clark:

Re: Strong Mayors, Building Homes Act

Please be advised that the Council of the Town of Wasaga Beach, during their August 18, 2022 Council meeting adopted the following resolution:

"That Council receive the letter dated August 10, 2022 from the Ministry of Municipal Affairs and Housing pertaining to Strong Mayors, Building Homes Act, for information;

And further that a letter be sent to the Minister of Municipal Affairs and Housing outlining these proposed powers are not appropriate and to outline other ways for the province to institute housing and other matters, and that the motion be circulated to all Ontario municipalities."

The Town of Wasaga Beach Council does not support the Strong Mayors, Building Housing Act as the proposed changes will not demonstratively speed up the construction of housing and will erode the democratic process at the local level where members of Council have to work together to achieve priorities. What is needed to speed up construction of housing is greater authority for local municipalities to approve development without final clearances from outside agencies after they have been given reasonable time to provide such clearances.

Your favourable consideration of this matter is appreciated.

Should you have any questions, please contact me at mayor@wasagabeach.com or (705) 429-3844 Ext. 2222.

Yours sincerely,

Nina Bifolchi Mayor

c. Members of Council All Ontario Municipalities

Administration: (705) 429-3844 Fax:

Planning:

429-6732

429-3847

Building: By-Law:

Parks & Rec:

429-1120 429-2511 429-3321

Arena: Public Works: 429-0412 429-2540

Fire Department:

429-5281

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17th Floor Toronto ON M7A 2J3 Tel.: 416 585-7000 Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17º étage Toronto ON M7A 2J3 Tél.: 416 585-7000



234-2022-3540

August 10, 2022

Dear Head of Council:

As Ontarians face the rising cost of living and a shortage of homes, our government was re-elected with a strong mandate to help more Ontarians find a home that meets their needs.

Our government also made an election promise to build 1.5 million new homes for the people of Ontario over the next 10 years to address the housing supply crisis.

I am pleased to inform you that our government introduced the proposed Strong Mayors, Building Homes Act on August 10, 2022, that, if passed, would make changes to the *Municipal Act, 2001*, *City of Toronto Act, 2006*, and the *Municipal Conflict of Interest Act*. These amendments would empower mayors in the City of Toronto and City of Ottawa to deliver on shared provincial-municipal priorities and get more homes built faster.

If passed, the proposed changes impacting the City of Toronto and City of Ottawa are intended to take effect on November 15, 2022, which is the start of the new municipal council term. Other growing municipalities could follow at a later date.

If you have any comments or feedback regarding these proposed changes, you may submit them to the Ministry of Municipal Affairs and Housing at: StrongMayors@ontario.ca.

Sincerely,

Steve Clark Minister



Sent via Email

September 23, 2022

RE: TOWN OF GRAVENHURST RESOLUTION - STRONG MAYORS

At the Town of Gravenhurst Committee of the Whole meeting held on September 20, 2022, the following resolution was passed:

BE IT RESOLVED THAT the Correspondence from the Town of Wasaga Beach regarding Strong Mayors be received for information.

AND THAT a letter be sent to the Minister of Municipal Affairs and Housing outlining these proposed powers are not appropriate and to outline other ways for the province to institute housing and others matters.

AND FINALLY THAT this motion be circulated to all Ontario municipalities.

Sincerely,

J. G.

Jacob Galvao Administrative Clerk II – Legislative Services Town of Gravenhurst



7855 Sideroad 30 Alliston, ON L9R 1V1 P.: 705-434-5055

F.: 705-434-5051

September 23, 2022

Sent Via Email: minister.mah@ontario.ca

The Honorable Steve Clark
Minister of Municipal Affairs and Housing
777 Bay Street
17th Floor
Toronto ON
M7A 2J3

Dear Minister Clark:

RE: Support Resolution re: Strong Mayors, Building Homes Act, Town of Wasaga Beach

Council at is Regular Meeting held on September 14, 2022, passed the following resolution.

RES-403-2022

Resolved That Council support the Town of Wasaga Beach resolution regarding Strong Mayors, Building Homes Act;

And further that a letter be sent to the Minister of Municipal Affairs and Housing outlining these proposed powers are not appropriate and to outline other ways for the province to institute housing and other matters, and that the motion be circulated to all Ontario municipalities.

I trust you will find this satisfactory.

Best Regards,

Fiona Smith

Fiona Smith Deputy Clerk

Enc.

Cc: All Ontario Municipalities

www.adjtos.ca

MUNICIPALITY OF 2001 SOUTH HURON

CORPORATION OF THE MUNICIPALITY OF SOUTH HURON

322 Main Street South P.O. Box 759 Exeter Ontario

NOM 1S6

Phone: 519-235-0310 Fax: 519-235-3304

Toll Free: 1-877-204-0747 www.southhuron.ca

October 24, 2022

Sent via email: Steve.Clark@pc.ola.org

Minister of Municipal Affairs and Housing

Attn: The Honourable Steve Clark

777 Bay Street 17th Floor Toronto ON M7A 2J3

Re: Opposition to Strong Mayors Building Homes Act

At South Huron's October 3, 2022 Council Meeting the following resolution was passed:

Motion: 331-2022 Moved: T. Oke

Seconded: J. Dietrich

That South Huron Council support the Town of Wasaga Beach resolution regarding opposition to Bill 3, Strong Mayors, Building Homes Act, 2022; and

Further that a letter be sent to the Minister of Municipal Affairs and Housing and to all Ontario municipalities.

Please find attached the originating correspondence for your reference.

Respectfully,

Sue Johnson

Administrative Assistant

Corporate Services/Clerk's Department

Municipality of South Huron

Encl.

cc: Ontario municipalities





The Corporation of the County of Prince Edward T: 613.476.2148 x 1021 | F: 613.476.5727

clerks@pecounty.on.ca | www.thecounty.ca

November 15, 2022

Please be advised that during the regular Council meeting of November 8, 2022 the following motion regarding a response to the *More Homes Built Faster Act* (Bill 23) was carried:

RESOLUTION NO. 2022-448

DATE: November 8, 2022

MOVED BY: Councillor Hirsch

SECONDED BY: Councillor MacNaughton

WHEREAS; there has been an exceptionally small timeframe to comment on the *More Homes Built Faster Act* (Bill 23);

WHEREAS; the bulk of the changes contemplated in Bill 23 will be enacted by regulation;

WHEREAS; those regulations have been published on the government of Ontario website for comment by November 24, 2022;

AND WHEREAS; the following elements of Bill 23 and its proposed regulations are not in the best interest of The County:

- provision regarding inclusionary zoning for affordable housing has a proposed limit of only 5% of units in a subdivision of 10 or more units which should be increased to 15% to be effective.
- provisions regarding the Heritage Act which would have the effect of forcing municipalities to quickly make designation decisions on all properties currently on the heritage register.
- provisions relating to the Conservation Authorities Act which would have the effect of removing the Conservation Authority from providing effective and necessary comments on planning applications.
- provisions relating to the Conservation Authorities Act which would allow development in certain wetlands on an offset basis.
- proposed changes to municipal development charged, parkland, dedication levies, and community benefits charges that may contradict the goal of building more housing in the long-term.



From the Office of the Clerk

The Corporation of the County of Prince Edward
T: 613.476.2148 x 1021 | F: 613.476.5727
clerks@pecounty.on.ca | www.thecounty.ca

THEREFORE, **BE IT RESOLVED THAT**; the Council of the Corporation of the County of Prince Edward advise the Provincial government that it does not support certain aspects of the More Homes Built Faster Act (Bill 23);

THAT; the Council of the Corporation of the County of Prince Edward direct the Mayor to submit objections with respect to the provisions listed above through the formal comment process within the timeframes for comment;

THAT; the Council of the Corporation of the County of Prince Edward advise the provincial government that it supports the submission made by Conservation Authorities in Ontario; and,

THAT; this resolution be shared with all 444 municipalities, FCM, AMCTO, AMO and Quinte Conservation.

CARRIED

Yours truly,

Catalina Blumenberg, CLERK





The Honourable Doug Ford
Premier of Ontario
Legislative Building, Queen's
Park
Toronto, ON M7A 1A1
VIA EMAIL:
premier@ontario.ca

Township of Puslinch
7404 Wellington Road 34
Puslinch, ON NOB 2J0
www.puslinch.ca

November 17, 2022

RE: 9.3.3 Report ADM-2022-065 Bill 23 Proposed Changes

Please be advised that Township of Puslinch Council, at its meeting held on November 9, 2022 considered the aforementioned topic and subsequent to discussion, the following was resolved:

Resolution No. 2022-366: Moved by Councillor Sepulis and Seconded by Councillor Bailey

That Report ADM-2022-065 entitled Bill 23 Proposed Changes and Consent items 6.6 and 6.15 and Correspondence Item 10.4 be received; and

Whereas the Township of Puslinch has received correspondence dated Oct. 25, 2022 from Minister Clark regarding the More Homes Built Faster Act, 2022 (Bill 23); and

Whereas the Township of Puslinch Council recognizes that there is a housing affordability concern in Ontario;

Be it resolved that the Township of Puslinch Council advise the Province that is has significant concerns about the actions contained therein to:

- 1. Essentially remove meaningful public participation from the land use planning process;
- 2. Reduce the protection of natural heritage features/natural hazards, and the resulting impact on public health, public safety, and climate change objectives;
- 3. Reduce the important role of Conservation Authorities in the review of development applications (a loss of technical expertise critical to rural municipalities);



- 4. Eliminate the long-established regional planning framework in the Province;
- 5. Streamlining aggregate applications by permitting Ministry staff to make decisions until such time that more information is provided;
- 6. Financial implications of all of the impacts of Bill 23, by eliminating the long accepted concept of growth paying for growth, and shifting that burden to the tax payer through property taxes;
- 7. Proposed Heritage Act changes related to timelines to designate properties listed on the Registry with undesignated status undermines the ability of the community to save these structures through community engagement and goodwill; and

Whereas the Township of Puslinch received the presentation from the Mill Creek Stewards;

Be it Resolved, that Puslinch Council request that the Ministry review the presentation by the Mill Creek Stewards; and

Whereas the Township of Puslinch received the Hamilton Conservation Authority Board Resolution and the Halton Conservation Authority correspondence addressed to the Province;

Be it Resolved, that Puslinch Council supports the comments contained therein; and

That the presentation and the Council Resolution be forwarded to Premier Ford, Minister Clark, Speaker Arnott, County of Wellington, AMO, ROMA, Grand River Conservation Authority, Conservation Halton, Hamilton Conservation Authority and all Ontario municipalities.

CARRIED



As per the above resolution, please accept a copy of this correspondence for your information and consideration.

Sincerely, Courtenay Hoytfox Municipal Clerk

CC:

The Honourable Steve Clark, Minister of Municipal Affairs and Housing steve.clark@pc.ola.org
The Honourable Ted Arnott, MPP Wellington-Halton Hills ted.arnottco@pc.ola.org
The County of Wellington donnab@wellington.ca
Association of Municipalities of Ontario (AMO) amo@amo.on.ca
Rural Ontario Municipal Association (ROMA) romachair@roma.on.ca
Grand River Conservation Authority planning@grandriver.ca
Conservation Halton cpriddle@hrca.on.ca
Hamilton Conservation Authority ereimer@conservationhamilton.ca
All Ontario Municipalities

Mill Creek Steward's Comments On

Bill 23

Building Homes Faster Action Plan



Lorem Ipsum

Mr Mayor, Councillors

May we begin with our deepest sympathies, no I'm kidding, congratulations to you all on your recent election/acclamation. The Mill Creek Stewards believe you're going to have an especially significant and challenging term in office as municipalities try to define their role in the provincial-municipal relationship.

That relationship brings us to the "More Homes Built Faster Action Plan" proposed by the Ontario government and presented to you as Item 6.6 on today's Agenda.

The provincial government is trying to sell this Plan as a means of building homes faster and cheaper by empowering municipalities.

It does neither. This bill is a wolf in a sheepskin.

If we start with those innocent looking sheepskins. This plan supports:

- 1) Eliminating/reducing regional planning to allow more local input.
- 2) Streamlining and reducing the costs of development applications.
- 3) "As of right" Additional Residential Units ARUs
- 4) Building more homes near transit corridors.
- 5) Housing targets and helping homebuyers
- 6) Improving the Ontario Land Tribunal.

At least some are creditable goals!

We can't argue with those goals but if we look underneath we see wolves.

- 1) Eliminating regional planning. Does allow more local input but at significantly more local costs. At the same time, by stripping input from Conservation Authorities, the result is no cross-jurisdictional planning, a critical aspect of water, land and environment planning recognized and instituted decades ago and applauded internationally. To add insult to injury this plan requires CAs to define CA land suitable for housing development and removes barriers to their sale.
- 2) Streamlining and reducing application costs. Does allow for faster application approvals but is that the problem? The provincial government's own Housing Task Force in the spring of 2022 identified land availability and development applications as non-issues. Their maps showed the lands adjacent to communities, and still available for development, serve the province's needs for the next 30 years with minimal new lands and no greenbelt land. As well, lands proposed for removal from the greenbelt are farther from infrastructure and would cost municipalities significantly more to develop. It should be noted that there is a shortage associated with housing but its not land. The average house and lot size has doubled in the last twenty years, doubling resource consumption and creating a resource not housing shortage, which explains why so much approved-land sits undeveloped. While reducing application and development costs compromises the generation of critical municipal revenue necessary for essential housing infrastructure development, especially extended development. The province offers no offsets to cover municipality's significant losses in revenue, while at the same time downsizing CAs and regional governments, further increasing the administration costs of local municipalities.
- 3) "As of right" ARUs. A true sheep with no wolf but unnecessary as municipalities like Puslinch have already implemented this aspect in everything but name.
- 4) Building near transit corridors. Again a true sheep but very small compared to the wolves.
- 5) Housing targets and assisting homebuyers. Does help homebuyers through attainable housing targets and development fee exemptions but leaves large loopholes in who can buy attainable housing and especially resell, while fee exemptions include no provincial offsets, once again leaving the tax base of local municipalities to bear the costs.
- 6) Improving the OLT. Does sound positive but it's limited to eliminating third party i.e. community groups like ours from appealing any Official Plan or Zoning bylaw amendments while permitting industry to appeal. This is at the same time as the province has removed regional planning and the right of appeal from regional governments and right of input from CAs.

And sadly the province already has specific targets for these wolves:

Pitting its wolves against two Greenland agreements covering the Golden Horseshoe. The province seeks to reverse both agreements. In the case of both agreements, the means for amendments already exist. Its just criteria that protect critical aspects of the broader community need to be met first. The province claims these criteria that protect the environment, natural features and farmland are too slow but slower is not slow and slower is the way that democracy, government by the people, works to balance risk for the broad community.

Pitting wolves against the Greenbelt itself, where the province is seeking to remove large swaths of protected land, while promising to offset it with land elsewhere. No belt can do its job if its chewed in pieces and the Greenbelt is no different, especially when the offset lands are distant, less than presented and being recycled as they were trumpeted months ago. As stated previously, these lands are not even needed and the province was very clear prior to the election that the no land would be removed from the Greenbelt. At the same time the substitute restricted development lands are being passed to distant municipalities like Puslinch at no gain.

Pitting its wolves against two specific higher tier municipalities, Hamilton and Kitchener-Waterloo, whose land planning guided by referendums met provincial targets but ran counter to provincial wishes. In this case the province promises low tier municipalities the power to ignore higher tier planning. One of the most significant problems resulting from this Bill is the elimination of cross-jurisdictional planning associated with regional governments (higher tier) and our unique conservation authorities (watersheds).

Pitting its wolves against wetlands, farmland and natural heritage features is of particular concern to our group. The province has supplied little wolf detail in its Action Plan except in the case of wetlands through its "Proposed Changes to OWES". These changes are a preview of what we can expect with respect to all other areas of planning. The core of this proposal is reducing bureaucracy and its costs by eliminating provincial oversight. I refer you to the paper appendix where original text is in black and removed or added text is blue. Removed text has a line through it, which is most of the text. In essence little has been added and much taken way in the name of streamlining. This reduction doesn't empower municipalities. It is a crass means of cutting provincial costs, downloading research on municipalities and minimizing the effectiveness of land planning oversight: all while appearing to substitute municipal oversight, i.e. empowerment. Municipalities will either face significant additional planning staff costs or face approving by default, all applications for development.

Specifically the province proposes to almost totally eradicate Ministry input into land planning when it comes to evaluating farmland, water courses, natural heritage features, wetlands and endangered species. Unfortunately as a replacement it only offers municipalities one option: subjective evaluations done without the benefit of objective report frameworks (page 1), significantly reduced detail including references (page 2,3), potentially done by unskilled workers supervised at a distance, done without the benefit of experienced Conservation Authority and Ministry personnel and considered complete when presented to the appropriate planner regardless of comprehensiveness (page 4).

This is not municipal empowerment, just a means to chaos, chaos that disempowers municipalities in every case where the municipalities and province disagree.

Finally in finishing our review, we must comment on the cynical use throughout both Bill 23 and the OWES Plan, of the "offsets" concept. This offset concept sounds innocent but in effect it eliminates any protection municipalities may have still hoped to extend to their water sources, farmlands, wetlands, natural heritage

features, species habitats and greenlands. Worst is the offset fund aspect, which allows developers to circumvent substitution and simply pay for destruction. When destruction engenders millions of dollars, a few thousand dollars is a small price for developers to pay.

Bill 23 is not municipal empowerment but nuclear disempowerment. It won't build homes faster or cheaper but will have catastrophic effects on our environment including our Mill Creek.

We have no doubt the Township's staff have prepared a comprehensive review of this Plan but we felt given this Action Plan's massive and immediate impact even as far as the Provincial Policy Statement, required we add our voice in person.

We are especially concerned by its plan to deny community groups like ours the right to participate in planning decisions and further the right to appeal planning decisions if we somehow manage to learn about them. Please consider a strong response to the province's request for input on this proposed Plan. Thank you for your time and attention.

Note this legislation while eliminating the right of community groups like ours to appeal municipal decisions, doesn't eliminate the right of industry (aggregate, housing etc.)

Note this legislation tries to distract from municipalities that are already resolving housing shortages with densification at much lower cost and speedier resolution.

Note the extremely short timeline for comment on this Bill as well as the shortened timelines on all ERO comment periods, reflects a provincial agenda while significantly stressing our municipal staff.

Note greenbelt lands and wetlands have already been bought cheaply by speculators anticipating government proposed changes, meaning the whole concept of greenbelt, i.e. its permanency, is being destabilized.

Note this legislation not only eliminates the requirement for CA input for development applications but forbids it, i.e. a gag order. "Required to look at watershed protection only without reference to development".

Note this legislation put the existence of the Provincial Policy Statement, the foundation of lower tier government planning, in question, as it over-rides the PPS on farmland, wetlands, natural heritage sites, species protection etc.



A Healthy Watershed for Everyone

Via Email: gschwendinger@puslinch.ca

November 7, 2022

Glenn Schwendinger, CAO/Clerk Office of the CAO/Clerk Township of Puslinch Office 7404 Wellington Road 34 Puslinch, Ontario N0B 2J0

Re: Hamilton Conservation Authority Board Resolution re. Ministry of Natural Resources and Forestry proposals in support of Bill 23 More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23

Dear Mr. Schwendinger,

On November 3, 2022, the Hamilton Conservation Authority (HCA) Board of Directors passed the following unanimous resolution:

BD12, 3113 MOVED BY: Jim Cimba SECONDED BY: Brad Clark

THAT the following key points regarding the Ministry of Natural Resources and Forestry proposals in support of Bill 23 More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23 be sent to HCA's member municipalities:

- Proposed changes should take into account a watershed-based approach to balance growth with the environment and public health and safety.
- CAs should continue with the ability to review and comment on natural heritage in permitting and planning applications and retain responsibility for

- Natural Hazard approvals to ensure safe development.
- We request continued collaboration with the Province in regard to the proposed changes and support Conservation Ontario's call to engage with the established multi-stakeholder Conservation Authorities Working Group (CAWG) that helped guide the Province in its implementation of the last round of changes to the CA Act.
- Municipalities should retain the option to enter into MOUs with CAs for municipally requested advisory services.
- Permit CAs to work towards cost recovery targets so that development pays for development.
- The Province should recognize the importance of CA lands and ensure clear policies to protect them.

CARRIED

Sincerely,

Lisa Burnside

CAO, Hamilton Conservation Authority



905.336.1158 Fax: 905.336.7014 2596 Britannia Road West Burlington, Ontario L7P 0G3

conservationhalton.ca

Protecting the Natural Environment from Lake to Escarpment

The Honourable Doug Ford
Premier of Ontario
Legislative Building, Queen's Park
Toronto, ON, M7A 1A1
premier@ontario.ca

The Honourable Graydon Smith Minister of Natural Resources and Forestry Whitney Block, 99 Wellesley St W, Toronto, ON M7A 1W3 minister.mnrf@ontario.ca The Honourable Steve Clark
Minister of Municipal Affairs and Housing
College Park 17th Floor, 777 Bay St,
Toronto, ON M7A 2J3
steve.clark@pc.ola.org

The Honourable David Piccini
Minister of the Environment, Conservation and Parks
College Park 5th Floor, 777 Bay St,
Toronto, ON M7A 2J3
david.piccinico@pc.ola.org

October 31st, 2022

Dear Premier Ford, Minister Clark, Minister Smith and Minister Piccini,

We are writing to you in response to Bill 23, the *More Homes Built Faster Act*, which was announced on Tuesday, October 25th, 2022, specifically regarding Schedule 2.

We agree that there is a housing supply and affordability issue in Ontario that needs to be pragmatically addressed. We support the government's commitment to reducing unnecessary barriers to development and streamlining processes. We share this commitment and publicly report on the standards of service delivery to illustrate our goal of providing the best customer service to the municipalities, communities, residents and developers we serve.

We will do our part to help the Province meet its goal of building 1.5 million homes in Ontario over the next ten years. We think your stated outcomes are important but are concerned that your proposed legislative changes may have unintentional, negative consequences. Rather than creating the conditions for efficient housing development, these changes may jeopardize the Province's stated goals by increasing risks to life and property for Ontario residents.

1. Potential sweeping exemptions to transfer CA regulatory responsibilities to municipalities

Conservation Halton would like to understand the government's intentions with this proposed exemption. It is unclear whether it will be limited to certain types of low-risk development and hazards, or if the purpose is to transfer Conservation Authorities (CA) responsibilities to municipalities on a much broader scale. While the government wants to focus CAs on their core mandate, this proposed sweeping exemption signals the exact opposite. As proposed in the legislation, the CA exclusions will nullify the core functions of CAs and open up significant holes in the delivery of our natural hazard roles, rendering them ineffective. This will negatively

impact our ability to protect people and property from natural hazards, which seem to be more and more prevalent with extreme weather events.

Without limitations or further scoping, these proposed changes signal the likelihood of future delegation of CA permitting roles to municipalities that have neither capacity nor expertise in water resources engineering, environmental planning and regulatory compliance. This will result in longer response times and increased costs and impede the government's goal of making life more affordable.

Municipalities will also assume sole liability for the impact of development on natural hazards within municipal boundaries and on neighbouring upstream and downstream communities, which is a significant and new responsibility that they have never had to manage.

Key Recommendations:

- Address this risk expressly keep all hazard-related responsibilities with CAs.
- Engage with the existing multi-stakeholder Conservation Authorities Working Group (CAWG) to ensure
 there is a streamlined, consistent and scoped process for CAs to help the Province achieve its housing goals
 while ensuring costs are low, the process is fast and Ontario taxpayers are protected.
- 2. Proposed change that would prohibit CAs from entering into MOUs with municipalities for other services (e.g., natural heritage reviews, select aspects of stormwater management reviews, etc.)

Conservation Halton has demonstrated that we can deliver these services efficiently without lengthening the approvals process. There is no evidence that municipalities can do this faster or cheaper. Bill 23 as currently written, precludes municipalities from entering into agreements with CAs to provide advice on environmental and natural heritage matters. They will have to coordinate with neighbouring municipalities and the Province on a watershed basis, rather than taking advantage of expertise already available within many CAs.

Key Recommendations:

- Municipalities should retain the option to enter into MOUs with CAs, with clearly defined terms, timelines and performance measures, as allowed under Section 21.1.1 (1) of the CA Act.
- Work with the CAWG to develop guidance for commenting and exploring the option of limiting CAs from commenting beyond natural hazards risks except where a CA has entered into an agreement or MOU.

3. Proposed change to freeze CA fees

This proposal has no guidelines on the timing or permanence of the fee freeze. Conservation Halton has already undertaken an extensive cost-based analysis that has been benchmarked against other development review fees to ensure our fees do not exceed the cost to deliver the service. We meet regularly with developer groups and municipalities to ensure our fees, processes and service standards are transparent, consistent and fair. We hope that you will be guided by your already approved fee policy that Conservation Halton supports, otherwise this change will impose additional costs on municipalities.

Key Recommendation:

• Require CAs to demonstrate to the Province that permit and planning fees do not exceed the cost to deliver the program or service and only consider freezing fees if CAs are exceeding 100% cost recovery.

4. Wetland Offsetting

Wetlands play a critical role in mitigating floods. Further wetland loss may result in serious flooding, putting the safety of communities at risk. Wetlands are a cost-effective strategy for protecting downstream properties. The

government must be prudent when considering changes like offsetting, which could negatively affect the ability of wetlands to reduce flooding and confuse roles in wetland management and protection between municipalities and CAs.

Conservation Halton is disciplined and focused on providing mandatory programs and services related to natural hazards. We have a transparent and proven track record of providing regulatory services that are streamlined, accountable and centred on rigorous service delivery standards. Our commitment focuses on stakeholder engagement, from meeting homeowners on-site to engaging with the development community to better understand perceived barriers. This approach helps us find innovative solutions for continued and safe growth in the municipalities we serve.

To ensure the most effective implementation of this Bill, we believe it is critical that the government presses pause on the proposed changes we have highlighted and meet with us to clarify and consider more effective alternatives. It is our hope that we can work with you again to safeguard the best possible outcomes for the people of Ontario.

You had such great success through the multi-stakeholder CA Working Group, which your Progressive Conservative government created and which Hassaan Basit, President and CEO of Conservation Halton, chaired. We strongly suggest continuing this engagement and we stand ready to help.

Sincerely,

Gerry Smallegange

Conservation Halton Board of Directors

Mayor Gordon Krantz

Conservation Halton Board member

Mayor Rob Burton, BA, MS

Town of Oakville

Conservation Halton Board member

Mayor Marianne Meed Ward

City of Burlington

Conservation Halton Board member

cc:

MPP Ted Arnott

MPP Parm Gill

MPP Stephen Crawford

MPP Effie Triantafilopoulos

MPP Natalie Pierre

MPP Donna Skelly

MPP Deepak Anand

MPP Peter Tabuns

COUNTY OF WELLINGTON



COMMITTEE REPORT

To: Chair and Members of the Planning Committee

From: Sarah Wilhelm, Manager of Policy Planning

Jameson Pickard, Senior Policy Planner

Date: Thursday, November 10, 2022

Subject: Bill 23 – More Homes Built Faster Act, 2022

1.0 Purpose

The purpose of this report is to provide an overview of proposed changes recently introduced by the Minister of Municipal Affairs and Housing through the "More Homes Built Faster Act, 2022" (Bill 23) aimed at increasing housing supply in Ontario.

This report comments on parts of the amendments related to the land use planning and development approvals process and also highlights other changes under consideration that have impacts across County Departments, Member Municipalities and Conservation Authorities. The Treasury Department will report separately to the Administration, Finance and Human Resources Committee on the potential impacts related to development charges.

2.0 Background

The Provincial Government has proposed sweeping changes to multiple statutes, regulations, policies and other matters to help achieve the goal of building 1.5 million homes in Ontario over the next 10 years. Bill 23 impacts nine statutes, including major changes to the Planning Act, Development Charges Act and Conservation Authorities Act. The Government is moving fast and the changes are far reaching.

3.0 Major Themes

The proposed changes focus on the following major themes:

- building more homes;
- streamlining processes; and
- reducing costs and fees to build houses.

The Government has posted material for comment on the Environment Registry of Ontario and the Ontario Regulatory Registry about the proposed legislative and regulatory changes (see Appendix A for list). Planning staff have reviewed and summarized information to assist the County and Member Municipalities in their review of the material (Appendix B) but encourage those interested to review the proposed changes in their entirety.

Key changes are listed below.

3.1 Building More Homes

In an effort to build more homes, the Province has proposed the following changes:

Additional Residential Units (ARUs)	 allow landowners to have up to 3 residential units per lot without the need for a zoning by-law amendment in municipally-serviced urban residential areas would permit 3 units in the main dwelling (including 2 ARUs) or a combination of 2 units in the main dwelling (including 1 ARU) and another ARU in an ancillary building zoning by-laws cannot set a minimum unit size or require more than one parking space per unit, but other zoning rules would apply
Housing targets to 2031	 set housing targets to 2031 for 29 "large and fast-growing" municipalities in Southern Ontario (not applicable to Wellington County)
Major transit stations	 build more homes near major transit stations (not applicable to Wellington County)
Conservation Authorities	identification of Conservation Authority lands suitable for housing

3.2 Streamlining

The Provincial Government is looking to streamline a wide range of policies and procedures to reduce the time it takes for new housing to be built.

Public Involvement	 remove "third party" appeal rights for all planning applications (this would include appeals by the public) remove the public meeting requirement for draft plan of subdivision approvals
Conservation Authorities (CAs)	 remove Conservation Authority appeal rights for planning applications, except where the appeal would relate to natural hazards policies limit Conservation Authority responsibilities to review and comment on planning applications (either on behalf of a municipality or on their own) to focus on natural hazards and flooding change the Provincial wetland evaluation system, including shifting responsibility for wetland evaluation to local municipalities establish one regulation for all 36 CAs in Ontario

New Provincial Planning Document	 eliminate duplication between the Provincial Policy Statement (PPS) and A Place to Grow (Growth Plan), by combining them into one document and providing a more flexible approach to growth management
Planning Responsibilities	 shift planning responsibilities from some upper-tier municipalities to lower-tier municipalities (not applicable to Wellington County)
Site Plans	 exclude projects with 10 or fewer residential units from site plan control exclude exterior design of buildings from site plan control
Heritage	 add more stringent requirements related to municipal heritage registers and timing of designation
Rental Unit Demolition and Conversion	 impose limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties

3.3 Reducing Costs and Fees

Reductions in costs and fees are mainly focused in the following areas:

Development Charges and Parkland Dedication	 exempt non-profit housing developments, inclusionary zoning residential units (not applicable to Wellington County), and affordable, additional and attainable housing units from development charges and parkland dedication discount development charges for purpose-built rentals remove costs of certain studies from development charges reduce alternative parkland dedication requirements
Conservation Authorities	 a temporary freeze on CA fees for development permits and proposals
Other	 review of other fees charged by Provincial ministries, boards, agencies and commissions

3.4 Additional Matters

Beyond the proposed land use planning changes, other key changes include to:

- enable the Ontario Land Tribunal (OLT) to speed up processing of appeals
- provide the OLT with discretionary power to order the unsuccessful party at a hearing to pay the successful party's costs

- provide a potential rent-to-own financing model
- increase penalties under the New Homes Construction Licensing Act of up to \$50,000

4.0 Conclusion

Ontario is in the midst of a housing crisis. While there are no simple solutions to the problem, action is required. Several of the Government's initiatives support recommendations of the County's Attainable Housing Strategy such as:

- streamlining the land use planning approval process;
- reducing/exempting certain development charges and parkland dedication requirements;
- · introducing an attainable housing category; and
- considering a potential rent-to-own financing model.

While the above proposals will likely increase the supply of housing, more information is needed to better understand how related cost reductions will be passed on to potential home buyers.

The County has previously commented to the Province about duplication between the Provincial Policy Statement and the Provincial Growth Plan for the Greater Golden Horseshoe Area and welcome the creation of one streamlined Provincial Planning document and a simplified process for comprehensive growth reviews. Planning staff do, however, have concerns about how this might impact the municipal comprehensive review (MCR) work completed to date.

We have significant concerns about actions to:

- essentially remove meaningful public participation from the land use planning process;
- reduce the protection of natural heritage features/natural hazards, and the resulting impact on public health, public safety, and climate change objectives;
- reduce the important role of Conservation Authorities in the review of development applications (a loss of technical expertise critical to rural municipalities); and
- eliminate the long-established regional planning framework in the Province.

Staff note that there is a substantial amount of material posted for consultation and little time to respond (most comments are due late November or early December). Unfortunately, this timeframe does not allow for many newly elected Councils (including Wellington County) to meet and discuss their comments. We understand that more information is to follow as Bill 23 also introduces the potential for additional policies and regulations. Therefore, the full impact of the proposed amendments is unknown.

5.0 Next Steps

At the time of writing this report, the Bill has passed second reading and is at the Committee stage in the Legislature. Staff will continue to monitor the proposed legislation as it moves through the legislative process. Staff will engage with AMO and other organizations to provide input and will report at a later date when the legislation comes into effect and/or additional policies and regulations are made available.

Recommendations

That the report "Bill 23 – More Homes Built Faster Act, 2022" be received for information.

That this report be forwarded to the Ministry of Municipal Affairs and Housing on behalf of the County of Wellington and circulated to member municipalities for their consideration prior to Environmental and Regulatory Registry Provincial comment deadlines.

Respectfully submitted,

Sarah Wilhelm, BES, MCIP, RPP

Manager of Policy Planning

Jameson Pickard, B. URPL, RPP, MCIP

Jameson Pickard

Senior Policy Planner



Clerks and Bylaw

November 17, 2022

SENT VIA E-MAIL TO:

Hon. Steve Clark
Minister of Municipal Affairs and Housing
Steve.Clark@pc.ola.org

Dear Minister Clark:

Re: Bill 23 "More Homes Built Faster Act, 2022"

On behalf of the Council of The Corporation of Norfolk County, please be advised that Council passed the following resolution at the November 16, 2022 Council-in-Committee meeting:

Resolution No. 13

Moved By: Mayor Martin

Seconded By: Councillor Columbus

WHEREAS on October 25, 2022, the Provincial government introduced Bill 23 known as the "More Homes Built Faster Act, 2022";

AND WHEREAS the overall stated purpose of Bill 23 is to introduce several legislative changes to increase housing supply throughout Ontario and to achieve the province's goal of 1.5 million homes over the next ten years;

AND WHEREAS the proposed changes include significant changes to six pieces of legislation including but not limited to development charges reform, diminished role of conservation authorities, removal of legislated planning responsibilities from some upper-tier municipalities, removal of public consultation in relation to subdivisions, adjusting the rights of appeal by third parties, and adjusting how growth-related capital infrastructure is paid for;

AND WHEREAS commenting timelines for these new proposed changes is constricted with some comments due on November 24, 2022, for many of the proposed changes;

AND WHEREAS given the enormity of the proposed changes and potential long-term financial impacts to municipalities, including Norfolk County, additional time is needed to review, engage, and analyze the proposal to provide informed feedback;

NOW THEREFORE BE IT RESOLVED THAT

- the County formally request the Ministry of Municipal Affairs and Housing extend the commenting period for all components of the proposed Bill 23 to at least January 15, 2023 to allow for a more informed consultation period.
- 2. That the Mayor be directed to submit a letter on behalf of Norfolk County Council to the Ontario Minister of Municipal and Affairs MP, and local MPP, expressing concerns with the proposed legislation as detailed in staff memo CD-22-110, and the letter be circulated to all municipalities in the Province of Ontario.

Carried.

Should you have any questions regarding this matter or should you require additional information, please contact the Office of the County Clerk at 519-426-5870 x. 1261, or email: Clerks@norfolkcounty.ca.

Sincerely,

Teresa Olsen County Clerk Norfolk County

CC:

- Leslyn Lewis, M.P., Haldimand-Norfolk leslyn.lewis@parl.gc.ca
- Bobbi Ann Brady, M.P.P., Haldimand-Norfolk BABrady-CO@ola.org
- All Ontario municipalities

Administration



7883 Amtelecom Parkway
Forest, ON N0N 1J0 **T**: 519-243-1400 / 1-866-943-1400
www.lambtonshores.ca

November 22, 2022 by email: schicp@ola.org

Standing Committee on Heritage, Infrastructure and Cultural Policy

To Whom It May Concern

Re: Proposed Legislation

Bill 23 – More Homes Built Faster Act, 2022

Thank-you for the opportunity to comment on the above-noted proposed legislation.

Please be advised that the Council of the Municipality of Lambton Shores passed Resolution 22-1108-11 at its November 8, 2022 regular Council meeting:

THAT staff draft a letter to the province outlining Lambton Shores' concerns with Bill 23 and circulate to AMO and all Ontario municipalities.

Lambton Shores is a thriving, growing community on the shores of Lake Huron. It includes several communities experiencing appreciable growth in residential and commercial developments. Lambton Shores' beaches, lakeshore communities, places like Grand Bend and Pinery Provincial Park, and its provincially and internationally significant natural heritage areas make Lambton Shores a well-known tourist destination and desirable place to live and work. Like much of rural Ontario and perhaps more so, it has experienced housing shortages, increased development activity, and a sharp rise is housing costs in the last several years.

In general, Bill 23 seems to be intended to address approval process problems that exist in larger centers more so than portions of rural Ontario like Lambton Shores. Lambton Shores, on the whole, works well with the development community and issues timely planning and other development approvals. In Lambton Shores' case, Bill 23 will "fix" many things that are not really broken and will have the unintended effect of substituting relatively efficient processes with additional processes, time, and costs to development.

The Province conducted a very narrow, developer and real estate-focused, consultation in developing its strategy to address the housing crisis. It is misleading to lay so much blame on the easy target of municipalities. Delays are often due to a development proponent's reluctance to provide information, meet requirements, and follow processes that are overseen by municipalities, but provincially-established. If the Province wishes to speed up Municipal approvals, it should look at its own approval processes, legislation, and responsiveness with respect to matters related to the *Endangered Species Act*, Records of Site Conditions, archaeological assessments, Environmental Compliance Approvals, and the like.

The limiting factor in addressing the housing crisis is labour and material shortages, caused by government policy and the demographics of aging baby-boomers. The Province would better address the housing crisis by finding ways to increase the capacity of the building industry and direct that capacity towards forms of housing that produce more units (e.g. medium and high rather than low density), rather than placing expectations on municipalities that increase staffing needs and put more pressure to draw labour away from construction and manufacturing.

Conservation Authorities

With respect to Conservation Authorities, the Municipality of Lambton Shores has an excellent working relationship with our two Conservation Authorities (Ausable Bayfield and St Clair Region). They are responsive given the level of resources they have and provide valuable expertise, resources, and services to the Municipality. These would not be practical for a Municipality of our size to provide internally. The Municipality wishes to retain the ability to obtain these services through memorandums of understanding.

- If the CAs are prohibited from commenting on natural heritage matters, the Municipality will need to instead refer development proposals to third party consultants, which will add time and cost to development proponents, contrary to the intent of Bill 23.
- Municipalities will be reluctant to grant planning approvals that would exempt development from Conservation Authority approvals. The Municipality lacks the expertise to assess natural hazards and does not wish for assume the liability. Just as planning approval processes were not designed to address Ontario Building Code matters, planning approval processes and Municipalities lack the unique tools and mechanisms of CAs and the Conservation Authorities Act to ensure development can proceed while appropriately addressing hazards.
- Repeal of the Regulations specific to each CA, in favour of a province-wide Regulation, will eliminate the local flavor of each CA and its ability to provide for the needs of its constituent municipalities, which are different in rural Ontario than in larger centers.

Additional Dwelling Units

With respect to allowing three units as-of-right on residentially zoned lands:

- This permission potentially creates additional dwelling units in areas where existing municipal services are at full capacity.
- For a second or third unit to be permitted in a particular form of dwelling, it should be clarified that the applicable zone must permit that form of housing in the first place. The current wording of the legislation would seem to permit, for example, a single detached dwelling with a basement apartment on lands zoned and intended for medium and high density, contrary to the intent to Bill 23 to create more units.
- How will the province ensure that these additional dwelling units are used as primary residences, as intended by Bill 23? In significant tourist areas like the Municipality of Lambton Shores, these provisions will promote additional

conversions of existing primary residences into two or three short term rental accommodations, contrary to the intent of Bill 23.

Waiving Fees

With respect to waiving development charges, parkland dedication and other requirements for additional dwelling units, not-for-profit housing, inclusionary housing, etc., the Municipality questions whether these savings to developers will be passed on in lower unit purchase prices. (Consumer demand and willingness to pay remains higher than the building industry's capacity to supply.) Development will however increase municipal service and infrastructure needs, the costs of which will be a burden passed on to the existing tax base, if not collected through development charges.

Site Plan Approval

Waiving site plan approval for residential developments of ten or fewer dwelling units will create adverse impacts to public and municipal interests and developments. The site plan approval process currently provides a single mechanism to address relevant items such as parking, site grading, stormwater management, site servicing, servicing capacity, entrances, work on municipal lands, and sidewalk and road closures. These are important considerations even for smaller developments. In the absence of site plan approval, municipalities will be forced to rely on (or create) a variety of other mechanisms and bylaws to address these interests, which will be less efficient than site plan approval and contrary to the intent of Bill 23 to reduce process.

Yours Respectfully,

Stephen McAuley,

Chief Administrative Officer

cc. Honourable Doug Ford, Premier of Ontario, premier@ontario.ca

Hounourable Steve Clark, Minister of Municipal Affairs and Housing, minister.mah@ontario.ca

Honourable Graydon Smith, Minister of Natural Resources and Forestry, minister.mnrf@ontario.ca

Honourable David Piccini, Minister of Environmental Conservation and Parks. Minister.mecp@ontario.ca

Honourable Monte McNaughton, MPP Lambton – Kent – Middlesex, Monte.McNaughtonco@pc.ola.org

PlanningConsultations@ontario.ca

Association of Municipalities of Ontario

Ontario municipalities



GEORGINA

Legislative Services Department/Clerk's Division

Please be advised that the Town of Georgina Council, at its meeting held on November 22, 2022, considered proposed Bill 23, the More Homes Built Faster Act, 2022 and subsequent to discussion, the following motion was passed:

Moved By Councillor Neeson Seconded By Councillor Genge RESOLUTION NO. C-2022-0354

WHEREAS on November 10, 2022, York Region Council adopted a resolution as follows:

"York Region requests the Province of Ontario to halt Bill 23 and begin consultation with the Housing Supply Action Plan Implementation Team to ensure municipalities can work in partnership with the Province of Ontario over the next few months to address the housing affordability concerns in our communities.

The Minister of Municipal Affairs and Housing be requested to appoint key stakeholders, such as the Association of Municipalities of Ontario (AMO), to the Housing Supply Action Plan Implementation Team.

The Regional Clerk circulate this report, including new Attachment 5, presented as Item G.1.1 on the revised agenda, to the Minister of Municipal Affairs and Housing, local municipalities, AMO, Federation of Canadian Municipalities (FCM) and local MPPs."

AND WHEREAS Schedule 10 to Bill 23 Supporting Growth and Housing in York and Durham Regions Act, 2022 proposes to expedite the expansion and extension of the York Durham Sewage System effectively replacing the Upper York Sewage Solution (UYSS) project;

AND WHEREAS The Council of the Corporation of the Town of Georgina supports the halting of the Upper York Sewage Solutions project and the redirection of related drainage Area flows to the York Durham Sewage System;

THEREFORE BE IT RESOLVED THAT The Council of the Corporation of the Town of Georgina supports the November 10, 2022 resolution of York Region Council concerning Bill 23, with the exception that The Council of the Corporation of the Town of Georgina supports Schedule 10 to Bill 23 Supporting Growth and Housing in York and Durham Regions Act, 2022 which proposes to expedite the expansion and extension of the York Durham Sewage System effectively replacing the Upper York Sewage Solution (UYSS) project;

AND FURTHER THAT The Council of the Corporation of the Town of Georgina support the resolution of the Board of the Lake Simcoe Region Conservation Authority dated November 18, 2022 directing Staff to provide a submission to Environmental Registry of Ontario No. 019-6141 based on comments within Staff Report No. 40-22-BOD regarding Provincial Bill 23 - More Homes Built Faster Act, 2022 and that Staff be directed to submit a letter to the Minister of Natural Resources and Forestry and the Minister of Environment, Conservation and Parks requesting that the Conservation Authorities Working Group be re-engaged;

AND FURTHER THAT the Council of the Corporation of the Town of Georgina opposes the proposed removal or re-designation of approximately 7,400 acres of protected lands from the Provincial Greenbelt Area and/or the Oak Ridges Moraine Conservation Plan for residential development as set out in ERO posting number 019-6217 and ERO posting number 019-6218;

AND FURTHER THAT the Council of the Corporation of the Town of Georgina opposes the conversion of Conservation Authority lands, for housing purposes in the absence of a fuller understanding of the criteria that will be used to conduct the assessment and a Municipal Comprehensive Review that demonstrates the need for the conversion to meet population targets;

AND THAT this resolution be forwarded to the Honourable Doug Ford, Premier of Ontario, the Honourable Steve Clark, Minister of Municipal Affairs and Housing, the Honourable David Piccini, Minister of the Environment, Conservation and Parks, the Honourable Graydon Smith, Minister of Natural Resources and Forestry, Caroline Mulroney, MPP, York-Simcoe, York Region MPP's, York Region municipalities, Lake Simcoe Watershed MPP's, the Honourable Peter Tabuns, Leader of the Opposition and interim leader of the Ontario New Democratic Party, the Honourable John Fraser, Interim Leader of the Ontario Liberal Party, the Honourable Mike Schreiner, Leader of the Green Party of Ontario, Lake Simcoe Region Conservation Authority, Association of Municipalities of Ontario (AMO) and all Ontario municipalities.





The Honourable Doug Ford Premier of Ontario Legislative Building, Queen's Park Toronto, ON, M7A 1A1 premier@ontario.ca

The Honourable Graydon Smith Minister of Natural Resources and Forestry Whitney Block, 99 Wellesley St W, Toronto, ON M7A 1W3 minister.mnrf@ontario.ca The Honourable Steve Clark
Minister of Municipal Affairs and Housing
College Park 17th Floor, 777 Bay St,
Toronto, ON M7A 2J3
steve.clark@pc.ola.org

The Honourable David Piccini
Minister of Environment, Conservation and
Parks
College Park 5th Floor, 777 Bay Street
Toronto, ON M7A 2J3
david.piccinico@pc.ola.org

Dear Premier Ford, Minister Clark, Minister Smith and Minister Piccini:

Re: Corporation of the Town of Georgina Response – Proposed Bill 23, the More Homes Faster Act, 2022

On November 22, 2022, Georgina Council held a Special Council meeting to consider Bill 23 and related legislation under the Province of Ontario's Housing Supply Action Plan and passed Resolution No. C-2022-0354, a copy of which is attached hereto.

On behalf of the Council of the Town of Georgina I want to firstly express that we understand and appreciate the severity of the housing crisis and the desire to take bold steps to create more housing that is affordable and attainable for all Ontarians. In this regard, we commend the Province for the comprehensive review and assessment undertaken by the York Region Wastewater Advisory Panel leading to Schedule 10 to Bill 23 Supporting Growth and Housing in York and Durham Regions Act, 2022 to expedite the expansion and extension of the York Durham Sewage System effectively replacing the Upper York Sewage Solution project. Council views this as a strong and positive commitment to ensuring the health and viability of Lake Simcoe and its watershed, while at the same time advancing much needed housing within our neighboring municipalities in northern York Region.

However, Council at the same time is very concerned about many aspects of Bill 23, and particularly the potentially significant financial impact to local municipalities in terms of lost development charge revenue and parkland which is vital to support new growth. Clearly, growth will not be paying for growth, and it is unacceptable that our existing residents would have to pay more taxes to make up for this lost revenue. As a result, I respectfully submit that the ability

Margaret Quirk, BASc MAYOR

GEORGINA

of local and regional municipalities to provide the critical infrastructure and services required for new housing construction in a timely manner will be severely compromised, and thus meeting the housing targets will not be possible.

Council is also very concerned that proposed changes to the Conservation Authorities Act and related legislation removes conservations authorities from an active role in supporting efforts to sustain the health of watersheds and in the case of Lake Simcoe, is counterproductive to efforts in the Supporting Growth and Housing in York and Durham Regions Act, 2022 replacing the Upper York Sewage Solution Project with a servicing solution directed to the York Durham Sewage System.

In closing, Council concurs with York Region Council and many others that the legislative program under the umbrella of the Ontario Housing Supply Action Plan must be paused in order to have a more in-depth consultation with municipalities and other stakeholders. This will ensure that the proposed changes do not result in unintended consequences that will slow down the delivery of housing, but instead will be effective in giving municipalities the decision making authority, tools and financial resources needed to deliver new housing as quickly as possible.

Sincerely,

Margaret Quirk,

Mayor, Town of Georgina

Attachments - November 22, 2022- Town of Georgina Council Resolution

Region of York Report

CC.

MPP's – York Region Municipalities
Interim Leader, New Democratic Party of Ontario
Interim Leader, Liberal Party of Ontario
Leader, Green Party of Ontario
Clerk, All Ontario Municipalities
Lake Simcoe Watershed MPPs
Lake Simcoe Region Conservation Authority
Association of Municipalities of Ontario

The Regional Municipality of York

Regional Council November 10, 2022

Report of the Chief Administrative Officer

Bill 23, More Homes Built Faster Act 2022

1. Recommendation

- 1. The Regional Clerk forward this report to the Minister of Municipal Affairs and Housing seeking an extension of the comment period to at least December 31, 2022, to allow for a more informed consultation period and constructive feedback.
- 2. The Regional Clerk circulate this report to the Clerks of the local municipalities.

2. Summary

This report is to inform Council of Bill 23, the *More Homes Built Faster Act*, omnibus legislation that received first reading in the provincial legislature on October 25, 2022.

Key Points:

- Bill 23 proposes to amend nine Acts with varying levels of impact on the Region and introduces a new Act addressing "Upper York" servicing in York Region
- Amendments most impactful to the Region are to the Development Charges Act and the Planning Act. The new Supporting Growth and Housing in York and Durham Regions Act, 2022, deals with Upper York servicing and is also the subject of a separate report. These most impactful elements of Bill 23 are summarized in Attachment 2 to this report
- Attachment 3 summarizes the details of other amendments proposed through Bill 23
- Preliminary review suggests that, at minimum, Bill 23 will significantly impact how the Region and our local municipalities coordinate growth management with infrastructure planning and while challenging the ability to pay for infrastructure. The deadline for comments through an Environmental Registry posting is November 24, 2022 for most of the proposed changes.

3. Background

On October 25, 2022 the Province tabled Bill 23, *More Homes Built Faster Act,* 2022

Bill 23, the More Homes Built Faster Act is omnibus legislation that proposes changes to nine Acts and proposes a new Act, the Support Growth and Housing in York and Durham Region's Act, 2022 as outlined in Minister Clark's letter dated October 25, 2022 (Attachment 1). This Bill is the most substantial proposal to date under the Provincial initiative to increase housing supply in Ontario to build 1.5 million homes in the next 10 years. This target significantly exceeds the Growth Plan forecasts (as communicated to Council's Housing Affordability Task Force on September 22, 2022) and will most certainly require more predictability in Provincial approvals and funding than what has been in place for the last two decades.

A number of proposed changes are posted on the Environmental Registry of Ontario and impact the Region and Regional areas of interest. Attachments 2 and 3 outline the changes proposed through amendments to the nine existing Acts; the *Support Growth and Housing in York and Durham Region's Act* is addressed through a separate report on this Council agenda.

The deadlines for comments range from November 24, 2022 to December 31, 2022.

4. Analysis

Proposed changes to the *Development Charges Act, 1997* reduce the share of infrastructure funded through development charges and place pressure on the Region's debt capacity, tax levy and/or water rates

Bill 23 proposes several changes to the *Development Charges Act, 1997* beginning with permitting a bylaw to have a maximum term of 10 years, up from the current 5. It also proposes to require phasing in a new bylaw's development charge rates over the first five years – with a suggestion that it will apply retroactively to bylaws passed after June 1, 2022.

The Bill also proposes to exempt or discount development charges on affordable housing, "attainable" housing, not-for-profit housing, inclusionary zoning units and rental units (details are summarized in Attachment 2). Affordable ownership has been defined as 80% of the average purchase price for ownership, while affordable rental has been defined as 80% of average market rent for rental units. A definition of "attainable" will be prescribed through regulation, though it would not include rental. Rental development, which is eligible for development charge discounts, is defined as a building or structure with four or more residential units all of which are intended for use as rented residential premises.

Other proposed changes to the *Development Charges Act* include:

 No longer being able to collect development charges for housing services, growth studies and land costs

- Capping of the interest rate on frozen and installment development charges payments at bank prime rate plus 1%
- Requirement that municipalities spend or allocate at least 60% of the monies in the water, wastewater and roads development charge reserves at the beginning of each year

Any development charge reduction, exemption, discount, or removal of services/costs that limits cost recovery may impact the ability of the Region to deliver vital, growth-related infrastructure or the gap may need to be funded from tax levy or user rates.

The Bill proposes changes to the *Planning Act* which remove planning responsibilities from York Region

The More Homes Built Faster Act proposes changes to the Planning Act which remove planning responsibilities from York Region as well as Durham, Peel, Halton, Niagara and Waterloo Regions, and Simcoe County. These changes eliminate Council's approval authority for local planning matters, require local municipalities to implement the Regional Official Plan, and remove the Region's right to appeal land use planning decisions.

The Regional Official Plan, once approved by the Minister of Municipal Affairs and Housing, would become the responsibility of local municipalities in conjunction with their own Official Plans. The intent is that local municipal Official Plans incorporate Regional Official Plan policies within their jurisdiction. In the interim, *Planning Act* decisions would be made by local municipalities having regard for both documents with the Regional Official Plan prevailing in the event of conflict.

Other proposed changes to the Planning Act include:

- Up to three residential units per urban residential lot as-of-right
- Limiting the role of Conservation Authorities
- Removing all aspects of site plan control for residential development proposals up to 10 units
- Setting maximums for parkland dedication

Coordination to address cross-boundary, public and Regional interests need to be considered

As noted by the Association of Municipalities of Ontario and others (see Attachment 4), many of the proposed changes need to be better understood as they seem to transfer risk from private developers to the public. Regional and Provincial planning has been strengthened over the last 20 years, with changes to the Growth Plan as recently as 2019, recognizing the need for comprehensive planning of matters including but not limited to transportation, transit, water and wastewater services and a financially sustainable means to provide them. The current process of planning and prioritizing Regional infrastructure and service delivery will need to continue.

A move towards local-level decision-making needs to ensure that progress in coordinated, comprehensive planning is not lost and that the public and municipalities are protected from unintended consequences.

York Region and local municipalities already collaborate extensively to coordinate planning matters. Most routine planning matters have already been delegated to local municipalities. Other Regions still have subdivision approval, so in those jurisdictions, the changes are more impactful.

Responses to Environmental Registry of Ontario postings will be provided to Council for consideration and additional comments

Environmental Registry postings regarding changes proposed through Bill 23 are being reviewed and assessed. Comments will be provided to the Province in response to these postings and their comment deadlines. In light of the incoming Council's first business meeting scheduled for December 8, 2022 the Province will be advised that any comments provided by staff to meet the imposed deadlines are preliminary with Council consideration and additional comments to follow.

5. Financial

Changes proposed through Bill 23 could have implications on how the Region funds growth-related infrastructure, potentially conflicting with the principle that growth pays for growth. Bill 23 proposes several exemptions and discounts to support affordable, non-profit, and rental housing. These incentives, which limit cost recovery, may need to be funded from the tax levy or user rates. The Region currently has in place a number of development charges deferral programs supporting the same desired outcomes, but do not need to be funded from the tax levy or user rates.

If passed, Bill 23 would also amend the Development Charges Act to prohibit municipalities from collecting development charges for housing services, growth studies and land costs. To maintain the current capital program, any growth-related capital costs not recovered through development charges may also need to be made up from tax levy and/or user rates.

6. Local Impact

The planning responsibilities of local municipalities will increase if the proposed changes pass. In addition to an increased approval authority role for applications previously approved by Council or delegated to Regional staff, local municipalities will also be taking on a greater role with respect to the Conservation Authority regulation for planning matters. This may, at least in the short term, have the unintended consequence of slowing planning approvals and increasing appeals to the Ontario Land Tribunal. This risk is further compounded by deadlines and the potential application fee refund regime of Bill 109.

Water and wastewater servicing planned, financed, built and operated by the Region is required for homes to be built. Ongoing collaboration and coordination between local

municipalities and the Region to ensure alignment between growth management planning, infrastructure planning and financial planning will be required.

Finally, many of the changes not highlighted in this report have consequences on local municipalities including those related to parkland dedication, urban design, heritage conservation, and more.

7. Conclusion

Bill 23 is sweeping omnibus legislation proposing numerous changes as outlined in Attachments 2 and 3. If approved as currently written, the Bill appears to overlook unintended consequences counter to the objective of increasing the housing supply. Specifically, changes proposed to the *Development Charges Act* complicate how growth-related infrastructure will be paid for. *Planning Act* changes risk uncoupling growth management planning from comprehensive and financially sustainable infrastructure and service planning.

Ongoing consultations, along with indications of the Provincial government's intentions for regulations that are expected to follow, will help form a better understanding. Staff will be responding as required to avoid missing the imposed deadlines but will also report back to Council relaying any resulting updates to the Ministry of Municipal Affairs. Responses will continue to be coordinated with our local and peer municipalities through AMO, AMCTO, MFOA and other municipal associations.

For more information on this report, please contact Paul Freeman, at 1-877-464-9675 ext. 71534 or Laura Mirabella at ext. 71600. Accessible formats or communication supports are available upon request.

Approved for Submission:

Bruce Macgregor

Chief Administrative Officer

November 1, 2022

14323965

Attachments (4)

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17th Floor Toronto ON M7A 2J3 Tel.: 416 585-7000 Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17e étage Toronto ON M7A 2J3 Tél. : 416 585-7000



234-2022-4624

October 25, 2022

Good afternoon,

On October 25, 2022, our government released More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023 that proposes bold and transformative action to get 1.5 million homes built over the next 10 years.

Details about the range of measures in our plan can be found in the news release here.

The More Homes Built Faster Plan proposes policies and tools that reflect recommendations from the <u>Housing Affordability Task Force Report</u> and builds on <u>More Homes, More Choice</u> and the <u>More Homes for Everyone Plan</u>. Our plan also draws on many elements from AMO's 2022 A Blueprint for Action: An Integrated Approach to Address the Ontario Housing Crisis and ROMA's 2022 Task Force Report on Attainable Housing and Purpose-Built Rentals. These changes are providing a solid foundation to address Ontario's housing supply crisis over the long term and will be supplemented by continued action in the future.

Our government has also introduced the More Homes Built Faster Act, 2022, and is seeking feedback on the changes proposed under the legislation and associated regulations. Additionally, various housing and land use policy reviews – including a housing-focused policy review of A Place to Grow and the Provincial Policy Statement, with a theme of supporting rural and northern housing – are being undertaken to identify and remove barriers to getting more homes built. These and other related consultations can be found through the Environmental Registry of Ontario and the Ontario Regulatory Registry.

We encourage you share this information with senior staff in the municipality and to inform the newly elected head of council and council members. Our government is building a strong foundation for action that will continue to ensure Ontario is a prosperous and growing province – and the best place in the world to call home. We look forward to continued collaboration with our municipal partners to get more homes built faster.

Sincerely,

Steve Clark Minister

c. The Honourable Michael Parsa, Associate Minister of Housing Kate Manson-Smith, Deputy Minister Ryan Amato, Chief of Staff, Minister's Office Joshua Paul, Assistant Deputy Minister, Housing Division Municipal Chief Administrative Officers

Summary of Bill 23, More Homes Built Faster Act, 2022 Changes to Development Charges Act and Planning Act

Development Charges Act, 1997

Area (<u>ERO# 019-6172</u>)	Summary of Changes
Duration of Development Charges (DC) by-law	Maximum by-law term is extended from 5 to 10 years.
Mandatory phase–in of new DC by-law rates	New DC by-law rates, resultant from a by-law update/amendment, phased in over first 5 years; no more than 80% in year 1 to 100% by years 5 and onwards. Applies retroactively to by-laws passed on, or after, June 1, 2022 and for subsequent by-laws.
New DC exemptions or partial exemptions/discounts	Affordable housing (full exemption) Rental - rent is no greater than 80% of the average market rent*. Tenant is at arm's length to landlord.
*Average market rent - the average market rent for the year in which the residential unit is occupied by a tenant, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing **Average purchase price - the average purchase price for the year in which the residential unit is sold, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin", published by the Minister of Municipal Affairs and Housing	Ownership - price of the residential unit is no greater than 80% of the average purchase price**; sold to a person who is dealing at arm's length. Requires agreements with the local municipality, which may be registered against the lands. 2. Attainable housing (full exemption) Must meet the following criteria: • Unit is not an affordable unit • Not intended for use as a rental • Developed as part of a prescribed development or class of developments • Sold to a person who is dealing at arm's length with the seller Requires agreements with the local municipality, which may be registered against the lands. 3. Not for profit housing (full exemption) Means a corporation to which the Not-for-Profit Corporations Act, 2010 applies; a corporation without share capital to which the Canada Not-for-profit Corporations Act applies; a non-profit housing co-operative. 4. Inclusionary zoning units (full exemption) Residential units that are affordable housing units required to be included in a development or redevelopment pursuant to a by-law passed under section 34 of the Planning Act to give effect to the

	policies described in subsection 16 (4) (Inclusionary zoning policies).
	5. Rental housing (discount/partial exemption)
=	Rental means development of a building or structure with four or more residential units all of which are intended for use as rented residential premises. Discounts are as follows:
	 3 bedrooms or more – 25% discount 2 bedrooms – 20 % discount Any other – 15% discount
Exemptions for second suites in existing and new buildings (including additional units in rental buildings, limited to the greater of 1 or 1% of existing units)	Moves from regulations to legislation with minor changes.
Removal of service - Housing	Municipalities are no longer able to collect development charges for Housing Services, as at Royal Assent.
Removal of DC-eligible costs – studies and land	Growth studies, including other studies, no longer eligible for subsequent by-laws. Costs to acquire land or an interest in land, including a leasehold interest except in relation to such services as are prescribed for the purposes of this paragraph (underlined is new).
Interest rate changes on frozen DCs/installment payments	Capped at average Prime plus 1%.
Proposed Definition: * Average prime rate, means the mean, rounded to the nearest hundredth of a percentage point, of the annual rates of interest announced by each of the Royal Bank of Canada, The Bank of Nova Scotia, the Canadian Imperial Bank of Commerce, the Bank of Montreal and The Toronto-Dominion Bank to be its prime or reference rate of interest in effect on that date for determining interest rates on Canadian dollar commercial loans by that bank in Canada.	
Historic average service level timeframe	Extended from 10 years to 15 years.

Allocation of monies in	Beginning in 2023 and in each calendar year thereafter, a
reserve fund	municipality shall spend or allocate at least 60% of the monies
	that are in a reserve fund for services at the beginning of the year.
	Applies to water, wastewater and roads. Additional services to
	which this change applies may be prescribed.

Planning Act

Area (ERO# 019-6163)	Summary of Proposed Changes
Additional Residential Units	Allow up to three units per lot (i.e., up to three units in the primary building, or up to two in primary building and one in ancillary building or structure). These changes would apply to any parcel of urban residential land in settlement areas with full municipal water and sewage services.
	Prohibit municipalities from imposing development charges (regardless of unit size), parkland dedication or cash-in-lieu requirements, applying minimum unit sizes or requiring more than one parking space per unit with regard to new units built under this permission.
Planning Appeals	Limit third-party appeals. Appeals would only be maintained for key participants (e.g., applicants, province, public bodies, First Nations, and utility providers that participated in the process) except where appeals have already been restricted (e.g., Minister's decision on new official plan).
Upper-tier and Lower-tier Municipal Planning Responsibilities	Remove planning responsibilities in the County of Simcoe, and the Regional Municipalities of Halton, Peel, York, Durham, Niagara and Waterloo.
	Regulation-making authority to prescribe additional upper-tier municipalities as an "upper-tier municipality without planning responsibilities" in the future if needed.
	Where upper-tier planning responsibilities are removed:
	 Existing upper-tier official plans would be deemed to form part of the applicable lower- tier municipality's official plan, until the lower-tier official plan has been updated Lower-tier official plans and amendments would be approved by the Minister of Municipal Affairs and Housing (Minister's decision on new official plans and section 26 updates would not be appealable)
	 The upper-tier municipality would not be able to appeal land use planning decisions

Area (<u>ERO# 019-6163</u>)	Summary of Proposed Changes
	The approval authority for subdivisions and consents would be assigned to lower-tier municipalities, unless the Minister provides otherwise through regulation
	The proposed changes would also have the effect of removing the following upper-tier municipal roles and requirements for an "upper-tier municipality without planning responsibilities":
	 Requirement to have planning advisory committees Ability to have land division committees
	 Ability to have a local appeal body Ability to assume any authority, responsibility, duty or function of a lower-tier municipality
	Ability to use the protected major transit station area tool.
	As a result of the proposed changes, the following provisions would no longer be applicable in an "upper-tier municipality without planning responsibilities":
	Allowing the Minister to delegate approval authority for official plans/amendments to/from upper-tier municipalities, and provisions for upper-tier municipalities to delegate to/from upper-tier municipal staff/committees or lower-tier municipalities
	Requiring lower-tier official plans to conform with upper-tier official plans
	Limits on appeals of official plans/amendments that are only relevant to upper-tier municipalities
	 Requiring lower-tier official plan policies for a community planning permit system (CPPS) to conform with the upper-tier municipality's CPPS policies.
Role of Conservation Authorities	Streamlined processes to sever and dispose of land. Expedite the existing processes associated with the severance and conveyance of land, regardless of whether provincial grant money was provided under the Conservation Authorities Act, for the purposes of projects related to flood control, erosion control, bank stabilization shoreline management works or the preservation of environmentally sensitive lands.
	Limit conservation authority appeals, when acting as a public body, other than when acting as an applicant, of land use planning decisions under the Planning Act to matters related to natural hazards policies in provincial policy statements issued under the Planning Act.
Zoning Around Transit	Require municipalities to amend their zoning by-laws to conform with official plan policies that establish minimum densities and heights around transit Major Transit Station Areas (MTSA) and

Area (<u>ERO# 019-6163</u>)	Summary of Proposed Changes
	Protected MTSAs within one year of the official plan policies being approved by the Minister.
	Restriction on appeals of the implementing zoning by-law amendments regarding permitted heights and densities and permitted uses would expire after one year of the protected major transit station official plan policies coming into effect.
Community Benefit Charges (CBC)	The maximum CBC payable could not exceed the prescribed percentage of the value of the land (maximum CBC of 4% of land value) multiplied by a ratio of the floor area of the new building or structure that is proposed to be erected as part of the development or redevelopment to all buildings and structures on the site.
	Maximum CBC payable (4% of land value) for a development or redevelopment to be discounted based on the floor area of affordable housing units, attainable housing units and inclusionary zoning affordable housing units as a proportion of the floor area of the total development.
Site Plan Control	Remove all aspects of site plan control for residential development proposals up to 10 units, except for land lease communities. The proposed changes would also limit the scope of site plan control by removing the ability to regulate architectural details and limiting the ability to regulate aesthetic aspects of landscape design.
Parkland Dedication	Affordable and attainable housing units as well as affordable housing units required by inclusionary zoning exempt from parkland dedication requirements. The maximum 5% basic rate for residential development would be discounted based on number of these units relative to total units in the development. These units would also not be included for the purposes of determining the maximum alternative rate. Not-for-profit housing developments would also be exempt from parkland dedication requirements.
	A second, or second and third residential unit in a detached- house, semi-detached house or rowhouse would be exempt from parkland dedication requirements, as would one residential unit in an ancillary structure.
	Require parkland dedication rates to be determined at time of zoning/site plan application.
	The maximum alternative parkland dedication rate for land conveyed of 1 hectare for each 300 dwelling units would be

Area (<u>ERO# 019-6163</u>)	Summary of Proposed Changes
	changed to 1 hectare for each 600 net residential units and for payments in lieu, the current rate of 1 hectare for each 500 dwelling units would be changed to 1 hectare for each 1000 net residential units.
- =	No more than 15% of the amount of land subject to the development proposal (or equivalent value) could be required for parks or other recreational purposes for sites greater than 5 hectares and no more than 10% for sites 5 hectares or less.
	Require municipalities to develop a 'parks plan' before passing a parkland dedication by-law instead of developing such a plan before adopting the official plan policies required to be able to use the alternative parkland requirement.
	Beginning in 2023, the proposed changes would require municipalities to allocate or spend at least 60% of their parkland dedication reserve balance at the start of each year.

New Act: Supporting Growth and Housing in York and Durham Regions Act, 2022

Area (ERO# 019-6192)	Summary of Proposed Changes
General	Mandate the planning, development and construction of two wastewater projects. Both exempt from the Environmental Assessment Act, however environmental impact reports must be prepared. The Act creates a mandatory consultation process for Indigenous communities.
York Region Sewage Works Project	Expand the existing York Durham Sewage System to accommodate growth to 2051. Revokes instruments for the Upper York Sewage Systems Solution and terminates that Environmental Assessment application.
Lake Simcoe Phosphorus Removal Project	One or more prescribed municipalities to develop, construct and operate a new treatment facility that will remove phosphorus from drainage water that flows from the Holland Marsh to Lake Simcoe.

Summary of Bill 23, More Homes Built Faster Act, 2022 New Act and Changes to Other Acts

Conservation Authorities Act

Area (ERO# 019-2927	Summary of Proposed Changes
and <u>ERO# 019-6141</u>)	
Proposed Regulation	Repeal the 36 individual regulations under the Conservation Authorities Act, a single regulation is proposed for all 36 Authorities in the province.
Identify Lands for Housing	Require a land inventory to identify conservation authority-owned or controlled lands that could support housing development. Disposition (sales, easements, leases) of conservation authority owned land will be streamlined to facilitate development of these lands.
Limitation on commenting	Prevents a review or commenting role for a wide array of legislation, which cannot be included under an agreement with a municipality.
Community Infrastructure and Housing Accelerator	Require conservation authorities to issue permits for projects subject to a Community Infrastructure and Housing Accelerator order and allow the Minister to review and amend any conditions attached to those permits to expedite zoning changes.
Minister's Zoning Order conditions	Gives authority to the Minister to prescribe conditions on a permit issued by a conservation authority where there is a Minister's Zoning Order, and to also prescribe limits on what conditions a conservation authority may include.
Permit Exemptions	Exempt development authorized under the Planning Act from requiring a permit under the Conservation Authorities Act in municipalities set out in regulation, where certain conditions are met as set out in regulation.
Permit Decisions	"Pollution" and "conservation of land" no longer considered in development permit decisions.
Appeal Timeframe	Change the timeframe in which a permit applicant can appeal to the Ontario Land Tribunal if a CA does not issue a permit from 120 days to 90 days.
Review of development related proposals and applications	Scope conservation authorities' review and commenting role with respect to development applications and land use planning policies under prescribed Acts to matters within their core mandate (primarily flooding and erosion).
Fee freeze	Conservation Authority fees will be frozen at current levels.

Municipal Act, 2001

Area	Summary of Proposed Changes
Residential Rental	Establishes authority for the Minister of Municipal Affairs and
Properties	Housing to make regulations imposing limits and conditions on
	the powers of a municipality to prohibit and regulate the
	demolition and conversion of residential rental properties.

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Ontario Land Tribunal Act

Area (Proposal #22- MAG011)	Summary of Proposed Changes
Dismissal of Proceedings	The Tribunal may dismiss a proceeding without a hearing if the Tribunal is of the opinion that the party who brought the proceeding has contributed to undue delay of the proceeding or if that a party has failed to comply with an order of the Tribunal in the proceeding.
Costs	Gives the Tribunal the power to order an unsuccessful party to pay a successful party's costs, intended to encourage parties to reach an agreement without going through the Tribunal.
Regulation-Making Authority	Provides new authority for the Lieutenant Governor in Council to make regulations requiring the Tribunal to prioritize the resolution of specified classes of proceedings, such as cases that create the most housing, for example.
	The Minister will have power to make regulations setting service standards with respect to timing of hearings and decisions for specific case resolution activities.

Ontario Heritage Act

Area (ERO# 019-6196)	Summary of Proposed Changes
Heritage property designation	Permits the Minister of Citizenship and Multiculturalism to review, confirm and revise, the determination of a property.
	Implements higher standards to require a property to meet two or more criteria. Listed properties would need to meet one of the criteria. Municipalities to review existing registers and decide if properties should be designated. Limit non-designated properties from being on the register indefinitely. Certain properties may be exempt from heritage standards and guidelines if it advances provincial priorities of transit, housing, health and long-term care or other priorities.
	If a non-designated property listed is not designated within 2 years, it is removed from the list. The property cannot be included on the list for another 5 years.
Heritage Conservation Districts	Heritage Conservation District Plans can be amended or repealed, and a regulatory authority would prescribe this process. A statement must be provided explaining the cultural heritage value or interest and how the Heritage Conservation District meets two or more of the criteria.

New Home Construction Licensing Act, 2017

Area (Proposal # 22- MGCS021)	Summary of Proposed Changes
Minister's powers	Minister's powers increased (use of funds, penalties, etc.) and may be exercised by order instead of by regulation.

Administrative Monetary Penalty (AMP) and regulation	Increase the maximum allowable amount for an Administrative Monetary Penalty (AMP) from \$25,000 to \$50,000
	Increase the maximum fines that a court may impose after a person or entity has previously been convicted of an offence - specifically, a maximum fine of \$100,000 for a subsequent conviction in the case of an individual, and a maximum fine of \$500,000 for a subsequent conviction in the case of a person or entity that is not an individual.
	Allow for AMPs to be imposed retroactively to contraventions that occurred on or after April 14, 2022;
	Enable the Home Construction Regulatory Authority (HCRA) to use the proceeds of AMPs and fines to provide funds to adversely impacted consumers and make a related regulation requiring the HCRA to establish, maintain and comply with a policy to this effect.

Ontario Underground Infrastructure Notification System Act, 2012

Area (Proposal # 22- MGCS022)	Summary of Proposed Changes
Administrative	Minister authority to appoint Chair and Administrator, greater role in conflict resolution, and provide regulation making authority to
	Lieutenant Governor in Council.

Additional Proposed Changes

Area	Summary of Proposed Changes
Municipal Housing Targets and Housing Pledge (ERO# 019- 6171)	Assignment of municipal housing targets to 29 selected lower- and single-tier municipalities over the next 10 years Four municipalities in York Region have housing targets: o City of Markham: 44,000 o City of Vaughan: 42,000 o City of Richmond Hill: 27,000 o Town of Newmarket: 12,000 Direct municipalities to create a 'housing pledge' to implement housing targets which outlines actions municipalities will take to meet targets, and a 'vehicle' for identifying policy proposals to increase housing and infrastructure needs. Pledges are due March 1, 2023 with reporting towards the target annually.
Review of A Place to Grow and Provincial Policy Statement (ERO# 019-6177)	Proposal to integrate the PPS and A Place to Grow into a single new province-wide plan

Revocation of the Parkway Belt West Plan (ERO# 019-6167)	Proposal is to revoke the Parkway Belt West Plan created in 1978 to potentially increase housing supply
Proposed Building Code changes (Proposal # 22- MMAH016, Proposal # 22-MMAH019, ERO# 019-6211)	A number of changes are proposed including, but not limited to, better alignment with National Building Code, Fire Management, accessibility and providing greater clarity.
Rent-to-Own Arrangements (<u>Proposal</u> <u># 22-MMAH018</u>)	Explore 'rent-to-own' home financing model in supporting housing attainability in the province. Potential to engage in a rent to own arrangement with two contracts: Rental agreement Rent to own agreement The province is seeking feedback on the viability, barriers and
	issues for renters on the rent to own model, as well as the provincial role to facilitate these agreements.
Proposed Updates to the Ontario Wetland Evaluation System (ERO# 019-6160)	Proposed changes to content in the Ontario Wetland Evaluation System (OWES) manuals including new guidance and moving approval to the professional opinion of wetland evaluators and local decision makers including municipalities. Removal of species at risk and wetland grouping criteria in determining a wetland's significance.
Conserving Ontario's Natural Heritage (ERO # 019-6161)	A discussion paper seeks feedback on how Ontario could offset development pressures on wetlands, woodlands, and other natural wildlife habitat.
	The Ministry of Natural Resources and Forestry is considering developing an offset policy that would require a net positive impact on these features and help reverse the decades-long trend of natural heritage loss in Ontario.
Inclusionary Zoning (ERO #019-6173)	Proposed changes to inclusionary zoning rules would standardize the following across the province:
	 Set a maximum affordability period of 25 years Limit the number of affordable units to 5% of the total number of units or 5% of the total gross floor area of the total residential units, not including common areas Set affordability at 80% of the average resale price of ownership units or 80% of the average market rent for rental units

Ontario's New Housing Supply Action Plan: Some Troubling Features



NEWS PROVIDED BY

Association of Municipalities of Ontario

Oct 25, 2022, 17:51 ET

TORONTO, Oct. 25, 2022 /CNW/ - The Government of Ontario today introduced the next phase of its Housing Supply Action Plan: the proposed *More Homes Built Faster Act, 2022*. The Plan includes a broad array of legislative and regulatory changes related to land use planning, property taxes, building code, heritage, conservation, and the infrastructure financing framework that supports growth.

"Municipalities will welcome some of the proposed changes, and will be very concerned about others, such as changes to the Development Charges Act," said AMO President Colin Best. "We will work with the government on the ideas that have the potential to make housing more affordable, and we will oppose changes that undermine good economic and environmental policy."

Proposed changes include discounting and, in some cases, eliminating development charges and related developer obligations. When communities grow, infrastructure and public services must be scaled up to meet new demands. The new legislation would shift some of those costs from developers to current property taxpayers.

The Ontario government has signaled it may offset some of the financial impacts for municipalities. However, shifting growth costs from developers to taxpayers represents a fundamental change from the principle that growth should pay for growth, and that current homeowners and renters should not be required to subsidize new development. There are no mechanisms to ensure that developers will pass on cost savings to consumers in need of more affordable housing options.

For years, municipalities have been sounding the alarm about housing affordability and homelessness. Municipal governments deliver many of the front-line services that respond to these complicated and difficult challenges. Municipalities are committed to doing what they can to make housing more affordable, and to support economic growth.

Ontario had 100,000 housing starts in 2021, the highest in 30 years. However, some municipalities have seen a sharp decline in permit applications in 2022, due to factors such as higher interest rates and labour shortages.

AMO is the collective voice of Ontario's municipal sector advocating for good public policy that supports strong, sustainable, and prosperous communities. AMO's member municipal councils govern and provide key services to about one in three Canadians.

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SOURCE Association of Municipalities of Ontario

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Summary of Bill 23, More Homes Built Faster Act, 2022 Changes to Development Charges Act and Planning Act

The new Supporting Growth and Housing in York and Durham Regions Act, 2022 is the subject of a separate report.

There are a number of proposed legislative changes with no Regional implications and that not summarized below, including:

- Ontario Heritage Act (ERO# 019-6196)
- New Home Construction Licensing Act, 2017 (Proposal # 22-MGCS021)
- Ontario Underground Infrastructure Notification System Act, 2012 (Proposal # 22-MGCS022)
- Proposed Building Code changes (Proposal # 22-MMAH016, Proposal # 22-MMAH019, ERO# 019-6211)

Development Charges Act, 1997

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
Duration of Developme Charges (DC) by-law	Duration of Developme• Maximum by-law term is extended charges (DC) by-law from 5 to 10 years.	No immediate financial implications as current development charges bylaw has a prescribed expiry of June 16, 2027	While the change provides municipalities with the potential to have a bylaw for up to 10 years when taken together with proposed new phase-in rules, municipalities will need to assess whether they should update the bylaw prior to the 10-year expiration to maximize cost recovery

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
Mandatory phase-in of new DC by-law rates	 New DC by-law rates, resultant from a by-law update/amendment, phased in over first 5 years; no more than 80% in year 1 to 100% by years 5 and onwards. Applies retroactively to by-laws passed on, 	 No immediate financial implications as York Region's 2022 DC Bylaw was passed on May 26, 2022 	 Disincentivizes municipalities to update DC Bylaws earlier than the maximum 10-year term because of the phase-in provisions that prohibit full DC rate recovery in the first four years of a new bylaw
	or after, June 1, 2022 and for subsequent by-laws.	*	 Subject to section 5(6)3 of the Act, any shortfall from phasing in of DC rates m may need to be made up from tax levy or user rates
			 Any reduction in DC cost recovery could limit the Region's ability to deliver on its growth-related capital plan which could potentially slow housing construction
New DC exemptions or partial exemptions/discounts	Affordable housing (full exemption) Rental - rent is no greater than 80%	 Immediate financial implications are unknown and subject to future take-up 	The Region currently has a number of DC deferral programs that support affordable, rental
Proposed definitions: *Average market rent - the average market rent for the war in which the residential	of the average market rent*. I enant is at arm's length to landlord. Ownership - price of the residential		and non-profit housing, which do not need to be funded from the tax levy or user rates
year in which the resultant unit is occupied by a tenant, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin",	unit is no greater than 80% of the average purchase price**; sold to a person who is dealing at arm's length. Requires agreements with		 Subject to section 5(6)3 of the Act, any shortfall from DC exemptions or discounts may need to be made up from tax levy or user rates

as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing **Average purchase price applicable to a residential unit is the average purchase price applicable to a residential unit is the average purchase price applicable to a residential unit is the average purchase price applicable to a residential unit is sold, as identified in the bulletin entitled the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin", published by the Minister of Municipal Affairs and Housing Requires agreements with the local municipality, which may be registered against the lands.	hich may be Inds. (full criteria: dable unit se as a pment or price in the content or indicated in the content or	 Any reduction in DC cost recovery could limit the Region's ability to deliver on its growth-related capital plan which could potentially slow housing construction 80% of the average purchase price of a home in York Region
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Đ	ents	on the proposed definition, could be deemed as affordable. This is
dealing at arm's length the seller Requires agreements with th municipality, which may be registered against the lands.	vho is	a significantly higher threshold
Requires agreements with th municipality, which may be registered against the lands.	ngth with	than municipalities are using to define affordability. As reported
municipality, which may be registered against the lands.	ith the local	in the 2021 Measuring and
registered against the lands.	pe	Monitoring Report, households
	ands.	at the 60th percentile (who make
3. Not for profit housing (full	ing (full	worth 536K
exemption)		
Means a corporation to which the	which the	Additional clarification will be
Not-for-Profit Corporations Act, 2010	ons Act, 2010	determine what analities as
applies; a corporation without share capital to which the Canada Not-for-	vithout share	'attainable' housing
profit Corporations Act applies; a	applies; a	
non-profit housing co-operative.	perative.	
4. Inclusionary zoning units (full exemption)	g units (full	

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
Ξu	Residential units that are affordable housing units required to be included in a development or redevelopment pursuant to a by-law passed under section 34 of the Planning Act to give effect to the policies described in subsection 16 (4) (Inclusionary zoning policies).		
	 6. Rental housing (discount/partial exemption) Rental means development of a building or structure with four or more residential units all of which are intended for use as rented residential premises. Discounts are as follows: 3 bedrooms or more – 25% discount 2 bedrooms – 20 % discount Any other – 15% discount 		
Exemptions for second suites in existing and new buildings (including additional units in rental buildings, limited to the greater of 1 or 1% of existing units)	 Moves from regulations to legislation with minor changes. 	Immediate financial implications are unknown and subject to future take-up	 In 2021, the Region saw 139 registered second suites (which were exempt from DCs). Given the proposed changes, the number of secondary/additional suites could increase Subject to section 5(6)3 of the Act, any shortfall from DC exemptions may need to be

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
			made up from tax levy or user rates
	8		 Any reduction in DC cost recovery could limit the Region's ability to deliver on its growth.
			related capital plan which could potentially slow housing construction
Removal of service - Housing	Municipalities are no longer able to collect development charges for Housing Services, as at Royal	 Immediate financial implications as Housing Services are deemed to be removed from the Region's 	 The Region's 2022 DC Background Study and Bylaw helps fund \$181 million in DC-
	Assent.	DC Bylaw	eligible costs for the construction of over 2,700 new community housing units over the next 20
			years
			 To maintain the current capital program, any growth-related
		ts.	capital costs not recovered through development charges
			may need to be made up from the tax levy and water &
Removal of DC-	Growth studies, including other	No immediate financial	Wastewater user rates The Region's 2022 DC
eligible costs –	studies, no longer eligible for	implications as this change would	Background Study and Bylaw
studies and land	subsequent by-laws.	not take effect until the Region's	helps fund over \$200 million in arowth-related plans and studies
	Costs to acquire land or an	update	over the next 20 years
	interest in land, including a		 Additional clarification will be
	relation to such services as are		needed from the Province to
	prescribed for the purposes of		Assessments and Infrastructure

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
	this paragraph (underlined is new – services to be prescribed).		Master Plans remain eligible for DC recovery Additional clarification will be needed from the Province to determine the services that will not be eligible for land cost recovery through development charges Any costs associated with growth studies and the acquisition of land, that are not recovered through DCs, may need to be made up from tax levy or water and wastewater user rates
Interest rate changes on frozen DCs/installment payments	• Capped at a maximum, average Prime plus 1% Proposed Definition: * Average prime rate, means the mean, rounded to the nearest hundredth of a percentage point, of the annual rates of interest announced by each of the Royal Bank of Canada, The Bank of Commerce, the Royal Bank of Canada, The Toronto-Domin on Bank to be its prime or reference rate of interest in effect on that date for determining interest rates on Canadian dollar commercial loans by that bank in Canada.	 No immediate financial implications as the Region's current rate is 5%, which is below the prescribed maximum rate 	 The Region will need to update its Interest Policy to reflect the change
Historic average service level timeframe	• Extended from 10 years to 15 years	No immediate financial implications as this change would not take effect until the Region's next DC Bylaw update	Increasing the timeframe for the historical service level used to calculate DCs, from 10 to 15 years, could potentially result in lower DC rates and delay DC collections

(ERO# 019-6172)	Summary of Changes	Regional Implications	Preliminary Comments
			 Could impact the following services: Public Health, Waste Diversion, Court Services, Public Works, Police Services, Ambulance Services and Long- Term Care
Allocation of monies in reserve fund	Beginning in 2023 and in each calendar year thereafter, a municipality shall spend or allocate at least 60% of the monies that are in a reserve fund for services at the beginning of the year. Applies to water, wastewater and roads. Additional services to which this change applies may be prescribed.	 Immediate implications, with respect to reporting under section 43 of the Development Charges Act, 1997, as this requirement takes effect as at Royal Assent and for 2023 York Region currently complies with this requirement because of the amount of existing debt for services already prescribed in the Bill 	 If by the end of 2023, and for every year thereafter, the Region does not spend or allocate 60% of the monies in the Water, Wastewater and Roads reserves, the Region could be in nonconformity with this new section Additional clarification is needed from the Province to determine what is meant by 'allocate' and the result of non-conformity

Planning Act

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
Additional Residential Units	 Allow up to three units per lot (i.e., up to three units in the primary building and one in ancillary building or structure). These Potential positive increase in rental supply and affordable housing Potential to help increase 	 Potential positive increase in rental supply and affordable housing Potential to help increase 	 Require monitoring and reporting of units and prior confirmation of water and wastewater servicing capacity
	changes would apply to any parcel of urban residential land in settlement	transit ridership	,

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
	areas with full municipal water and sewage services		
	 Prohibit municipalities from imposing development charges (regardless of unit size), parkland dedication or cash- 		
	in-lieu requirements, applying minimum unit sizes or requiring more than one parking space per unit with regard to new units built under this permission		
Planning Appeals	 Limit third-party appeals. Appeals would only be maintained for key 	 Reduced public appeal rights and participation in the 	Provide appeal mechanisms to address matters related to
	participants (e.g., applicants, province, public bodies, First Nations, and utility	planning process	natural systems, Regional roads, human services and
	providers that participated in the process) except where appeals have	 The Region is losing the right to seek party status on 	infrastructure delivery, including
	already been restricted (e.g., Minister's decision on new official plan).	appeals of local plans and amendments and other	where there is no Regional servicing infrastructure
	 The "upper-tier municipality without 	planning instruments	
	planning responsibilities" would not be	 Appeals made by a third-party 	
	able to appear land use pranning decisions	that the Region is currently involved in will be dismissed	
	 Region's rights to appeal have been 	unless the third party falls within the list of "specified	
	removed on local plans and amendments, zoning by-laws,	persons" or public bodies specified or the appeal has	
	subdivisions, consent and minor variance	been scheduled for a hearing	
		2022	

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
Upper-tier and	 Remove planning responsibilities in the 	Planning for growth and	 Could result in unintended
Lower-tier	County of Simcoe, and the Regional	servicing have been	inefficiencies and delays in the
Municipal Planning	Municipalities of Halton, Peel, York,	coordinated in manner to	planning review/ development
Responsibilities	Durham, Niagara and Waterloo.	maintain fiscal sustainability at	approval process and
		the Regional level. With the	subsequent delay of housing
	 Regulation-making authority to 	elimination of the upper-tier	construction
	prescribe additional upper-tier	planning responsibilities, it is	
	municipalities as an "upper-tier	unclear how growth	 Risk that Regional, cross-
	municipality without planning	management and servicing	border, infrastructure, and
	responsibilities" in the future if needed	will be addressed in this new	comprehensive planning
		model. The current process of	matters including but not limited
	 Where upper-tier planning 	planning and prioritizing	to transportation, transit, water
	responsibilities are removed:	Regional infrastructure and	and wastewater services and
	 Existing upper-tier official plans 	service delivery will need to	financial sustainability may not
	would be deemed to form part of the	continue.	be addressed.
	applicable lower- tier municipality's		
	official plan, until the lower-tier		 A transition towards local-level
	official plan has been updated		decision-making needs to
	 Lower-tier official plans and 		ensure that progress in
	amendments would be approved by		coordinated, comprehensive
	the Minister of Municipal Affairs and		planning and environmental
	Housing (Minister's decision on new		protection is maintained
	official plans and section 26 updates		
	would not be appealable)		 Planning and development of
	The approval authority for		complete communities is
	subdivisions and consents would be		coordinated at the Regional
	assigned to lower-tier municipalities,		level to support health and
	unless the Minister provides		quality of life. Collaborations
	otherwise through regulation		between public health and
			planning will need to continue at
			the local municipal level to
			ensure plans and development

ions Preliminary Comments	applications have the appropriate review to support public health and a healthy built environment	Risk that comprehensive policies in the Regional Official Plan will be removed or amended through local official plans resulting in an inconsistent policy approach	• • •	ited approval • Approximately 80% of local le Province official plans amendments are
Regional Implications			The Region is no longer required to have the Planning Advisory Committee	Region's delegated approval authority from the Province removed for local official plans
Summary of Proposed Changes			 The proposed changes would also have the effect of removing the following upper-tier municipal roles and requirements for an "upper-tier municipality without planning responsibilities": Requirement to have planning advisory committees Ability to have land division committees Ability to have a local appeal body Ability to assume any authority, responsibility, duty or function of a lower-tier municipality Ability to use the protected major transit station area tool 	As a result of the proposed changes, the following provisions would no longer be applicable in an "upper-tier
(ERO# 019-6163)			Removal of municipal Upper- tier roles	Removal of municipal Upper-tier provisions

) otaombaomo
 Allowing the Minister to delegate approval authority for official plans/amendments to/from uppertier municipalities, and provisions for a support the municipalities.
upper-tier municipalities to delegate to/from upper-tier municipalities or lower-tier municipalities. Tork region s delegation authority removed for official plans to delegate authority removed for official plans to
conform with upper-tier official plans (Existing upper-tier official plans would be deemed to form part of the applicable lower-tier municipality's
official plan, until the lower-tier official plan has been updated) Limits on appeals of official plans/amendments that are only
relevant to upper-tier municipalities Requiring lower-tier official plan policies for a community planning
permit system (CPPS) to conform with the upper-tier municipality's CPPS policies
Streamlined processes to sever and dispose of land. Expedite the existing authority land being sold for
severance and conveyance of land, greenspace available to the regardless of whether provincial grant public and climate mitigation

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
	purposes of projects related to flood	increased impervious land	should be appropriate for such
	control, erosion control, bank	nse	purposes and have servicing,
	stabilization shoreline management		access to amenities and
	works or the preservation of	 COVID-19 confirmed that 	services, and be located outside
	environmentally sensitive lands	urban greenspace is essential	of hazard lands and
		in higher density communities,	environmental features
	 Limit conservation authority appeals, 	and existing greenspace was	
	when acting as a public body, other	inadequate in addressing	 Any new housing should have
	than when acting as an applicant, of	demand Reduced	criteria including affordability
	land use planning decisions under the	greenspace will exacerbate	and density
	Planning Act to matters related to	inaccessibility.	
	natural hazards policies in provincial		 Conservation authority sale of
	policy statements issued under the	 Sale of lands may result in 	lands to unlock housing will also
	Planning Act	development in areas outside	require servicing in areas not
		settlement areas not	contemplated. Meeting servicing
		contemplated within the land	needs will require a concerted
		use planning context or for	effort from multiple levels of
		servicing under the water and	government. Presently only
		transportation master plans.	wastewater conveyance has
		Increasing servicing needs in	been streamlined, this will need
		these areas is likely to add	to be extended to wastewater
		additional to already	treatment, drinking water, and
		constrained infrastructure	roads infrastructure.
		without the ability to add	
		additional capacity in the	
		near-term	
		Aviii likely reduce the region s ability to meet its forest	
		canopy and woodland cover	
		targets, along with reductions	
		III III AEGIOII S VISIOLI GOAL IO	

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
		increase greenspace per 100,000 residents	
Zoning Around Transit	Require municipalities to amend their zoning by-laws to conform with official plan policies that establish minimum densities and heights around transit Major Transit Station Areas (MTSA) and Protected MTSAs within one year of the official plan policies being approved by the Minister	Potential impact on ridership, best use of transit infrastructure if PMTSA densities can be appealed following 1 year of protection	MTSA boundaries and densities should be afforded full in perpetuity protection from appeal
	 Restriction on appeals of the implementing zoning by-law amendments regarding permitted heights and densities and permitted uses would expire after one year of the protected major transit station official plan policies coming into effect 		
Community Benefit	• The maximum CBC payable could not exceed the prescribed percentage of the value of the land (maximum CBC of 4% of land value) multiplied by a ratio of the floor area of the new building or structure that is proposed to be erected as part of the development or redevelopment to all buildings and structures on the site	Not applicable	Local municipality's responsibility to administer
	 Maximum CBC payable (4% of land value) for development or redevelopment to be discounted based on the floor area of affordable housing 		

(ERO# 019-6163)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
	units, attainable housing units and inclusionary zoning affordable housing units as a proportion of the floor area of the total development		
Site Plan Control	Remove all aspects of site plan control for residential development proposals up to 10 units, except for land lease communities	 Limiting scope of site plan control may have implications on the right-of-way, access control, tree planting, drainage, and high-quality 	 Potential for the loss of sustainability measures obtained through site plan approval
	 The proposed changes would also limit the scope of site plan control by removing the ability to regulate architectural details and limiting the ability to regulate aesthetic aspects of landscape design 	urban design.	
Dedication	as well as affordable housing units required by inclusionary zoning exempt from parkland dedication requirements. The maximum 5% basic rate for residential development would be discounted based on number of these units relative to total units in the development. These units would also not be included for the purposes of determining the maximum alternative rate. Not-for-profit housing developments would also be exempt from parkland dedication requirements	dedication could result in reduced greenspaces and increased pressure on existing greenspaces, including Regional forests. Greenspaces play an important role in quality of life, recreation, and climate mitigation and adaptation, benefits that could be impacted by reduced greenspaces.	dedication may make it difficult for municipalities to provide enough greenspace to meet resident demands Recommend ensuring parkland dedication prioritizes accessible and equitable allocation of green spaces for all types of housing units, including affordable and attainable housing units, and in higher density communities.
	 A second, or second and third residential unit in a detached-house, 	urban greenspace is essential in higher density communities,	

Preliminary Comments						
Regional Implications	and existing greenspace was inadequate in addressing demand. Reduced greenspace will exacerbate inaccessibility.	 May reduce development costs for Regional and non- profit community housing, 	consistent with Regional Council's resolution requesting local municipalities to exempt Housing York Inc. developments from local	parkland fees.		
Summary of Proposed Changes	semi-detached house or rowhouse would be exempt from parkland dedication requirements, as would one residential unit in an ancillary structure	 Require parkland dedication rates to be determined at time of zoning/site plan application 	 The maximum alternative parkland dedication rate for land conveyed of 1 hectare for each 300 dwelling units would be changed to 1 hectare for each 600 net residential units and for 	payments in lieu, the current rate of 1 hectare for each 500 dwelling units would be changed to 1 hectare for each 1000 net residential units	 No more than 15% of the amount of land subject to the development proposal (or equivalent value) could be required for parks or other recreational purposes for sites greater than 5 hectares and no more than 10% for sites 5 hectares or less 	 Require municipalities to develop a 'parks plan' before passing a parkland dedication by-law instead of developing such a plan before adopting the official
(ERO# 019-6163)						

(ERO# 019-6163)	Summary of Proposed Changes	Regional I	Regional Implications	Preliminary Comments	
	plan policies required to be able to use				
	the alternative parkland requirement				
	 Beginning in 2023, the proposed 				_
	changes would require municipalities to				
	allocate or spend at least 60% of their				
	parkland dedication reserve balance at				
	the start of each year				

Conservation Authorities Act

(ERO# 019 <u>-</u> 2927 and ERO# 019-6141)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
Proposed Regulation	 Repeal the 36 individual regulations under the Conservation Authorities Act, a single regulation is proposed for all 36 Authorities in the province. 	 Minimal, additional powers will be provided for Lake Simcoe Region Conservation Authority to support the implementation of the Lake Simcoe Protection Plan 	
Identify Lands for Housing	Require a land inventory to identify conservation authority-owned or controlled lands that could support housing development. Disposition (sales, easements, leases) of conservation authority-owned land will be streamlined to facilitate development of these lands	Results in conservation authority land being sold for development, reducing greenspace available to the public and climate mitigation and adaptation implications including flooding due to increased impervious land use COVID-19 confirmed that urban greenspace is essential in higher-density communities, and existing greenspace was	 Conservation authority-owned lands should remain in public ownership and remain greenspace Any land identified that could support housing development should be appropriate with servicing, access to amenities and services, and be located outside of hazard lands and environmental features

(ERO# 019- 2927 and ERO# 019-6141)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
		inadequate in addressing demand. Reduced greenspace will exacerbate inaccessibility	 Any new housing should have criteria including affordability and density
		 Will likely reduce the Region's ability to meet its forest canopy and woodland cover targets, along with reductions in the Region's Vision goal to increase greenspace per 100,000 residents Sale of lands may result in development in areas outside settlement areas not contemplated within the land use planning context or for servicing under the water and transportation master plans. Increasing servicing needs in these areas is likely to add additional to already constrained infrastructure without the ability to add additional capacity in the neartern 	Conservation authority sale of lands to unlock housing will also require servicing in areas not contemplated. Meeting servicing needs will require a concerted effort from multiple levels of government. Presently only wastewater conveyance has been streamlined, this will need to be extended to wastewater treatment, drinking waster, and roads infrastructure
Limitation on commenting and review of development	 Prevents a review or commenting role for a wide array of legislation, which cannot be included under an agreement with a municipality 	 Prevents conservation authorities from undertaking a commenting role on behalf of the Region for a wide array of legislation, including the 	Conservation authorities perform an important role in the planning process on behalf of municipalities, limiting their ability to provide this support

(ERO# 019- 2927 and ERO# 019-6141)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
related proposals and applications		Endangered Species Act, Environmental Assessment Act, Environmental Protection Act, and Planning Act Region relies on conservation authority expertise to execute municipal duties under the legislation listed, including reviewing these applications from a water resource sustainability perspective	impacts the ability of a municipality to execute its duties. This could result in the unintended delay of approvals and subsequent delay of housing construction
Community Infrastructure and Housing Accelerator	Require conservation authorities to issue permits for projects subject to a Community Infrastructure and Housing Accelerator order and allow the Minister to review and amend any conditions attached to those permits to expedite zoning changes	Given that conservation authorities' permitting authority is limited strictly to natural hazards, this infers a Community Infrastructure and Housing Accelerator order could occur in hazard lands such as floodplains, resulting in risk and insurance implications, and climate adaptation implications	Conservation Authorities should not be compelled to approve permits for development within regulated areas unless appropriate to do so
Minister's Zoning Order conditions	Gives authority to the Minister to prescribe conditions on a permit issued by a conservation authority where there is a Minister's Zoning Order, and to also prescribe limits on what conditions a conservation authority may include	Given that conservation authorities' permitting authority is limited strictly to natural hazards, this infers a development could occur in hazard lands such as floodplains, resulting in risk and	Conservation Authorities should not be compelled to approve permits for development within regulated areas unless appropriate to do so

(ERO# 019- 2927 and ERO# 019-6141)	Summary of Proposed Changes	Regional Implications	Preliminary Comments
		insurance implications, and climate adaptation implications	
Permit Exemptions	Exempt development authorized under the Planning Act from requiring a permit under the Conservation Authorities Act in municipalities set out in regulation, where certain conditions are met as set out in regulation	 Limiting conservation authorities' permitting authority strictly to natural hazards reduces their ability to protect Regional watersheds 	Conservation Authorities should not be compelled to approve permits for development within regulated areas unless appropriate to do so
Permit Decisions	 "Pollution" and "conservation of land" no longer considered in development permit decisions 	Changes to permitting limiting conservation authorities permitting powers to natural hazard lands reduces their ability to reject development that has pollution or land conservation impacts, presenting additional environmental and source water protection risks	Watershed and natural systems protection, including conservation of land is essential to ensuring healthy complete communities and quality of life to York Region residents by providing access to natural open spaces
Appeal Timeframe	 Change the timeframe in which a permit applicant can appeal to the Ontario Land Tribunal if a CA does not issue a permit from 120 days to 90 days 	 No Regional implications 	
Fee freeze	 Conservation Authority fees will be frozen at current levels 	No Regional implications	 Freezing fees may impact the ability to self-fund CA services putting additional pressure on municipal tax levy

Municipal Act, 2001

Area	Summary of Proposed Changes	Regional Implications	Initial Comments
Residential Rental Properties	Establishes authority for the Minister of Municipal Affairs and Housing to make regulations imposing limits and conditions on the powers of a municipality to prohibit and regulate the demolition and conversion of residential rental properties	This could reduce existing affordable housing stock in the Region due to demolition and conversion	Reducing affordable rental housing stock contradicts the Provincial objective of providing more affordable rental housing

Ontario Land Tribunal Act

Area (Proposal #22-MAG011)	Summary of Proposed Changes	Regional Implications	Initial Comments
Dismissal of	 The Tribunal may dismiss a 	 There may be some 	 York Region supports these
Proceedings	proceeding without a hearing if the	implications for appeals	efforts to streamline appeals
	Tribunal is of the opinion that the	which are transitioned,	
	party who brought the proceeding	where the Region is already	
	has contributed to undue delay of the	a party	
	proceeding or if a party has failed to		
	comply with an order of the Tribunal		
	in the proceeding		
Costs	 Gives the Tribunal the power to order 	 There may be some 	
	an unsuccessful party to pay a	implications for appeals	
	successful party's costs, intended to	which are transitioned,	
	encourage parties to reach an	where the Region is already	
	agreement without going through the	a party	
	Tribunal		
Regulation-Making	 Provides new authority for the 	• None	
Authority	Lieutenant Governor in Council to		
	make regulations requiring the		
	Tribunal to prioritize the resolution of		

specified classes of proceedings, such as cases that create the most housing, for example	 The Minister will have power to make regulations setting service standards with respect to timing of hearings and decisions for specific case resolution activities

Additional Proposed Changes

Area	Summary of Proposed Changes	Regional Implications	Initial Comments
Municipal Housing	Assignment of municipal housing	Uncertainties regarding	Need to ensure alignment of
lalgets and	targets to 29 selected lower- and	population torecasts in the	targets with infrastructure
Housing Pleage	single-tier municipalities over the	Growth Plan and the	capacity and timing
(I/IQ-810 #ONI)	next 10 years	Regional Official Plan, and	
		achievability and	 Ensure targets for different
	 Four municipalities in York Region 	enforceability of proposed	housing mix and types, and
	have housing targets:	targets	affordability
	City of Markham: 44,000		
	City of Vaughan: 42,000	 Without housing affordability, 	 Ensure targets align with the
	City of Richmond Hill: 27,000	mix and type requirements,	ability of the private market and
	Town of Newmarket: 12,000	housing may be unaffordable	the labour force to deliver
	 Direct municipalities to create a 		 The Region has started the
	'housing pledge' to implement		Affordable Private Market
	housing targets which outlines		Housing Implementation Plan to
	actions municipalities will take to		look at mechanisms for local
	meet targets, and a 'vehicle' for		municipalities to use to
	identifying policy proposals to		implement housing pledges
	increase housing and infrastructure		

	There are uncertainties regarding the relationship between merging the PPS and Growth Plan and increasing housing supply Integration of Growth Plan and PPS may reduce certainty making it more difficult to manage growth and deliver infrastructure Eliminating or watering down the Growth Plan would set comprehensive planning backward	The Region supports the proposal to revoke the Parkway Belt West Plan The Province should consider setting a legal framework for rent-to-own agreements which developers must follow when entering into agreements with households, to ensure consumer protections. The Province should ensure alignment with any federal rent-to-own initiatives, as the Federal
	 Through the Municipal Comprehensive Review, the Region has integrated Growth Plan policies and targets into the Regional Official Plan to achieve conformity. The York Region Official Plan provides 30 years of housing supply with comprehensive planning that integrates financial, infrastructure, and land use planning, ensuring a consistent approach to growth management for all nine local municipalities 	No Regional implications No immediate Regional implications as any rent-to-own agreement would be between the developer and the homebuyer Unclear if the Province is assuming a local role (i.e. for Service Managers) in administering a rent-to-own program
needs. Pledges are due March 1, 2023 with reporting towards the target annually	 Province seeking feedback on proposal to integrate the PPS and A Place to Grow into a single new province-wide plan, streamlining and providing greater flexibility in core elements including Residential Land Supply Attainable Housing Supply and Mix Growth Management Agriculture and Natural Heritage Community Infrastructure 	 Proposal to revoke the Parkway Belt West Plan to potentially increase housing supply Explore 'rent-to-own' home financing model in supporting housing attainability in the province. Potential to engage in a rent-to-own arrangement with two contracts: Rental agreement Rent to own agreement The province is seeking feedback on the viability, barriers and issues for renters on the rent to own model, as
	Review of A Place to Grow and Provincial Policy Statement (ERO# 019-6177)	Revocation of the Parkway Belt West Plan (ERO# 019-6167) Rent-to-Own Arrangements (Proposal # 22-MMAH018)

	well as the provincial role to facilitate these agreements		government committed to supporting rent-to-own projects as part of the 2022 Budget.
			If the Province is assuming a role for municipalities (i.e. Service Managers) in the delivery of this
			program, administration funding must be provided and eligibility criteria should align with the priorities and needs within the
Proposed Updates to the Ontario	Proposed changes to content in the Ontario Wetland Evaluation System	When considered in the context of the broader	Any changes to the wetland evaluation system should
Wetland Evaluation System (ERO# 019-6160)	(OWES) manuals including new guidance and moving approval to the	changes proposed in Bill 23, changes to the evaluation	continue to place strong emphasis on maintaining
	evaluators and local decision makers	of development on wetlands	wettand complexes and species at risk habitat and ensuring that
	including municipalities. Removal of species at risk and wetland grouping	and in floodplains. Such a change has the potential to	development is not permitted in areas where it would present a
	criteria in determining a wetland's significance	reduce natural functions and groundwater recharge, while	risk to homeowners
		also presenting greater flooding risks	
Conserving Ontario's Natural	 A discussion paper seeks feedback on how Ontario could offset 	 This may result in natural heritage loss within the 	 Any offsetting should result in a net gain in natural heritage
Heritage (<u>ERO #</u> <u>019-6161)</u>	development pressures on wetlands, woodlands, and other natural wildlife habitat	Region since there isn't a principle that requires the offsetting to hannen locally	features and functions within the local area
	The Ministry of Natural Resources		
	and Forestry is considering developing an offset policy that		

	would require a net positive impact on these features		
Inclusionary Zoning (ERO	 Proposed changes to inclusionary zoning (IZ) rules would standardize 	 Under the current IZ framework, local 	 The Province is encouraged to continue to allow local flexibility
# <u>019-6173</u>)	the following across the province:	municipalities have the ability	to ensure IZ policies address
	 Set a maximum affordability 	to set affordability periods,	local housing needs
	period of 25 years	unit set aside rates and	
	 Limit the number of affordable 	affordab e sales prices and	 Municipal incentives associated
	units to 5% of the total number of	rents to address local housing	with providing IZ units should
	units or 5% of the total gross floor	needs	correspond to the financial value
	area of the total residential units,		of the IZ units being provided, in
	not including common areas	 The proposed changes would 	terms of depth and length of
	 Set affordability at 80% of the 	standardize IZ policies across	affordability, and the number of
	average resale price of ownership	municipalities that choose to	units secured
	units or 80% of the average	implement it, and limit the	
	market rent for rental units	ability of municipalities to	 Provincial regulations must
		secure more units with longer	include transition rules to ensure
		affordability periods at deeper	tenants occupying the unit at the
		levels of affordability	end of the affordability period do
	8):		not experience significant rent
			increases

Edocs #14351773



November 23rd, 2022

Ministry of Municipal Affairs and Housing College Park, 17th Floor 777 Bay Street Toronto, Ontario M7A 2J3

By E-Mail To: minister.mah@ontario.ca

ATTENTION: Honorable Minister Steve Clark

Dear Minister Clark:

RE: Resolution - Strong Mayors, Building Homes Act

Please be advised that the Council of the Corporation of the Township of Lanark Highlands passed the following resolution at their regular meeting held November 22nd, 2022:

Moved by Reeve McLaren

Seconded by Councillor Closs

THAT, the Council of the Township of Lanark Highlands supports the resolution from the Town of Gravenhurst regarding Strong Mayors;

AND THAT, this resolution be provided to the Minister of Municipal Affairs and Housing and to all Ontario Municipalities.

Carried

Sincerely,

Amanda Noël,

Amanda Noil

Clerk

Encls.

c.c. All Ontario Municipalities



RESOLUTION 0231-2022 adopted by the Council of The Corporation of the City of Mississauga at its meeting on November 23, 2022

0231-2022 Moved by: D. Damerla Seconded by: C. Fonseca

- 1. That Council endorse positions and recommendations contained and appended to the report titled "Bill 23 'More Homes Built Faster' and Implications for City of Mississauga," and authorize staff to prepare additional detailed comments on Bill 23 and any associated regulations, as needed. In particular, the City be made whole for any revenue losses from changes to the imposition of development changes and parkland dedication.
- 2. That the Mayor or designate be authorized to make submissions to the Standing Committee with respect to issues raised in this report, or to otherwise provide written or verbal comments as part of the Ministry's public consultation process.
- 3. That the City Clerk forward this report to the Ministry of Municipal Affairs and Housing; Mississauga's Members' of Provincial Parliament, the Association for Municipalities Ontario, and the Region of Peel.

Recorded Vote	YES	NO	ABSENT	ABSTAIN
Mayor B. Crombie			Х	
Councillor S. Dasko	Х			
Councillor A. Tedjo	Х			
Councillor C. Fonseca	Х			
Councillor J. Kovac	Х			
Councillor C. Parrish	Х			
Councillor J. Horneck	Х			
Councillor D. Damerla	Х			
Councillor M. Mahoney	Х			
Councillor M. Reid	Х			
Councillor S. McFadden	Х			
Councillor B. Butt	Х			

<u>Carried</u> (11, 0, 1 Absent)

Appendix 2: List of All ERO and Related Postings

Postings to the Environmental Registry of Ontario (ERO)

	Name of Posting	Link and ERO #	Comment Deadline
	Information Bulletins		
1	Consultations on More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023	019-6162	n/a
2	2031 Municipal Housing Targets	019-6171	n/a
	Legislation (Act)	1	
3	Proposed Planning Act and City of Toronto Act Changes (Schedules 9 and 1 of Bill 23 – the proposed More Homes Built Faster Act, 2022)	019-6163	November 24, 2022
4	Proposed Planning Act and Development Charges Act Changes: Providing Greater Cost Certainty for Municipal Development-related Charges	019-6172	November 24, 2022
5	Supporting Growth and Housing in York and Durham Regions Act, 2022	019-6192	November 24, 2022
6	Proposed Changes to the Ontario Heritage Act and its regulations: Bill 23 (Schedule 6) - the Proposed More Homes Built Faster Act, 2022	019-6196	November 24, 2022
	Regulation	1	
7	Proposed updates to the regulation of development for the protection of people and property from natural hazards in Ontario	019-2927	December 30, 2022
8	Legislative and regulatory proposals affecting conservation authorities to support the Housing Supply Action Plan 3.0	019-6141	November 24, 2022
9	Proposed Amendment to O. Reg. 232/18: Inclusionary Zoning	019-6173	December 9, 2022
10	Proposed Changes to Ontario Regulation 299/19: Additional Residential Units	019-6197	December 9, 2022
11	Proposed Changes to Sewage Systems and Energy Efficiency for the Next Edition of Ontario's Building Code	019-6211	December 9, 2022
12	Proposed Amendments to the Greenbelt Area Boundary Regulation O. Reg. 59/05	019-6217	December 4, 2022
13	Proposed redesignation of land under the Oak Ridges Moraine Conservation Plan O. Reg. 140/02	019-6218	December 4, 2022
	Policy		ı

14	Proposed Updates to the Ontario Wetland Evaluation System	019-6160	November 24, 2022
15	Conserving Ontario's Natural Heritage	019-6161	December 30, 2022
16	Proposed Revocation of the Parkway Belt West Plan	019-6167	December 30, 2022
17	Proposed Revocation of the Central Pickering Development Plan	019-6174	November 24, 2022
18	Review of A Place to Grow and Provincial Policy Statement	019-6177	December 30, 2022
19	Proposed Amendments to the Greenbelt Plan	019-6216	December 4, 2022

Postings to Ontario's Regulatory Registry (ORR)

	Name of Posting	Link and Proposal #	Comment Deadline
	Proposal		
1	Seeking Input on Rent-to-Own Arrangements	22-MMAH018	December 9, 2022
	Act		
2	Seeking Feedback on Municipal Rental Replacement By- Laws	22-MMAH017	November 24, 2022
3	Proposed Amendments to the Ontario Land Tribunal Act, 2021	22-MAG011	November 25, 2022
4	Amendments to the New Home Construction Licensing Act, 2017 to Protect Purchasers of New Homes	22-MGCS021	November 24, 2022
5	Proposed legislative amendments to the Ontario Underground Infrastructure Notification System Act, 2012 under the More Homes Built Faster Act, 2022	22-MGCS022	November 25, 2022
	Regulation - Minister		
6		22 1/1/1/16	December 0, 2022
0	Proposed Building Code Changes to Support More Homes Built Faster: Ontario's Housing Supply Action	<u>22-MMAH016</u>	December 9, 2022
	Plan: 2022-2023 (Phase 3 - Fall 2022 Consultation for the		
	Next Edition of Ontario's Building Code)		
7	General Proposed Changes for the Next Edition of Ontario's Building Code (Phase 2 – Fall 2022 Consultation)	22-MMAH019	December 9, 2022

Background and Other Provincial Updates

	Description	Link
1	Community Infrastructure and Housing Accelerator – Final Guideline	<u>Guideline</u>
2	More Homes Built Faster Act, 2022 - Backgrounder	Backgrounder
3	More Homes Built Faster Action Plan	Action Plan
4	Bill 23, More Homes Built Faster Act, 2022	Bill 23

Table 1 – Changes to City of Toronto Act, 2006 and Municipal Act, 2001 - Rental Protection

Provincial Comments Period closes on November 24, 2022 (ORR: 22-MMAH017)

Proposed Changes	Potential City Impacts	Comments to the Province
Rental Replacement Minister given the authority to make regulations imposing limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties.	 Could diminish ability to protect rental housing. The possible outcomes could be anything from reducing the conditions Mississauga can make on the Sec. 99 permit to eliminating Mississauga's ability to regulate rental demolition or conversions at all. Mississauga currently uses a flexible approach to protect rental supply while still encourage reinvestment in existing rental stock. It does not impact the tenant provisions of the Residential Tenancies Act (RTA). 	 Staff are seeking clarification on the extent of Minister's authority. Staff would support approaches to rental protection that allow landowners to reinvest in the stock while protecting the existing (more affordable) supply. One example of flexibility is how Mississauga regulates the number of bedrooms but not unit sizes (GFAs). Financial offsets, provincial/federal tax credits and other innovative solutions should be explored. Staff would welcome participation in any working groups before regulations are enacted.

Table 2 – Changes to Conservation Authorities Act, 1990

Provincial Comment Period closes on November 24, 2022 (ERO: 019-6141) and December 30, 2022 (ERO: 019-2927)

Proposed Changes	Potential City Impacts	Comments to the Province
Cannot Comment on Applications	Conservation Authorities act as technical advisors to the municipality on matters of natural heritage	Staff suggest the Province reconsider the proposed changes to enable Conservation
Conservation Authorities cannot provide services related to reviewing and commenting on proposals and planning and	 protection. Without their expertise, the municipality will have to grow this capacity on its team to address these matters. Furthermore, an individual municipality lacks the expertise to inform development decisions that may have cross-jurisdictional concerns (e.g. risk of 	Authorities to continue providing their essential review services to municipalities. Municipalities currently lack expertise and it would take time to grow these services, potentially leading to approval delays.

Proposed Changes	Potential City Impacts	Comments to the Province
development related applications. Minister can direct Conservation Authorities not to change the fees it charges for a program or service for a specified period of time.	flooding and water quality decisions upstream impact other municipalities downstream). Conservation Authorities can address these concerns through a watershed-based approach, which is important for Mississauga's downstream and lake-fronting location.	A holistic approach of protecting our natural heritage systems and the public from natural hazards is important for residents, businesses and municipalities to be able to withstand and adapt to more extreme weather events because of climate change.
Removing the Consideration of Control of Pollution and Conservation of Land Removing factors of pollution and conservation of land, and adding a new factor, namely, the control of unstable soil or bedrock when Conservation Authorities are making decisions.	• The removal of <i>pollution</i> and <i>conservation of land</i> from the oversight of the Conservation Authority would create a large gap in how matters are addressed through the planning process. It could lead to development that may pollute the natural heritage system (including aquatic habitat, watercourses and Lake Ontario), and allow for development inside natural features that would otherwise be protected from incompatible uses. These features form the backbone of Mississauga's natural heritage system (e.g. valleylands) and provide critical ecosystem functions.	 Staff recommend that the Province reconsider further scoping the oversight of the Conservation Authority to exclude pollution and conservation of land in order to retain the robust environmental protections that are required to ensure a healthy and resilient natural heritage system. A holistic approach of protecting the natural heritage systems and the public from Natural Hazards is critical for residents, businesses and municipalities to be able to withstand and adapt to more extreme weather events due to climate change. If existing controls are removed flood prone areas are subject to greater levels of development, then the Province could consider an environmental justice and equity lens. For example, homeowners may struggle to obtain appropriate home insurance for flooding or won't be able to afford the costs. Impacts could also be significant for renters.

Proposed Changes	Potential City Impacts	Comments to the Province
Obligations Regarding Land Disposition The disposition of certain land requires the Conservation Authority to provide a notice of the proposed disposition to the Minister (rather than obtaining the Minister's approval). Conservation Authorities to conduct public consultation before disposing of certain lands and the notice of public consultation must include description of the type of land, proposed date of disposition and proposed future use of the lands, if known. The Minister would be allowed to impose terms and conditions on an approval given with respect to a project that involved money granted by the Minister under section 39.	It is unclear what criteria would be established in order to determine land disposition. Given the reduction in scope of the Conservation Authorities to matters other than flooding and erosion, other areas that are currently owned for conservation purposes that play important ecological roles (i.e. wetlands, significant natural areas, habitat of endangered and threatened species etc.) may be proposed for future housing.	 Conservation Authority lands that are critical to securing ecosystem services should be maintained for conservation. Staff recommend that the Province remove this proposed amendment and prioritize the long term impacts on the environment. Should the amendment proceed, clear criteria should be developed that exclude lands that support conservation purposes from the disposition process.
Development for Which a Minister's Order is Issued Conservation Authorities required to issue a permission	 The oversight provided by the Conservation Authority permit process provides an important level of protection for critical ecosystem features such as wetlands and watercourses. Depending on the intent of the MZO or Planning Act approval, if 	Staff recommend that the Province reconsider the approach to development in this case to enable greater oversight in natural heritage protection.

Proposed Changes	Potential City Impacts	Comments to the Province
or permit where an order has been made under section 47 of the Planning Act (MZO) also apply to orders made under section 34.1 of the Planning Act (Minister's order at request of municipality).	environmental protection is not at the forefront it could result in the loss of portions of Mississauga's Natural Heritage and associated ecological functions.	

Table 3 – Changes to Development Charges Act, 1997

Provincial Comment Period closes on November 24, 2022 (ERO: 019-6172)

Proposed Changes	Potential City Impacts	Comments to the Province
Mandatory and Retroactive Phase-in of DC Rates for any DC By-law Passed on or After June 1, 2022 Reduction in the maximum DC that could otherwise be	 This would have an immediate detrimental financial impact to the City. Focusing solely on this proposal alone, the revenue loss to the City would be over \$56 million over a four-year period. The lost DC revenue would impact the City in various ways; if the capital project were to go forward in the time frame as planned, there would 	 Generally speaking, City staff are supportive of proposals contained in Bill 23 that would affect meaningful change to the overall affordability and supply of housing. City staff are of the view that the retroactive and mandatory phase-in does not achieve the Province's stated goal. City staff are unclear why the blanket reduction
charged for the first four years a DC by-law is in force. Any DC imposed during the first, second, third and fourth years that the DC by-law is in force could be no more than 80, 85, 90 and 95 per cent, respectively, of the maximum DC that could have otherwise been charged.	be property tax increase implications. Should property tax rate increases not be viable, the timing of the delivery of service could be delayed. As a worst case scenario, the lack of DC funding could make a project completely unviable and the City may experience declines in its service levels. This proposal impacts the City unfairly, given that the City's DC by-law was passed only 21 days after the retroactive date the Province has chosen. It is	 also applies to the non-residential sector. It is unclear how this would help support affordable housing. Request to the Province: Remove the application of the mandatory retroactive phase-in of DC rates to the non-residential DCs.

Proposed Changes	Potential City Impacts	Comments to the Province
Reductions are applicable to new DC by-laws imposed on or after June 1, 2022.	noted that municipalities that passed their DC by- law one day before the June 1, 2022 date are not impacted by this proposal. As such, the date seems fairly arbitrary.	 Continue to allow municipalities to set their own policies on phasing-in rate increases and not include any mandatory discounts in the DCA. Alternative Suggestions: Any mandatory phase-in provisions included in the DCA should only apply to DC by-laws passed after Royal Asset of the Bill. A mandatory phase-in only applies if the proposed DC rate increase is greater than 20%. The phase-in period be reduced from 4 years to 2 years.
Changes to Eligible DC Costs New regulation authority to prescribe services where land costs will not be an eligible capital costs. Studies would no longer be an eligible capital cost. Removal of Housing from the list of eligible DC services.	 The potential revenue loss stemming from removing land as an eligible cost would be approximately \$34 million on an annual basis. Without land, or the funding to purchase land, the project itself would become unviable or unfunded. This is an area of significant concern for City staff. The potential revenue loss stemming from removing studies as an eligible capital cost would be \$800,000 on an annual basis. The Region is the Housing Service Manager and therefore would be impacted if Housing was removed from the list of eligible DC services. The Region's 2020 DC study projected \$200M over the next ten years for critical affordable housing initiatives such as the housing master plan. The change to the DC Act puts projects in Mississauga such as East Avenue, Brightwater, and others at risk. 	 Land plays an integral part in the delivery of City services to its residents – whether it be the land for a library, community centre or arena, fire station, transit facility or land for the road network. Again, City staff are concerned that the removal of land as an eligible capital cost is punitive and serves only to reduce the City's revenues. Request to the Province: Not remove or limit eligibility of "costs to acquire land" for DC collection. Studies play an integral part on how the City plans for future infrastructure and service delivery to its future residents. Restore studies as an eligible capital cost Restore Housing as eligible DC service
Discounts for Purpose Built Rental Units	The potential revenue loss stemming from this change alone would be roughly \$850,000 on an annual basis.	Staff are supportive of these changes as it could provide an incentive to build purpose built rental units, particularly larger units.

Proposed Changes	Potential City Impacts	Comments to the Province
Discounts are as follows: -25% for 3+ bedrooms -20% for 2 bedrooms -15% for bachelor & 1 bedroom	This proposed discount would be in addition to the statutory deferral of the DCs over a six-year period, stemming from the change to the DC Act that came into effect on January 1, 2020.	It is suggested the province consider using grants such as the Housing Accelerator Fund to offset lost revenue.
Change to the Historic Service Level Calculation Historical service level for DC eligible capital costs (except transit) extended from 10 to 15 years.	 This particular proposal, again, seems arbitrary and affects each municipality differently The preliminary high level sensitivity analysis performed by City staff shows an overall neutral effect on the DC rates, with the exception of Fire Services where the City has utilized non-DC funding sources to increase its service levels and this proposal would see a decrease to the Fire DC rates. 	 Because this proposal seems fairly arbitrary and seemingly has the desired effect to lower DC rates and overall revenues to municipalities, it is an undesirable change. However, given the gamut of proposed changes of Bill 23, City staff have an overall neutral position to this particular change.
Cap on the Interest Charged by Municipalities The proposed amendment would cap the interest to prime rate plus 1 percent on rental and prescribed institutional developments. This also applies to the rates frozen at the time of application.	 The City and Region currently have a Council approved policy which levies an interest rate of 5.5%. Subsequently, Council approved a policy that set the interest rate at 0% for rental housing developments. By prescribing the maximum interest rate to the prime lending rate would more closely align with borrowing rates should the City need to debt finance growth-related capital projects. 	City staff have a neutral position towards this particular change in the legislation.
Requirement to Spend or Allocate 60% of DC reserve funds Beginning in 2023, municipalities will be required to spend or allocate at least	 The City has plans to utilize the Roads DC reserve fund balance through the City's long-term financial planning and annual budgeting exercises. Depending on how stringent the Province is on their definition of "allocate", this requirement may make it difficult to plan for larger capital projects, 	City staff have an overall neutral position towards this particular change in the legislation.

Proposed Changes	Potential City Impacts	Comments to the Province
60% of the monies in a reserve fund for priority services (water, waste waster, distribution and treatment of services, and roads).	and the ability to change the capital forecast annually.	
Expiration of DC By-law Changing the DC by-law expiration from 5 to 10 years. DCs can still be updated anytime before the 10 year period.	This proposal seems fairly arbitrary and seemingly has the desired effect to stagnate the DC rates for a period of ten years.	Given that it is not a mandated ten year shelf life of the DC by-law, City staff have an overall neutral position towards this particular change in the legislation.
Exemptions from DCs for:	The potential financial impacts would be nominal, given the changes made to the Regulations in 2020 which exempt additional dwelling units that are within or ancillary to a primary unit.	City staff are general supportive of financial relief to units supporting gentle densification.
Exemptions from DCs for:Non-profit housing	 Many municipalities provide a grant-in-lieu of fees and charges to true non-profit housing providers. The potential financial impact would be nominal. 	Staff support fee exemptions (DCs, CBC, Parkland Dedication) for non-profit housing developments.

Proposed Changes	Potential City Impacts	Comments to the Province
Full Exemptions from DCs, CBCs and Parkland Dedication Full exemptions from DC charges for affordable units; attainable units; and inclusionary zoning units. Affordable housing generally defined as being priced at no greater than 80% of the average resale price or average rent in the year a unit is sold or rented. Future regulations will give	 The City has already passed a by-law with respect to DC grants for Affordable Rental Housing, but it differs from the proposal in a few ways: The grant would only be available to non-profit rental housing units Only the City's portion of DCs would be eligible for a grant The value of the grant would be determined based on the proposed rents relative to AMR where rents up to 100% AMR would be eligible for up to a 100% grant and rents up to 125% AMR would be eligible for up to a 50% grant The proposed changes are likely to support the creation of more housing units and increase 	 More information is requested to understand how "average resale price" and "average market rent" be set. Will the Province be setting these rates on an annual basis? Will this be done on a municipality-by-municipality basis and by unit type? Additional details regarding the information that will be included in the MMAH bulletin supporting determination of eligibility for exemptions is required to understand implementation and impacts. Further clarification is required for the definition(s) of "attainable housing units" and/or "development designated through regulation" to understand the magnitude and scope of DC fee exemptions. Staff support the requirement to enter into an
definition for "attainable housing units"	supply, but is unlikely to have a true impact on creating (and preserving) affordable housing units.	agreement registered on title, to secure the exemptions. However, it's preferable to see an arrangement where the DCs are paid in full by the developer, then refunded to the purchaser, much like existing programs for first-time homebuyer tax rebates – this would help ensure that the cost savings are in fact passed on to the homebuyer.

Table 4 – Changes to Ontario Heritage Act

Provincial Comment Period closes on November 24, 2022 (ERO: 019-6196)

Proposed Changes	Potential City Impacts	Comments to the Province
Listing of Properties on Municipal Heritage Register New requirements aimed to focus the use of the heritage register listing process with new threshold test (to meet certain prescribed criteria for cultural heritage value or interest) for listing a property.	Increasing the threshold for designated properties from one to two criteria will have an impact on how Mississauga recognizes the heritage on equity-seeking groups. Many of the structures which play a foundational role in the community lack architectural value and are plain but have a significant importance and story behind them.	 Changing the threshold of designating properties from one to two criteria will limit the City's ability to recognize the heritage of equity seeking groups. Many equity seeking communities solidified themselves in buildings and locations which hold significant associative value to the community, but little architectural or design value. As such, the heritage of these communities would be undervalued against the heritage of more established and better documented communities. The Province could consider options and expanding the criteria to directly engage with equity-seeking communities and ensure that heritage is approached in an equitable manner.
Time Limits and De-listing of Properties Requirement to review the heritage register and make decisions whether listed properties will be designated, and if not, the properties will be removed from the register. If a municipality fails to take action in two yeas from the date the property is listed to initiate the designation	Significant impact to the City's heritage resources by limiting the time a property can be listed on the register. Listing a property on the register gives Mississauga time to consider its heritage value and allow for other means of conserving and interpreting its heritage and history aside from protection through designation.	This change will limit the City's ability to explore options of interpretation and commemoration outside of the standard designation process, making the heritage process less flexible and potentially cause more challenges to development.

Proposed Changes	Potential City Impacts	Comments to the Province
process, then it will be required to remove the property.		
If a property is removed from the register as a result of a municipality's non-action, they would be prohibited from listing that property again for a period of five years.		
The designation process would "freeze" once a prescribed event occurs (e.g. likely to include submission of some or most development applications)	 The City would not be able to add properties to the heritage register when 'prescribed event' occurs. This places the onus on the City to be pro- active in maintaining the heritage register and anticipating when a property may come up for development. 	
Municipalities would not be permitted to issue a notice of intention to designate a property unless the property is already on the register when the current 90 day requirement for applications is triggered.		
Heritage Conservation Districts New proposed process to allow for heritage conservation district plans to be amended or repealed.	Minimal impact to the City as this is already the process used when establishing and amending Heritage Conservation Districts.	

Proposed Changes	Potential City Impacts	Comments to the Province
Requirement for municipalities to first undertake a study of the area to ascertain the heritage it seeks to protect, establish the district via by-law, adopt a heritage conservation district plan, and the plan would have to explain how the cultural heritage value or interest of the district meets new prescribed criteria.		

Table 5 – Changes to the Ontario Land Tribunal (OLT) Act, 2021

Provincial Comment Period closes on November 25, 2022 (ORR: 22-MAG011)

Proposed Changes	Potential City Impacts	Comments to the Province
Dismissal of Appeals Proposed changes to expand OLT's authority to dismiss proceedings without a hearing on the basis of undue delay or the OLT is of the opinion that a party has failed to comply with an OLT order.	Generally, improvements to the OLT are welcomed however, the proposed changes will impact public participation and reduce municipalities' ability to serve the public interest.	

Proposed Changes	Potential City Impacts	Comments to the Province
Cost Awards Proposed changes to increase powers for the OLT to order an unsuccessful party to pay a successful party's costs.	There may be instances where the unsuccessful party is a municipality and will have to pay the awarded costs. This greatly burdens municipalities and existing taxpayers, as well as, widens the gap for financial implications and budgetary shortfalls.	Staff recommend the OLT maintain an approach where cost awards are rare, and recommend the Province exempt municipalities from having to pay costs if they are the unsuccessful party.
Prioritizing Resolution of certain proceedings Proposed new powers for the Lieutenant Governor to make regulations setting standards with respect to timing of scheduling hearings and making decisions. The Minister can prescribe timelines that would apply specified steps taken by the OLT in specified classes of proceedings.	Generally, improvements to the OLT are welcomed, however the proposed changes centralize powers that reduce public participation, transparency and accountability.	Staff recommend having written criteria for prioritizing hearings and making decisions.

Table 6 – Changes to the Planning Act, 1990

Provincial Comment Period closes on November 24, 2022 (ERO: 019-6163, ERO: 019-6172)

Proposed Changes	Potential City Impacts	Comments to the Province
Ministerial Amendment of Official Plan New powers for the Minister to make amendments to an official plan and the power to make amendments based on Minister's opinion that the plan is likely to adversely affect a matter of provincial interest.	 Minister will be the approval authority for Mississauga's OP but it is unclear how it will use this power e.g. (ad hoc in between MCR processes). Staff are concerned with the uncertainty around timelines and approval of each individual third party initiated Official Plan Amendment (OPA) This also erodes the public process and reduces opportunities for public input into the Official Plan when these amendments occur. 	Seeking clarification on how new powers will be used and whether the Province will be approval authority for all amendments (e.g. even in instances where there are no conformity issues with provincial legislation)
Third-Party Appeals Proposed changes will limit third party appeals and require that the prospective appellant be a specified person to quality for appeal rights (e.g. limited to public bodies). The proposed limit on third-party appeal rights will be applied retroactively to appeals that have not had a hearing scheduled before October 25, 2022. changes would apply to all Planning Act decisions.	 Limits the rights of general public and participation in the appeals process. This means that city-initiated OPAs, would be approved by the province and cannot be appealed by the public, including landowners. See S. 17(24). Based on the transition policies, the OLT appeals received for existing projects could be dismissed unless there are new regulations specifying classes of appeals that may be exempt. 	 Staff consider that removing the ability for developers to appeal will significantly speed up and create greater certainty in the planning process. Developers still have an opportunity to apply for an Official Plan Amendment/ rezoning through site-specific development application. This limit on appeals extends to the community, who may wish to have the opportunity to participate in the appeals process.

Proposed Changes	Potential City Impacts	Comments to the Province
Cap on Community Benefit Charges Contribution Introduction of a new cap on the total amount of a community benefit charge based on only the value of the land proposed for new development. Affordable housing units will be exempt and implemented by discounting the max CBC of 4% of land value by the floor area of the affordable units as a proportion of total building floor area.	Impacts to revenue and in turn, reduced benefits. Impacts to community infrastructure and long term planning and implementation of new community services/facilities	The original 4% proposal by the Province did not provide for a meaningful revenue source to municipalities in the first place. This proposal continues to erode this funding source.
Site Plan Control Exemption Developments of up to 10 residential units will be exempt from site plan control and there are no transition provisions.	 Cumulative impacts of site plan exemption to the City include removing the ability to: Acquire land dedications (e.g. road widenings, sight triangles, greenbelt/hazard lands) and easements (e.g. stormwater/servicing easements Control access (e.g. access to main corridors), site circulation/design for vehicles and people, Local improvements (e.g. sidewalks, multi-use trails) and lack of ability to collect cash-in-lieu of sidewalks or have developer build missing portion of sidewalk Evaluate site servicing/capacity Stormwater management controls, and potential loss of the proposed measures all together 	Staff are seeking clarification on whether applicants still have to use/comply with City Standards. This is very important for a number of issues, but particularly for municipal servicing, stormwater management requirements/control measures, private road design/naming, etc.

Proposed Changes	Potential City Impacts	Comments to the Province
	 Utility coordination and streetlighting improvement/relocation SP Agreement to deal with design of required municipal works and/or to include other required conditions or clauses Identify existing and proposed encroachments on City owned lands/ROWs, and identify need for encroachment, license, consent to enter agreements, etc. Not being able to identify existing easements or other site restrictions/constraints (these can impact setback distances to proposed buildings, proposed building footprint location can be impacted) Fencing and acoustic requirements Limiting the application of green development standards is likely to result in inefficient homes being built – leading to increases in greenhouse gas emissions and high utility costs for residents. 	
	 This exemption will impact the City's ability to manage smaller, sensitive infill redevelopment projects. It will result in the elimination of the Replacement Housing (Infill) Site Plan process in Wards 1, 2, 5 and 7. 	
	This exemption would leave the City's Natural Heritage System vulnerable to removal and non-mitigated impacts. Loss of ability to provide technical advice on appropriate mitigation, restoration and compensation related to the Natural Heritage System (NHS).	This exemption could reduce the size and quality of the City's natural heritage features which provide essential ecosystem services.

Proposed Changes	Potential City Impacts	Comments to the Province
New Exclusions from Site Plan Control Matters of exterior design, landscape architecture, streetscape and sustainable design will be removed from site plan control (however, exterior access to building with affordable housing will still be reviewed).	 Exterior Design Removes ability to ensure durable materials and sustainable features are used, which leads to lower quality built form and long term maintenance issues. Landscape Architecture / Sustainable Design Removes ability to ensure compatibility with surrounding properties Removes ability to ensure linkages to surrounding infrastructure such as pedestrian access to transit Removes ability to incorporate sustainable design features such as low impact design, stormwater management, planting and appropriate green features and Green Development Standards Removes ability to incorporate resolving stormwater impact adapting to climate change Streetscape Removes municipal ability to obtain sidewalks, street trees and appropriate urban infrastructure required to create and sustain walkable, transit-oriented communities Removes an opportunity to coordinate utilities with city engineering requirements which will have financial impacts on cities: capital projects may be required to address to complete the public realm resulting from increased development activity 	 Staff recommend that that these matters should be retained in site plan control in order to achieve walkable, liveable and desirable communities. Seeking clarification on whether these matters are removed from site plan control for commercial, industrial and institutional uses. Limiting the application of Green Development Standards could result in inefficient homes being built – leading to increases in greenhouse gas emissions and higher utility costs for residents.
Removal of Upper Tier Responsibilities and Approval Proposed changes will remove all upper tier municipalities	The Region's Official Plan will no longer exist. This will be a loss of regional planning expertise on cross-jurisdictional matters, such as, health of natural systems that Mississauga is part of.	Seeking clarification on the extent of the Province's decision making (e.g. whether the Province will approve every individual amendment).

Proposed Changes	Potential City Impacts	Comments to the Province
from the review and approval process for lower tier official plans, amendments and plans of subdivision. The Minister will become the new approval authority for all lower tier official plans and amendments. The Minister's decisions cannot be appealed.	 Relevant parts of The Region's Official Plan will be deemed to be part of Mississauga's Official Plan. Staff and Council will have to make decisions regarding what parts of the Region's recently approved OP must be integrated directly into Mississauga's OP, what needs to be revised, how to eliminate redundancies and any conflicts and what parts to rescind. This will require significant time and resources. It is out of scope of the current Official Plan Review (OPR) process. As approval authority for the City's new Official Plan, the Province will be able to directly modify Council-approved Official Plan policies. Additionally, the Minister will now be able to modify any Official Plan policy at any time when the Minister considers it to be likely to adversely affect a matter of provincial interest. This appears to be similar to MZOs, but for Official Plan policy instead of zoning by-laws. Employment Conversion authority will be brought back to the City. The Region's OP has extensive environmental policy and mapping which will become the City's responsibility to administer and update as it pertains to Mississauga. Consequently, additional staff expertise and resources may be required. Some of Region's map schedules will have to be integrated into the City's new OP. City will now be responsible to make decisions on Smart Centre requested Employment Land conversions and the Heartland land use study. 	 Seeking clarification on the transition, process and timeline to integrate and repeal Regional OP policies into Mississauga's OP. Clarification on conformity requirements, as there will not be an upper tier official plan (e.g. lower tier has one year to conform with upper tier plan). Seeking clarification on matters pertaining to conflicts between the Region's OP and Mississauga's OP amidst the local OP and OPAs getting approved e.g. which policies will prevail. If lower tier municipalities will be responsible for employment and population forecasting, while the Region will be the infrastructure provider, what will be the roles and relationship between the upper and lower tier municipalities?

Proposed Changes	Potential City Impacts	Comments to the Province
	City will need to determine how much of the Official Plan Review (OPR) should progress in light of Bill 23 (including elimination of Regional planning authority), which could still change and has an undetermined in-force date. It is likely prudent to delay the OPR Policy Bundle 3 release to address the Bill 23 changes and pending changes to the Provincial Policy Statement and Growth Plan that the Province has indicated is coming. It appears that the 1 year time requirement for the City to update its Official Plan to conform to the Region's Official Plan no longer applies, as the Region's Official Plan will no longer exist but will be deemed to form part of Mississauga's Official Plan, where applicable.	
Increased Gentle Intensification Proposed as of right permissions will allow up to three residential units permitted on the lot of a detached house, semi- detached house and rowhouses, with no minimum unit size. New units will be exempt from DC, Community Benefit Charge and parkland requirements.	 The City's Official Plan (as well as Official Plan Review draft policies) and Zoning by-laws will have to be revised to address this. This proposed change is in alignment with preliminary direction in Mississauga's <i>Increasing Housing Choices in Neighbouroods</i> Study (IHCN) and the Official Plan Review (OPR). Currently, the City's Zoning By-law requires 1.25 spaces per unit in a duplex or triplex. This will need to be revised. As per design work from the consultants on the IHCN project, staff are considering a maximum of 0.66 spaces/unit in a triplex (this would permit a two-car driveway and triplex building that fits within the existing footprint of a single-detached house and driveway). 	 Staff are seeking clarification on implementation, including the application of zoning standards (e.g. can zoning provisions have the effect of limiting the zones/sites where 3 units on a lot are feasible?) and parking requirements. Seeking clarification on time requirements for implementation.

Proposed Changes	Potential City Impacts	Comments to the Province
	 As part of Mississauga's recently approved Parking Regulations Study, an extra parking space is not required for a second unit. Consistent with this proposed change, the recently approved Parkland Conveyance By-law includes an exemption for up to two additional residential units (ARUs). The City's By-law provides a clear definition for ARUs. There is no language on timing requirements. This would mean the current 3 year zoning conformity requirement would apply once the OP is revised to conform to these new requirements, but it is unclear. 	
Appeals of Zoning By-laws for Protected MTSAs and Reduced Timeframe for Conformity Municipalities with official plan policies for Protected MTSAs have no more than one year to amend all the zoning-by laws to conform with provincial policies and plans. Zoning within Protected MTSAs can be appealed and amended if the updated zoning is passed more than one year after the official plan policies come into effect.	 Significant timing impact to Zoning Services work program, given requirement to amend zoning for PMTSAs within 1 year of OP policies being in place, instead of 3 years prior to Bill 23. The proposed wording makes it unclear as to when the 1 year requirement begins (i.e. the ineffect date of the Region's new OP or the ineffect date of Bill 23). Scope of required zoning changes is unclear, including how to incorporate minimum densities (i.e. whether use of minimum building floor space index will satisfy legislative requirements). It appears that a member of the public cannot appeal the initial bylaw itself (only public bodies and utilities have this right), but an applicant (e.g. a developer) would have the ability to submit a zoning bylaw amendment application to amend the MTSA zoning bylaw once it is in place if the 1 	 Seeking clarification on when the 1 year requirement begins. It is likely that the City will have to update its ZBL and then re-update it after the new OP is approved. This diverts planning resources and creates inefficiencies in the process. Pending significant changes to the Provincial Policy Statement and the Growth Plan that have been announced by the Province will add to process inefficiencies, as some of this zoning conformity work may have to be redone after release of these revised documents. Consequently, it is recommended that a minimum of 18 months is given for zoning implementation.

Proposed Changes	Potential City Impacts	Comments to the Province
	year timeline is not achieved. The benefits of having Protected MTSAs, including having maximum building height certainty in most of our Strategic Growth Areas will be lost if the City is not able to achieve the 1 year timeline for zoning conformity. • The new Regional OP was approved by the Province on Nov 4, 2022 and includes MTSA policies. It is unclear how any conflicts between the two official plan documents will be dealt with.	
Changes to Parkland Dedication Requirements Proposed changes reduce the amount of parkland for a development where the maximum amount of land that can be conveyed or paid in lieu is capped at 10% of the land for sites under 5 ha and at 15% for sites greater than 5 ha. The maximum alternative dedicate rate will be reduced to 1 ha/600 units for parkland and 1 ha/1000 units for cash in lieu.	 The proposed reductions in the amount of parkland/ CIL that can be required of new development significantly impacts the City's ability to achieve parkland goals set out in the Parks Plan. Parkland requirements included in the recently approved Parkland Conveyance By-law accounted for the amount of parkland needed to 2041 to support new growth and ensure the provision of complete communities. The proposed new legislation would have the effect of reducing CIL revenues by approximately 70% - 80% thereby significantly impacting the City's ability to provide the amount of parkland needed in Mississauga neighbourhoods. The result would be less new parkland where it is needed and increased pressure on the existing parkland supply. 	 The proposed changes could result in lower standards for parkland provision and less access to parkland. The proposed caps in Bill 23 would undermine the principle that growth pays for growth. Funding shortfalls will be transferred onto the tax base reducing overall affordability in the city. The City is requesting that the Province restore the former rates, or that it remove the funding cap.
Parkland rates will be frozen as of the date that a zoning-by law or site plan application is		

Proposed Changes	Potential City Impacts	Comments to the Province
filed. The freeze is effective for two years after approval. If two years have passed since the contribution amount was calculated, then the value will be calculated based on the rate on the day of the first building permit.		
Parkland Dedication Exceptions Proposed changes will exempt two additional residential units on a lot and non-profit housing from parkland dedication requirements.	 The recently approved Parkland Conveyance Bylaw includes an exemption for up to two additional residential units (ARUs). The recently approved Parkland Conveyance Bylaw includes an exemption for any development or redevelopment undertaken by the Region of Peel, which could include some non-profit housing. The proposed new legislation proposes exemptions for affordable housing, IZ units, non-profit housing and attainable housing, which is beyond the by-law exemptions. The impact to the City is a decreased ability to provide parkland, as part of a complete community, to support these types of developments. 	Staff support fee exemptions (DCs, CBC, Parkland Dedication) for additional residential units as it encourages additional density in existing residential neighbourhoods to make better use of existing infrastructure and services.
Requirement for a Parks Plan The proposed change will require a municipality to prepare and make available a parks plan before passing of a parkland dedication by-law.	The 2022 Parks Plan was approved by Council earlier this year. It is unclear if the proposed new legislation will require a new Parks Plan every time a Parkland Conveyance By-law is passed or an update to the existing Parks Plan.	Seek clarification on the need for a new Parks Plan.

Proposed Changes	Potential City Impacts	Comments to the Province
Landowners can Select Portion of Lands for Parkland Developers can identify the land they intend to convey to the municipality for parkland. If agreement can't be reached the municipality or the land owner can appeal it to the OLT. If OLT determines the land meets certain criteria, the municipality may be required to credit it towards the parkland contribution. Furthermore, the new changes allow landowners to dedicate encumbered parkland (strata parks) and privately owned publicly accessible spaces (POPS) for eligible parkland credits.	 This proposed change that allows developers to identify the lands they intend to convey could result in dedication of small sections of undevelopable lands or parcels that are unsuitable for functional parkland. The proposed change that requires full parkland credit for encumbered parkland (strata and POPS for example), will result in less unencumbered parkland in growth areas. Encumbered parkland does not provide the same level of park service as a publicly owned and operated park. POPS have limited park programming ability, are subject to maintenance and operational restrictions and will not support mature trees. The financial burden for maintenance and capital investments for POPS would be that of the private landowner. Credits for POPS are financially beneficial to the developer but could cause financial hardship for the future private landowner/s, particularly in the case of residential buildings that would be responsible for maintaining these spaces. 	 Request that Province roll back ability for landowners to determine park locations, or at least ensure dedications are contiguous, link into the existing parkland network and have public street frontage and visibility. Request that Province remove 100% credit for encumbered lands or POPS, or at least roll it back to some lesser amount to disincentivize developers providing encumbered parkland or POPS over a public park.
Requirement for Minimum Spending of Parkland Monies New requirement for municipalities to spend or allocate at least 60% of the monies in their parkland reserve account at the beginning of each year.	The City already allocates CIL funds through the CIL Continuity 10 Year Plan forecast.	Seeking more information from the Province regarding the meaning of "allocation" to determine if there are any impacts.

Proposed Changes	Potential City Impacts	Comments to the Province
Public Meeting for Subdivision Applications The proposed change will completely remove the public meeting from subdivision applications.	 This reduces the public's ability to participate in the subdivision process Additionally, minor variances and consents are no longer appealable by residents, which is a significant change. 	

Table 7 – Review of A Place to Grow (Growth Plan) and Provincial Policy Statement (PPS)

Provincial Comment Period closes on December 30, 2022 (ERO: 019-6177)

Proposed Changes	Potential City Impacts	Comments to the Province
Merging the Growth Plan and PPS Consultation process on merging the Growth Plan and the PPS.	Few details have been provided to date on how the Growth Plan and PPS would change.	 Staff are requesting that the Province consult with municipalities on changes to these documents. Staff suggest that Regional Urban Structure (e.g. UGCs and MTSAs) and growth forecasts to help plan for regional infrastructure be maintained.

Table 8 – Municipal Housing Targets to 2031

Proposed Changes	Potential City Impacts	Comments to the Province
New Housing Targets for Municipalities The Province has assigned Mississauga a new housing target of 120,000 units by 2031. Targets are based on current population and growth trends.	 In 2021, Mississauga issued building permits for 5,500 new units. So far, 2022 is a record year, but the City has still only issued building permits for 6,100 new units. If Mississauga is to meet the Provincial housing target, it must double its current levels of development. The City has been planning for growth well beyond its Regional allocation of 100,000 units so no city planning policy changes are needed to reach the provincial pledge. 	Staff suggest these targets may be hard to reach given constrains on the development industry (e.g. market conditions, high interest rates and labour and construction costs that influence viability and timing of development projects).

Table 9 – Changes to Ontario Regulation 232/18 – Inclusionary Zoning

Provincial Comment Period closes on December 9, 2022 (ERO: 019-6173)

Proposed Changes	Potential City Impacts	Comments to the Province
New definition of "Affordable" for Inclusionary Zoning (IZ) Units	 This change would require amendments to Mississauga's policies/IZ By-law and would raise questions about the fundamental utility of the IZ tool to increase housing supply that is affordable 	Suggest the use PPS definition for housing affordability, which is based on annual income spent on housing costs. If it is decided to move to a market-based approach, affordable ownership
Province is proposing that the lowest price/rent that a municipality can require a developer to sell / rent IZ units at is 80% of the average resale purchase price of ownership units or 80% of the average	for Mississauga's moderate income households. The proposed definition for ownership IZ units would mean that IZ units are effectively unaffordable to the vast majority of Mississauga's moderate income households.	 units should be priced at 70% or less of resale price. Requesting that the Province maintain the income-based definition of "affordable housing" for IZ units.

Proposed Changes	Potential City Impacts	Comments to the Province
market rent (AMR) for rental units.		Requesting clarification on methodology (e.g. will it be a rate by unit type or one rate regardless of type? What is the source of the resale data?)
Caps on IZ Set-Aside Rate Proposed change will set an upper limit to the set-aside rate, which would be 5% of total number of units or 5% of total residential gross floor area.	 Impacts to the City's Official Plan and Zoning-bylaw set-aside rate provisions. Mississauga's IZ policies require a rate ranging from 5% to 10% residential area, after an initial phase-in. Recent Provincial legislation changes already limited the geographic scope of IZ to protected MTSAs, directly impacting IZ unit yield. Raises question of administrative efficiency of IZ for both the City and Region, given the small IZ unit yield that may result. 	 City staff do not support the 5% maximum as it will result in approximately 40% less affordable units than anticipated by the City's current IZ provisions. The proposed changes reduce the efficiency of administering the IZ program. One-size-fits-all approach does not recognize that certain sub-markets in Ontario can absorb a higher rate, especially given significant public investment to transit and infrastructure. The 5% maximum calls into question the necessity of current requirements to perform periodic IZ market analyses / policy updates. Request that Province increase the set aside rate cap to 10% to help increase the supply of affordable units. Request that Province consider cash-in-lieu for scenarios where the IZ unit yield is small in smaller projects, to reduce administrative burden to developers and municipalities.

Proposed Changes	Potential City Impacts	Comments to the Province
Cap on Affordability Term Proposed maximum affordability period of 25 years for IZ units.	 Impacts City's Official Plan and zoning provisions for IZ. Raises question of merit of IZ program given short affordability term. Mississauga's adopted policy and zoning provisions establish a 99-year affordability term for ownership units and a 25-year affordability term (plus 5-year phase-out) for rental units. The rental affordability term was intentionally set shorter than the ownership term to encourage delivery of rental units in condominium developments. The City exempts purpose-built rental projects from IZ. 	 Staff do not support the proposed maximum affordability period because it will cause ownership units to be lost from the IZ inventory sooner than necessary, and the proposed maximum term will have no impact on development feasibility / housing supply. Request that Province extend the affordability for "ownership" units to 99 years; this will have no impact on developers but will allow for more sustainable affordable housing supply.

Table 10 – Proposed Amendments to the Greenbelt Plan and Greenbelt Area Boundary Regulation

Provincial Comment Period closes on December 4, 2022 (ERO: 019-6216 and ERO: 019-6217)

Proposed Changes	Potential City Impacts	Comments to the Province
Changes to the Greenbelt Plan and Area Boundary	 Removing land from the Greenbelt could have environmental consequences both inside and outside of Mississauga. Environment impacts could be compounded by a reduced role of Conservation Authorities. 	 There are no guarantees that removing some lands from the Greenbelt while adding others will have equal environmental value and ecological function. City staff are supportive of adding urban river valleys to the Greenbelt and already protect these lands. It is submitted that only lands be added to the Greenbelt and staff are not supportive of removing lands.

Table 11 – Proposed Updates to the Ontario Wetlands Evolution System

Provincial Comment Period closes on November 24, 2022 (ERO: 019-6160)

Proposed Changes	Potential City Impacts	Comments to the Province
Removing the Concept of Wetland Complexes The proposed changes would remove the concept of wetland complexes and weaken the evaluation process. The changes will allow for wetland boundaries to be re-defined after they have been evaluated and accepted.	 It will be more difficult for smaller wetlands (<2 ha in size) to be included and evaluated under the system. Given that wetlands comprise only about 0.9% of the city's land base and many are small and exist in a mosaic of smaller habitats, the identification and protection of small wetlands will be impacted - they are essential to maintaining biodiversity and ecosystem function at a local and landscape scale. Given that boundary changes will be allowed after a wetland has been accepted, this could lead to a situation where unauthorized and unpermitted changes to wetlands lead to a reduction in their size or loss over time to facilitate growth in areas that would have been otherwise protected. 	The Province should maintain existing wetland protections. The benefits of developing on wetlands do not outweigh the potential environmental outcomes.

City of Mississauga

Corporate Report



Date: November 17, 2022 Originator's files:

To: Mayor and Members of Council

From: Andrew Whittemore, M.U.R.P., Commissioner of

Planning & Building

Meeting date: November 23, 2022

Subject

Bill 23 "More Homes Built Faster Act" and Implications for City of Mississauga

Recommendation

- 1. That Council endorse positions and recommendations contained and appended to the report titled "Bill 23 'More Homes Built Faster' and Implications for City of Mississauga," and authorize staff to prepare additional detailed comments on Bill 23 and any associated regulations, as needed. In particular, the City be made whole for any revenue losses from changes to the imposition of development changes and parkland dedication.
- 2. That the Mayor or designate be authorized to make submissions to the Standing Committee with respect to issues raised in this report, or to otherwise provide written or verbal comments as part of the Ministry's public consultation process.
- 3. That the City Clerk forward this report to the Ministry of Municipal Affairs and Housing; Mississauga's Members' of Provincial Parliament, the Association for Municipalities Ontario, and the Region of Peel.

Executive Summary

- Recent amendments have been proposed to several pieces of legislation that form Bill 23 "More Homes Built Faster Act, 2022" (the Bill) that impact the imposition of development charges (DCs), parkland dedication, planning and appeals processes and the environment.
- Staff support the need to improve the diversity and affordability of housing. However, staff's assessment is that Bill 23 is overly focused on blanket fee reductions that would apply for market rate developments with no guarantee that savings will be passed on to renters and homebuyers.

 Special Council
 2022/11/23
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• It is estimated that the Bill could cost the City up to \$815 to \$885M over the next ten years. Without corresponding provincial grants, Mississauga would need to recover that revenue through the tax base or by reducing service levels.

- A key part of this shortfall is generated by DC reductions, changes to what is DC eligible and DC exemptions. Staff estimate that the shortfall could be up to \$325M over a ten-year period¹.
 - The Province has proposed arbitrary retroactive phase-ins to all of the City's DCs (including non-residential DCs). The way the Province has structured these reductions are punitive, apply to each municipality differently and will be challenging to administer.
 - What is eligible for DC collection would also change with the removal of "affordable housing" and "studies," and the potential to limit the service for which land acquisitions can be recovered through development charges.
 - City staff support some of the proposed DC exemptions (e.g. non-profits and second units), but the other contemplated exemptions could incent small, private condominium units, at the expense of more affordable units.
- The financial impacts are even more staggering when examining the proposed changes to parkland dedication. Staff estimate the City could lose \$490 to \$560M in ten years, making up more than 70% of this revenue stream.
 - For a standard development in the City (e.g. 500 unit tower on an acre), the City could go from collecting \$10M to \$1.7M in cash-in-lieu. It's noted land prices in Mississauga are close to \$20M per acre in many of its growth areas.
 - Moreover, the Bill would allow developers to choose where parkland is located on a site (e.g. they prefer to offer slivers of undevelopable land) and they would receive full parkland credits for Privately Owned Publicly Accessible Space (POPS). It is in condominium developers' financial interest to provide a privately owned park since it can allow for higher densities on the site (e.g. parking under the park). Condominium residents will be forced to maintain the asset indefinitely while the quality, access, and programing is typically inferior to a city-owned park.
- Some of the proposed changes could speed up the approvals process (e.g. gentle
 intensification and pre-zoning major transit station areas), and staff are supportive of
 these changes. However, others could undermine important planning considerations
 (e.g. not allowing architectural and landscape details to be considered at site plan
 could undermine quality of place. Furthermore, removing the City's ability to
 implement Green Development Standards could impact the creation of units that are
 more efficient and affordable to heat and operate).

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¹ This assumes that the DC By-law would need to be updated upon its expiry in 2027 and that land is removed as a DC eligible cost for each City service, as part of that exercise.

• Given the provincial importance of creating more affordable housing, it is difficult to understand the policy rationale for reducing municipal tools to create new units.

- According to the Region of Peel the proposed elimination of Housing from Regional DCs puts at risk over 930 affordable housing units in various stages of planning and development in Mississauga for low and moderate income households e.g. East Avenue, Brightwater – with a possible shortfall of \$200M.
- Proposed revisions to inclusionary zoning (IZ) affordability thresholds will result in virtually no inclusionary zoning ownership units being affordable for low and middle income households.
- It is estimated that the 5% of development IZ cap will result in a minimum of 40% less affordable units than was anticipated with current IZ provisions.
- Moreover, the Province is consulting on potentially removing or scaling back rental protection-laws.
- The potential impacts on the environment are also significant, with proposed changes to the Conservation Authorities and the boundaries of the Greenbelt. These natural features are needed to help us adapt to a changing climate. The possibility of building on flood and hazard lands is concerning given increased storm events and potential liabilities.
- Given the broad potential impacts on the natural environment, community
 infrastructure, parks, transit, affordable housing and the quality of our urban
 environments; it is suggested the Province take the time to consult with a broader
 range of stakeholders to help refine this Bill and achieve a more balanced and
 strategic plan to create more housing.
- A summary of City staff's top requests to the Province are listed below:
 - 1. It is estimated that the Bill could cost the City up to \$815 to \$885M over the next ten years.² It is requested that the Province make the City whole (e.g. provide offsetting grants) to cover any loss in revenue resulting from the legislative changes to DCs and CIL.
 - 2. Remove non-residential DC discounts and restore City's ability to set its own DC rates.
 - 3. Not remove or limit eligibility of "costs to acquire land" for DC collection.
 - 4. Restore "affordable housing" and ability to fund "studies" as eligible for DC collection.
 - 5. Remove "attainable" housing from the proposed exemptions to DCs, CBCs and Parkland.

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² This assumes that the DC By-law would need to be updated upon its expiry in 2027 and that land is removed as a DC eligible cost for each City service, as part of that exercise.

6. Develop mechanisms to ensure any publically funded discounts go directly to homebuyer.

- 7. Maintain the income-based definition of affordable housing as per the Provincial Policy Statement (PPS). If not, it is requested that the Province adapt the CMHC average existing market rent by bedroom for rental units and a 70% rate of average new unit price with separate values for unit size/bedrooms for ownership units.
- 8. Restore parkland rates, or at least remove the land value caps placed on rates.
- Roll back ability for developers to determine park locations, or at least ensure parkland dedications are contiguous, link into the existing parkland network and have public street frontage and visibility.
- 10. Remove 100% credit for POPS, or at least roll it back to some lesser amount to disincentivize developers providing a POPS over a public park.
- 11. Increase Inclusionary Zoning set-aside rate cap to 10%.
- 12. Extend the affordability for "ownership" units to 99 years; this will have no impact on developers but will allow for more sustainable affordable housing supply.
- 13. Consider some type of incentive program to help capitalize infill projects in established neighbourhoods (e.g. a loan program that could help homeowners fund renovations to their homes to add second or third units).
- 14. Update Ontario Building Code to ensure singles and towns are built in a way that would support retrofitting for second units.
- 15. Restore urban design and landscape details at site plan stage.
- 16. Restore ability to consider sustainable design (e.g. use of Green Development Standards) at the site plan stage.
 Maintain existing Ontario Land Tribunal (OLT) process where costs are rarely awarded.
- 17. Maintain the City's ability to protect rental housing stock through its Rental Protection By-law.
- 18. Province could reconsider the benefits of the proposed heritage review process, as most likely it will slow down development.
- 19. Reconsider the benefits of limiting Conservation Authorities (CA) powers to comment on natural heritage, as the City will need to establish expertise and development process could be slowed down.
- 20. Maintain existing wetland protections, the benefits of developing on wetlands do not outweigh the potential environmental outcomes.
- 21. Not adopt a Provincial ecological off-setting policy. Technical ecological advice on offsetting should be provided in local context by the Conservation Authorities and the City, as appropriate.

Background

Bill 23 works to implement some actions contained in *Ontario's Housing Supply Action Plan*, with the goal of increasing housing supply in Ontario by building 1.5 million new homes by 2032.

On October 25, 2022, the Honourable Steve Clark, Minister of Municipal Affairs and Housing (the Minister) introduced the Bill to the legislature with sweeping changes to 10 Acts (including the Planning Act, Municipal Act, Development Charges (DCs) Act, Ontario Heritage Act, Conservation Authorities Act, Ontario Land Tribunal (OLT) Act) and the Ontario Building Code.

The Province has also proposed further consultation on a range of provincial plans, policies and regulations. This includes revoking the Parkway Belt West Plan, merging the Growth Plan for the Greater Golden Horseshoe (the Growth Plan) with the PPS and changing the boundaries of the Greenbelt Plan. The Province has also committed to create working groups with municipalities to limit land speculation and examine rental protection by-laws.

Comment periods on the proposed changes (via 19 Environmental Registry of Ontario postings and 7 Ontario Regulatory Registry postings) close between November 24 and December 30, with the majority closing on November 24, 2022. City staff will continue to update and advise Council on the impacts of Bill 23 as it advances and when implementation details become available.

The purpose of this report is to: highlight to Council the major changes proposed in Bill 23; the potential impacts on the City; identify areas of support and areas that should be reconsidered by the Province and have Council endorse all comments contained and appended to this report. In anticipation of the Bill advancing, staff also seek authority to submit comments to the Province as needed, where timelines do not permit reporting to Council in advance (e.g. over the Christmas/New Year break).

Comments

The Province is setting a goal of Ontario building 1.5 million new homes by 2032. Of this total, Mississauga must *pledge* to build 120,000 homes in the next ten years (in other words 12,000 units a year). Staff question whether the development industry even has the capacity to construct that amount of units given persistent labour and material challenges.

In 2021, Mississauga issued building permits for 5,500 new units. So far, 2022 is a record year, but the City has still only issued building permits for 6,100 new units. In other words, if Mississauga is to meet this Provincial target it must double its current levels of development. Fortunately, the City has been planning for growth well beyond its Regional allocation of 100,000 units so no City planning policy changes are needed to reach the provincial pledge.³

³ Technical Memo: Mississauga's City Structure and Residential Growth Accommodation. File: CD.02-MIS can be accessed here (see April 19, 2022, PDC Agenda, Item 5.2)

However, the Bill has the potential to significantly reduce the amount of money available to the City to provide the infrastructure required to create complete communities in these planned growth areas. Many of the measures appear designed to create short-term benefits for developers of market units while saddling municipalities and future unit owners with costs and reduced amenities for decades to come. While the Bill does have some positive provisions that are specifically intended to help build more affordable and purpose built rental housing, other provisions of the Bill would have the opposite effect by reducing the amount of this badly needed housing.

Staff have summarized key changes proposed into 7 themes:

- Mandatory and retroactive phase-in of DCs would lead to significant funding shortfalls;
- Delivery of the City's infrastructure program could be jeopardized by what is classified as "DC eligible" and fee exemptions;
- City's parkland revenue could be reduced by 70% and the quality of parkland could be diminished;
- Support proposals to streamline neighbourhood infill and intensification around transit station areas;
- Range of impacts stemming from major changes to planning and appeals processes, including planning powers removed from Region of Peel and uploaded to the Province;
- Elimination and reduction of municipal tools could further threaten affordable housing;
- Significant impacts on Ontario's heritage and natural environment and its ability to mitigate and adapt to a climate changing.

Please note that not all changes proposed are captured in the body of this Corporate Report.

Please see Appendix 1 for a detailed list of changes, potential implications for the City and comments to be shared with the Province.

1) MANDATORY AND RETROACTIVE PHASE-IN OF DCs WOULD LEAD TO SIGNIFICANT FUNDING SHORTFALLS

City Council passed its current DC By-law on June 22, 2022. The proposed changes to the *DC Act* direct that for any DC By-law passed after June 1, 2022, a 20% reduction must be applied to the DC rates in Year 1 of the By-law, with the reduction decreasing by 5% in subsequent years.

General estimates of the potential DC revenue lost, focusing solely on this proposal alone, are included below:

- Year 1: By applying a 20% discount, City will collect \$22.2 M less in DC revenues
- Total 4-Year DC revenue loss, estimated at \$56.1 M.

As part of the 2022 DC By-law review, the City's DC rates increased by 12%. Therefore if this proposal is implemented and a 20% discount is applied, the City would be collecting less revenue than prior to its 2022 DC by-law passage.

The mandatory discounts are punitive, arbitrary and the logic is unclear, given they affect each municipality so differently. For example, there are several municipalities that updated their DC rates prior to June 1, 2022 that are not having to apply the discounts, and those municipalities that didn't update their by-law recently are also not having to apply the discounts. The mandatory discounts undermine Council's discretion to impose a discount or phase-in of the DC rates; many of such policies are developed with consultation with the development industry.

City staff request that the Province continue to allow municipal Council the sole discretion to set their own policies and DC rates and remove the mandatory retroactive phase-in. If not, staff recommend that the phase-in only apply to by-laws passed after Royal Assent of the Bill and/or only apply where the proposed DC rate increase is greater than 20%.

These discounts also apply to non-residential development. City staff question how housing affordability and stock is improved by collecting less DC revenue from commercial and industrial developers. It is suggested to the Province that discounts be limited to the residential sector.



• Request that Province remove non-residential DC discounts and restore City's ability to set its own DC rates. Otherwise, a municipality should be made whole for these DC discounts

2) DELIVERY OF THE CITY'S INFRASTRUCTURE PROGRAM COULD BE JEOPARDIZED BY DC ELIGIBILITY AND FEE EXEMPTIONS

DC Eligibility

The proposed changes impact what is eligible for DC collection. It is proposed that studies and affordable housing can no longer be funded by DCs, and the ability to fund land acquisition for prescribed services will be limited by a future Regulation.

City staff's biggest concern is that a future regulation could limit land acquisition being an eligible cost recoverable through DCs for prescribed services. Land plays an integral part in the delivery of City services to its residents – whether it be the land for a library, community centre or arena, fire station, transit facility or land for the road network. Without land, or the funding to purchase land, the project itself would become unviable or unfunded. Without information about the scope of a future regulation, the financial impact is difficult to assess. However, if land were removed as an eligible cost for all services, the potential revenue loss would be approximately \$34 Million on an annual basis, upon the passage of the next DC by-law. City staff would ask the Province not to remove or limit land as an eligible DC cost.

Another concerning change is the removal of a municipality's' ability to fund affordable housing through DCs. In the past this funding has supported Regional capital projects as well as partnerships with the private sector to increase affordable housing supply.

Likewise, staff have concerns about not allowing for DC funded studies. These studies include, but are not limited to, the City's Future Directions Plans, Transit Infrastructure Plans and Growth Management Plans. It is suggested that the services be reinstated as collectively these measures help to build affordable and complete communities.



 As a priority, request that Province not remove or limit eligibility of "costs to acquire land" for DC collection. Also request that Province restore "affordable housing" and ability to fund "studies" as eligible for DC collection

DC, Parkland and CBC Exemptions

Affordable and Attainable Housing

The proposed changes exempt DCs, parkland dedication and Community Benefit Charge (CBCs) for "affordable" and "attainable" housing, Inclusionary Zoning (IZ) units, non-profit housing and second and third units.

The City already uses DCs as a tool to incentivize "missing middle" housing and exempts charges for second units, Accessory Dwelling Units and has approved DC grant based exemptions for non-profit affordable rental housing.

However, staff are concerned that broadly exempting all units that are 80% of market value could incentivize the creation of very small units (e.g. most bachelors and many one bedroom units in the city would likely meet this proposed definition) and not help achieve the types of "missing middle" housing that Ontarian households so desperately need.

At minimum, the "average" market price should be delineated for each unit size or bedroom count. Additionally, the Province should consider lowering the threshold to 70% to ensure exemptions are targeted to units affordable to low- and moderate- income households. For rental units, City staff suggest that a CMHC definition 100% AMR for rental units be adopted which is a common definition used for new rental unit incentives.

It is noted that City staff will be challenged to administer exemptions based on an 80% of the resale purchase price for ownership and 80% average market for rental for affordable units. DCs are often levied ahead of all units being sold and the price of units is in constant flux. It will be hard to determine which units may be eligible. It is also unclear how the 80% of average market rate will be determined and there could be opportunities for abuse.

The impact of exempting "attainable housing" from these growth charges is unknown. However, if the Province's definition is so broad that it applies to any unit that is not owned by an investor it could be financially catastrophic for the City. It is suggested the Province remove "attainable" housing from exemptions as the Bill already has polices exempting non-profit and gentle infill units from DCs and other charges.

As mentioned above, it is considered that the Province should make municipalities whole for any discounts offered. It is suggested that the Province could use Federal Housing Accelerator funding to address some of this municipal shortfall and staff would welcome that approach.

Rental Housing

The proposed changes also result in the DC payable for a purpose built rental housing development being discounted based on the number of bedrooms in each units, the proposal as follows:

- Bachelor and 1 bedroom units 15% reduction in DCs
- Two bedroom units 20% reduction in DCs
- Three+ bedroom units 25% reduction in DCs

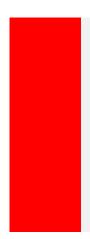
The potential revenue loss stemming from this change alone would be roughly \$8.5 Million over a ten-year period. Despite this shortfall staff are supportive of these changes as it could provide an incentive to build purpose built rental units, particularly larger units. Albeit the effectiveness of this measure is muted by DC discounts and exemptions being so widely applied across the board. Staff suggest senior grants such as the Federal Housing Accelerator be used to offset the lost revenue.

Passing on Discounts to Buyers

It is suggested that the Province carefully examine safeguards to ensure any publically funded discounts are passed onto new homeowners. As noted in the recent report⁴ prepared by N. Barry Lyon Consultants, developers will price housing at the maximum level the market will support and increases/decreases in fees do not affect the sale price of units. Lost revenue leads to increased property taxes that reduce affordability overall.

City staff support requirement to enter into an agreement registered on title, to secure the exemptions, but would prefer to see an arrangement where the DCs are paid in full by the developer, then refunded to the purchaser, much like existing programs for first-time homebuyer tax rebates. This approach would help ensure that the cost savings are passed on to the homebuyer and would also expedite DC administration.

⁴ 2019 Development Costs Review – The Effect of Development-Related Costs on Housing Affordability can be accessed here (see May 1, 2019, General Committee Agenda, Item 8.2,)



• Request that Province:

- Remove "attainable" housing from the proposed exemptions
- Develop mechanisms to ensure that those people looking to buy a home to live in benefit from these municipally funded discounts. DCs could be paid in full by the developer and then refunded to eligible purchasers
- Maintain the income-based definition of affordable housing as per the PPS. If not, it is requested that the Province adopt the 100% CMHC average market rent by bedroom type for rental units and a 70% rate of average resale price with separate values for unit size/bedrooms for ownership units

3) CITY'S PARKLAND REVENUE COULD BE REDUCED BY 70% AND THE QUALITY OF PARKLAND COULD BE DIMINISHED

Reduced Parkland Rates

The proposed changes include significant reduction to the current parkland dedication and Cash-in-Lieu (CIL) rates.

Specifically, maximum alternative dedication rates are lowered to 1 hectare per 600 units, from 1 hectare per 300 units for land. And 1 hectare for 1000 units for CIL, down from 1 hectare per 500 units. For high-density development, it is proposed that parkland is capped at 10% of land for smaller sites (up to 5 hectares) and 15% of land for large sites (over 5 hectares). These rates will be kept lower by being frozen at the date a zoning by-law or site plan is filed.

Mississauga has built out almost all of its greenfields and its development is changing to be more intensive. As a result, the City collects much of its CIL from medium and high density developments and uses these funds to acquire parkland (e.g. rather than through conveyance, which is more common in a greenfield context). The City is at a point in its development where significant future parkland will need to be acquired. However, the CIL rates proposed by the Bill are so low they will not allow the City to remain competitive buyers of land.

The full costs associated with this change are difficult to quantify. However on a site by site basis it is significant. For a routine application in Mississauga e.g. a tower of approximately 500 units on a site that is 1 acre, it is expected that subject to Bill 23 the City would collect \$1.74M in CIL. This compares to \$10.7M in CIL under the City's existing By-law (adopted June 2022).

This proposed Bill 23 rate is also well below the City's former by-law, that is 15 years old and was already unable to keep pace with rising land costs in Mississauga. Under the City's former By-law, it could have collected \$5.0M in CIL payments.

Case Study: Typical Development in Mississauga and CIL Rates

Development	Under Past by-law	Under New By-law	Under Proposed Bill 23
18 storey mixed use building containing 427 residential units (no parkland dedication)	427*\$11,710/unit = \$5,000,200	@ 25,112 Full August 2023 CIL Capped Rate 427*\$25,112 = \$10,722,800	\$1,734,300 CIL capped at 10% of land value.

A high-level estimate citywide suggested that under the recently approved by-law CIL revenues were anticipated to be in the order of \$1.398B between 2022 and 2041, which was the amount of revenue needed to address parkland needs. With Bill 23, that is expected to be reduced to an approximate range of \$284M - \$419M falling significantly short of projected needs.

Overall, these impacts are substantial and it is requested that the Province restore former parkland rates. However, if the Province wishes to maintain these lower rates it is requested that the 10% cap on parkland be removed as an urgent priority.



• Request that Province restore parkland rates, or at least remove the land value caps placed on rates

Land Owners to Determine Park Locations

A major concern for City staff is that the proposed changes allow developers to choose where to locate parkland. This will likely result in small sections of undevelopable land being dedicated. City staff strongly urge the Province to roll back this change, but at the very least add requirements that ensure parkland dedications are contiguous, link into the existing parkland network (where applicable) and have public street frontage and visibility.

The proposed change does allow the City to appeal a developer's parkland proposal to the OLT. However, if a developer is already going to the OLT over other issues related to their application, then any leverage the City may have had is lost. Under the proposed Bill, a municipality can also be required to take on parkland it does not want. Currently, the OLT rarely order a municipality take on parkland. It is suggested that this practice be maintained and a municipality should not be forced to manage undesirable lands.



 Request that Province roll back ability for land owners to determine park locations, or at least ensure dedications are contiguous, link into the existing parkland network and have public street frontage and visibility

Privately Owned Publicly Accessible Spaces (POPS)

The proposed changes would allow POPS and encumbered parkland to receive the same credits as a publicly owned unencumbered park. This will make it difficult for the City to secure unencumbered parkland, particularly in its growth areas.

A POPS does not provide the same level of service as a public park. Hours of operation and maintenance of POPS are subject to an easement agreement with the owner, which may be limiting. POPS have limited programming ability and would rarely, if ever, include playground equipment and other needed park amenities. Also, because POPS are encumbered (e.g. have infrastructure underground) they will not support mature trees and are more routinely closed for maintenance.

Moreover, the creation of a POPS places a significant burden on new unit owners/condominium boards. Many new unit owners may not realize the full extent of the financial commitment they are making to manage a POPS. For large developments often more than one condominium board is responsible for managing a POPS, creating frictions and administrative challenges.

Overall, POPS arrangements generate one off value for developers. Both the City and the future residents will be forced to deal with challenges stemming from this arrangement indefinitely. City staff strongly urge the Province to remove this clause, or at least roll it back to some lesser amount to disincentivize a POPS arrangement over a public park.



 Request that Province remove 100% credit for POPS, or at least roll it back to a lesser amount to disincentivize developers providing a POPS over a public park

4) SUPPORT PROPOSALS TO STREAMLINE NEIGHBOURHOOD INFILL AND INTENSIFICATION AROUND STATION AREAS

Neighbourhood Infill

The Province has proposed that three units be allowed on a lot as-of-right and parking rates are set at a maximum of one per dwellings. City staff are already working on permitting increased infill opportunities (e.g. up to 3 units) through the City's "Increasing Housing Choices in Neighbourhoods" study and parking rates for infill developments were reduced in line with these recommendations earlier this year. Moreover, Mississauga had already waived development charges for up to three units in its latest DC By-law.

City staff would suggest that the Province carefully consider the many barriers to residential infill in existing neighbourhoods. Specifically, construction costs for even modest residential infill units are expensive and mortgages are difficult to secure. From the City's work, it is estimated that a one bedroom/ one storey garden suite is \$250K, a two storey / two bedroom suite is \$425K and a garage conversion to a one bedroom unit is in the order of \$92K. A loan program, or way of making capital available to homeowners, could go a long way to more of these opportunities being realized.

The Province could also consider updating the Ontario Building Code (OBC) to require that all single and semi-detached units be constructed in a way that would allow for easy conversion into second suites.



- Province could consider some type of incentive program to help capitalize infill projects (e.g. grants or loans) in established neighbourhoods
- Province could update OBC to ensure singles and towns are built in a way that would support retrofitting for second units

Intensification around Stations

The Province has proposed "as-of-right" zoning in all MTSAs and is requiring zoning by-laws be updated within a year (reduced from three years). City staff will work to ensure these provincial deadlines are met, although would suggest to the Province that 18 months is a more realistic timeline. While updated zoning is important, staff do not expect that updating our zoning by-law will lead to a major increase in development. For twenty years, the City has pre-zoned its Downtown Core for unlimited heights and densities and while development remains steady, it is moderated by constraints around labour, materials, development phasing and other financial considerations.

Site Plan Exemptions and No Architectural and Landscape Details

The Province has proposed that residential development of up to 10 units be exempt from site plan control, except for land lease communities. Staff can work with the exemption however, this change could shift more of the review effort to the building permit stage. Staff are seeking clarification from the Province on whether or not city standards (e.g. storm water management, road requirements and design etc.) can be applied where a new development may be exempt.

Staff are extremely concerned by the removal of architectural and landscape details at site plan. Elimination of this takes away the City's ability to shape the public realm and would undermine the quality of places in our city. It is also proposed to remove consideration of sustainable designs. This will limit the ability for the City to implement the Green Development Standards that contribute to more efficient homes being built in Mississauga that will reduce utility bills and GHG emissions.



• Request that Province restore urban design, sustainable design and landscape details at site plan stage

5) RANGE OF IMPACTS STEMMING FROM MAJOR CHANGES TO PLANNING AND APPEALS PROCESSES, INCLUDING MANY PLANNING POWERS BEING UPLOADED TO PROVINCE

Regional Planning Powers

The Province has proposed to take on many new planning powers, with regional municipalities proposed to be completely removed from the planning process. A key outcome of these changes and this centralization of powers is that the Province could soon be the City's approval authority. Meaning it would be the Province that would sign off on the City's Official Plan and associated amendments rather than the Region of Peel and that the Province could redline and change the plans as they saw fit without consultation.

It is hard to gauge the impact this will have on the process. However, if it does aim to speed things up, the Province will need to build up significant expertise in municipal land use planning otherwise it is likely a bottleneck will occur.

Given the Bill downloads many responsibilities onto the City of Mississauga from the Region of Peel (and later in the report the Conservation Authorities), there could be significant staffing impacts and the need for the City to establish new areas of expertise.

Limiting Third Party Appeals

The Province has proposed to limit third party appeals. City staff consider that limiting third party appeals for developers will significantly speed up the planning processes. Currently, the City's entire Official Plan (OP) can be appealed. In the past these broad OP appeals have taken near a decade to resolve. A similar appeals process can then unfold around site specific appeals. The collective outcome of this is a lack of certainty around the City's planning framework and increased speculation on land. However, this limit on appeals also extends to the community, who may wish to have the opportunity to participate more fully in the planning process.

Awarding Costs

Staff are however, concerned about the proposal for the OLT to more routinely award costs against a loosing party. When coupled Bill 109 that requires a municipality to provide a decision in a very short space of time (or otherwise have to refund fees), a municipality could get caught in a position where it has to refuse an application because some major issue has not been resolved on the site and could later be punished by having costs awarded against them. City staff consider that the OLT's current process where costs are only awarded where there is a genuine attempt to obstruct a matter should continue, and costs should be rarely awarded.



 Request that Province maintain existing OLT process where costs are rarely awarded

Changes to Provincial Plans

The merging of the PPS and Growth Plan has also been proposed, yet limited details have been provided. The Growth Plan sets out the Greater Golden Horseshoe's urban structure (e.g. Urban Growth Centres served by transit etc.), and its growth forecasts are fundamental to good infrastructure planning. While no details are released, it is suggested that at the very least these aspects be maintained. Any changes to this document should occur in consultation with municipalities.

City staff are supportive of adding urban river valleys to the Greenbelt and already protect these lands. It is submitted that only lands be added to the Greenbelt and not subtracted.



- Request that Province:
 - o Consult municipalities as provincial plans are updated
 - GGH urban structure of Urban Growth Centres and Major Transit Station Areas is maintained
 - Growth forecasts are maintained for infrastructure planning
 - Not change Greenbelt boundaries, aside from adding lands

6) ELIMINATION AND REDUCTION OF MUNICIPAL TOOLS THAT FURTHER THREATEN AFFORDABLE HOUSING

Inclusionary Zoning (IZ)

Definition, Set-aside Rate Cap, and Affordability Term Cap

Currently housing affordability is defined in terms of annual income spent on housing costs e.g. no more than 30%. The Province is proposing a shift to a market-based definition of affordability that can be set at no lower than 80% of resale prices for IZ ownership units and no more than 80% of average market rent for IZ rental units. While it is unclear which data sources the Province will use to set these "average" rates, it appears that the only segment of the population that could afford an IZ ownership unit are those at the top end of the moderate-income band – that is, households earning \$95,000 per year or more⁵ - pricing out the vast majority of Mississauga's essential workforce.

The Province has also proposed an IZ set-aside rate cap of 5% of units / residential gross floor area. Mississauga's adopted IZ provisions require a rate ranging from 5% to 10% after an initial phase-in period. The rates are consistent with the results of the provincially mandated market

⁵ Based on Toronto Region Real Estate Board (TRREB) data from Q3, 2022.

feasibility analysis. City staff do not support the 5% maximum as it will result in a minimum of 40% less affordable units than anticipated by the City's current IZ provisions. City staff request that the 5% cap be revised to 10% to help increase the supply of affordable units. In addition, with the DC, parkland, and CBC exemptions proposed for all IZ units, the feasibility of development is increased and therefore developments can absorb <u>higher</u> set-aside rates.

The Province is proposing a maximum affordability period of 25 years for IZ units. The City's current IZ provisions require that in condominium projects and IZ rental units are to remain affordable for a minimum of 25 years (plus a 5-year phase out) and IZ ownership units are to remain affordable for a minimum of 99 years. The City is exempting purpose-built rental projects from IZ. The rental affordability term was intentionally set shorter than the ownership affordability term to encourage / incentivize delivery of IZ rental units in condominium projects. Since the developer does not retain ownership of affordable ownership units, development feasibility is not impacted by the affordability term for IZ ownership units. Staff do not support the proposed maximum affordability period because it will cause ownership units to be lost from the IZ inventory sooner than necessary, and the proposed maximum term will have no impact on development feasibility / housing supply.

Overall, the collective impact of these proposed changes undermine the ability of this policy tool to work as intended and deliver affordable housing. The changes also reduce the efficiency of administering the IZ program. Staff urge the Province to reconsider the proposed changes to the IZ regulations, to ensure that IZ can have a meaningful impact in communities.



- Request that Province increase IZ set-aside rate cap to 10%
- Request that Province extend the affordability for "ownership" units to 99 years; this will have no impact on developers but will allow for more sustainable affordable housing supply
- Request Province maintain the income-based definition of affordable housing as per the Provincial Policy Statement

Rental Protection By-law

Rental protection by-laws help to ensure that affordable rental supply continues to remain in areas designated for intensification and to mitigate unintended consequences of growth.

Retaining affordable rental housing is critical to supporting our workforce needs and businesses. It is suggested to the Province that the power for municipalities to develop rental protection bylaws be maintained. Additional considerations could be made to tailor rental protection to local markets.

The City of Mississauga has taken a flexible approach to implementing this tool recognizing the need to enable property owners to upgrade and make more efficient use of existing rental properties. For example, the by-law requires that affordable rental units be replaced by same unit types by bedroom, rather than floor areas, at similar, not the same rents. A recent proposal

was approved in Mississauga wherein the property owner was able to increase the number of rental units from 8 to 15 units. The approval process is short and typically delegated to staff.



• Request that Province maintain the City's ability to protect rental housing stock

7) SIGNIFICANT IMPACTS ON ONTARIO'S HERITAGE, NATURAL ENVIRONMENT AND ABILITY TO MITIGATE AND ADAPT TO A CHANGING CLIMATE

Heritage

The proposed changes to the *Heritage Act* create a two-year limit to review all properties on the heritage register and designate properties. Only properties currently on heritage registers can be designated. All designated properties and heritage conservation districts are to meet two out of three criteria for designation and there is a new process for repealing designations. Some of these proposed processes are to be established in forthcoming regulations.

These proposed changes to the *Heritage Act* will create a large amount of work for the City's heritage community, including the Heritage Advisory Committee and Heritage Planning staff, with potentially little reward. Rather than the City carefully considering heritage attributes through a development application processes as they arise, the City will be required to go through a process of reviewing and potentially designating 1,000 listed properties (not designated properties) on the City's register.

These efforts will take time, have staffing implications, and potentially create a substantial number of appeals at the OLT. Staff are concerned they could hold up development rather than allow it to move forward more quickly.



 Province could reconsider the benefits of heritage review process, as most likely it will slow down development

Conservation Authorities

Proposed changes to the *Conservation Authority Act* aim to streamline approvals by only permitting the Conservation Authorities (CAs) to focus on natural hazards impacts on people and their property, as opposed to protecting the Natural Heritage System as a whole. This could allow new developments to be built on lands that should be or were once protected.

Additionally, it is proposed that municipalities would exercise sole approval when a development application is filed, which may include decision making over hazard lands. The City relies heavily on the CAs for their technical review and analysis for both natural hazards as well as natural heritage. The City has excellent working relationships with Credit Valley Conservation (CVC), Toronto Region Conservation Authority and Conservation Halton. All have an excellent track record of delivering their expert technical advice in a timely manner.

Presently, the City does not have the expertise to take on these expanded responsibilities. The City will need to hire new staff in order to fill the current role of CAs and build up this knowledge base. Again, this will take time and will more likely slow down the process than speed it up.



Request that Province reconsider the benefits of limiting CA's powers to comment on natural heritage, as the City will be solely responsible to review such matters, and in the short term processes will be slowed down as new staff are hired and expertise is established

Natural Heritage System

The proposed changes to the *Conservation Authority Act* move Ontario from a holistic approach to protection of the environmental and social ecological values of a watershed to one focused on the protection of people and property against natural hazards. By framing the issue this way, Ontario could stand to loose the natural functions provided by its natural heritage system (e.g.: filtering air and water, mitigating flooding and erosion, storing carbon, providing habitat for fish and wildlife, and providing a wide range of recreation and tourism opportunities) in exchange for conventional infrastructure.

This change in approach creates a one-off financial benefit for developers. All of whom would have probably purchased newly approved land cheaply, because it would have likely been considered a flood plain with high erosion potential. Yet if this land is developed, these natural hazard burdens will be transferred to unit owners and municipalities.

Negative outcomes could be more pronounced if other measures proposed in this Bill result in the City's natural heritage system being reduced in size and as society at large works to adapt to a changing climate.

Wetlands

Proposed changes to the Ontario Wetland Evaluation System (OWES) alter the way that wetlands are identified and evaluated. The proposed changes would remove the concept of wetland complexes, which will make it more difficult for small wetlands (<2ha in size) to be included and evaluated under the system. Given that wetlands comprise only about 0.9% of the city's land base and many are small and exist in a mosaic of smaller habitats, the identification

and protection of small wetlands is essential to maintaining biodiversity and ecosystem function at a local and landscape scale.

The proposed changes to the OWES will also allow for wetland boundaries to be re-defined *after* they have been evaluated and accepted; which could lead to a situation where unauthorized/unpermitted changes to wetlands have led to a reduction in their size or loss over time to facilitate more growth in areas that would have been otherwise protected.

Ecological Offsetting Policy

Furthermore, the Province is consulting on a newly proposed "Ecological Offsetting" policy. Staff are concerned such a policy could result in Mississauga's natural heritage features and functions, that would otherwise be protected in-situ, being proposed for removal and replaced elsewhere, including outside of the city, region and/or watershed.

Staff are concerned that this proposal could lead to a steady reduction in the amount of natural space covered by the City's Natural Heritage System, weakening the entire system, with no mechanism to require that suitable compensation be provided within the city and/or assurances that an equal asset is provided elsewhere.



- Request that Province maintain existing wetland protections, the benefits of developing on wetlands do not outweigh the potential environmental outcomes.
- Not adopt a Provincial ecological off-setting policy. Technical ecological advice on offsetting should be provided in local context by the Conservation Authorities and the City, as appropriate.

Financial Impact

The changes identified in the proposed Bill 23 will have significant financial impact for the City. The full cost and administrative burden cannot be determined without additional details that will be found in the regulations, when these are released. The following analysis is based on currently available details.

Impact on Development Charges

It is estimated that the Bill could cost the City up to \$325M over a ten-year period. The potential ten-year DC revenue loss is shown as follows.

	2023 - 2032
Forecasted DC Revenue ¹	\$1,135,000,000
Less: Lost DC Revenue ²	(\$325,000,000)
Net Forecasted DC Revenue	\$810,000,000

1. Forecasted DC Revenue is based on the development forecast contained in the 2022 Development Charges Background Study.

2. Lost DC Revenue based on: Mandatory retroactive phase-in, removing land and studies as DC eligible cost, 15-year service level calculation, estimated DC discount on for-profit rental units, and the requirement to update the DC by-law upon its expiry in 2027.

It should be noted that there will be future financial losses stemming from Bill 23 that cannot be quantified at the time of writing of this report. The City requires full details, including Regulations and Bulletins, to be released by the Province to completely understand the financial impact. Of particular concern is the DC exemption for "Attainable Housing" which is currently only defined as not affordable nor rental units.

Impact on Cash-in-Lieu of Parkland

Based on the proposals that are currently defined by the Province through Bill 23, the potential CIL Parkland revenue loss is shown as follows.

	2023 - 2032
Forecasted CIL Parkland Revenue ¹	\$700,000,000
Less: Lost CIL Parkland Revenue ²	\$490,000,000 to \$560,000,000
Net Forecasted CIL Parkland Revenue	\$140,000,000 to \$210,000,000

- 1. Forecasted CIL Parkland Revenue is based on the 2022 Parkland Conveyance By-law Update Report.
- 2. Lost CIL Parkland Revenue is based on preliminary estimates prepared by Hemson Consulting Ltd. based on available data.

Some changes to parkland dedication cannot be quantified in dollar values. For example, developers would be able to choose the location of their parkland dedication. This is of particular concern as the City may end up with remnant parcels of land or "slivers" of land that would be unsuitable for park amenities. As well, the City must accept encumbered and privately owned public space (POPS) as parkland dedication.

All of these proposed changes will create significant budget pressures. These discounts will either need to be made up by reducing service levels or increasing property taxes and charges. Transferring the burden from developers to new unit owners and taxpayers, all of which will undermine affordability in Mississauga on the whole.

Conclusion

Mississauga has demonstrated a strong commitment to support provincial aims to create more housing, a greater mix of housing and efforts to make home ownership and renting more affordable. The City further supports the government's commitment to reduce red tape and make it easier to live and do business in Ontario. However, staff's assessment is that Bill 23 is overly focused on blanket fee reductions that would apply for market rate developments with no guarantee that savings will be passed on to renters and homebuyers.

A fundamental concern that staff have with the proposed Bill is that it fails to recognize the complexity of getting a development off the ground. Staff are supportive of provincial efforts to streamline processes and ensure zoning is up to date etc., but these measures address one part of the process. Developers are dealing with all manner of costs and constraints – including labour, construction costs, rising interest rates, financing, development phasing and so on. Without addressing these matters, it is unlikely that the Bill will result in the increased level of development that is being anticipated.

With so much on the line – the potential impacts on the natural environment, community infrastructure, parks, transit, affordable housing and the quality of our urban environments – the Province should slow down and reflect on the collective impact of these changes. Taking the time to consult with a broader range of stakeholders in meaningful ways could help achieve a more balanced and strategic plan for housing that meets the needs of Ontarians.

Attachments

A. Whitemore

Appendix 1: Detailed Comments to Province
Appendix 2: List of All ERO and Related Postings

Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building

Prepared by: Katherine Morton, Manager, City Planning Strategies, Planning Strategies and Data



The Honourable Steve Clark, Minister Ministry of Municipal Affairs and Housing Office of the Minister 777 Bay Street, 17th Floor Toronto, ON M7A 2J3 minister.mah@ontario.ca

November 28th 2022

Re: Bill 23, More Homes Built Faster Act

Dear Minister Clark,

Please be advised that at the Regular Council Meeting on November 23rd 2022, the Council of the Town of Plympton-Wyoming passed the following motion, supporting the response from Prince Edward County in their letter dated November 15th, 2022 regarding Bill 23, *More Homes Built Faster Act*:

Motion 20

Moved by Deputy Mayor Netty McEwen Seconded by Councillor Alex Boughen That Council support item 'N' from Prince Edward County regarding a response to the More Homes Built Faster Act (Bill 23).

Motion Carried.

If you have any questions regarding the above motion, please do not hesitate to contact me by phone or email at dgiles@plympton-wyoming.ca.

Sincerely,

Denny Giles Deputy Clerk

Jenny &On

Town of Plympton-Wyoming

cc: The Honourable Doug Ford, Premier Robert "Bob" Bailey, MPP, Sarnia – Lambton All Ontario Municipalities