



Monday, November 28, 2022

Laurie Scott, MPP, Haliburton—Kawartha Lakes—Brock
Chair, Standing Committee on Heritage, Infrastructure and Cultural Policy
c/o Isaiah Thorning, Committee Clerk
Whitney Block, Room 1405
99 Wellesley Street West
Toronto, ON M7A 1A2
Delivered by e-mail to: schicp@ola.org

Re: WOWC Submission on Bill 23, *More Homes Built Faster Act*, 2022

Dear Committee Chair Scott and Members of the Committee,

On behalf of the Western Ontario Wardens' Caucus (WOWC), thank you for this opportunity to provide a submission to the Province of Ontario regarding Bill 23, *More Homes Built Faster Act*, 2022.

The WOWC is a not-for-profit organization representing 15 upper and single-tier municipalities and 1.5 million residents across Southwestern Ontario, aiming to enhance the prosperity and overall well-being of rural and small urban communities across the region.

The WOWC wishes to express its support for the overall stated purpose of Bill 23, which 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 10 years. The purpose of this submission is therefore to reiterate the WOWC's commitment and support for the Province's efforts to increase the supply of housing and to improve housing affordability in Ontario, while outlining concerns that have been raised by WOWC members.

This regional response was prepared following significant consultation with WOWC member Counties and stakeholders – including the WOWC Planning Subject Matter Experts group.

Attachment 1 highlights the proposed changes in Bill 23 that are supported by the WOWC, given their alignment with the recommendations in the [Western Ontario Workforce Strategy](#).

The WOWC also supports its partners in the Association of Municipalities of Ontario (AMO) and the Ontario Big City Mayors (OBCM) in recommending that several provisions be removed, including those that shift the costs of growth to property taxpayers; those that undermine good planning practices and community livability; and those that increase risks to human and environmental health.

Please note that this submission should be considered as a response to the following Environmental Registry of Ontario postings:

- Proposed *Planning Act* and *Development Charges Act* Changes
- Proposed *Ontario Heritage Act* and Regulatory Changes
- Proposed *Conservation Authorities Act* and Regulatory Changes
- Proposed Natural Hazards Regulatory Changes
- Proposed Inclusionary Zoning Regulatory Changes
- Proposed Changes to *Ontario Regulation 299/19: Additional Residential Units*

The WOWC's main concerns – divided by topic – can be summarized as follows:

Parkland

- The focus should be on making good communities with interconnected green spaces, beyond making these houses affordable
- The proposed changes lose sight of value of parkland that helped during the COVID-19 pandemic
- The proposed changes add additional layers of complexity
- Clarity is required on criteria regarding what type of parkland can be included and/or proposed by a developer
- Municipalities would like to keep the previous 5% parkland allocation

Development Charges

- Potential levy increases, in conflict with the development charges and planning philosophies of “growth pays for growth”
- Concerns of spending or allocating 60% at the beginning of each year, impacting municipalities' ability to pay for larger projects
- Significant staff time required to track and manage these changes
- Concerns regarding the difficulty to estimate and define “attainable housing”
- The definition of attainable or affordable housing does not consider income
 - Furthermore, the definition in the *Development Charges Act* would be different than that in the Provincial Policy Statement
- Most rural areas do not have quantitative CMHC data
- Municipalities require reliable financial resources such as those in the DC Act
- Changes will create struggles for small and rural municipalities funding the infrastructure related to growth
- There is a need to maintain affordable housing as an eligible service
- Municipalities request the ability to restore the use of Development Charges to fund growth-related studies
- Clarity required on “allocating on 60%” for larger projects

Removal of Upper-Tier Approval Powers

- Regional-scale approvals still need to be planned, as they do transcend local boundaries
- The unintended consequences of removing upper-tier municipalities may stymie growth
- The County of Simcoe is different than the noted “Regions,” and should maintain upper-tier planning authority at least until such time that other considerations around structures and service delivery relating to growth targets are addressed
- There should be an option of prescribing certain responsibilities (e.g. upper tier only responsible for matters that are prescribed)

- There is significant planning experience at the upper-tier level in Western Ontario, including robust, efficient models as well as shared-service models
- Request to restore the opportunities to local municipalities to engage in Service Delivery Agreements with whomever they choose, and to allow upper-tier municipalities to have service delivery agreements with local municipalities
- Request the need for the legislation to provide different capacities – or resource capacity frameworks – for small and rural municipalities

Natural Heritage Planning and Natural Hazards

- Municipalities rely on Conservation Authorities (CAs) for Natural Heritage and Natural Hazards. If CAs are not providing those comments, municipalities will need to handle this aspect, leading to inefficiencies in the planning process
- Many small and rural municipalities would not have the funding or requirements for a full-time staff person for Natural Heritage Planning and Natural Hazards
- Member municipalities would require additional resources in terms of staff and costs
- Request for flexibility and option to have MOUs to provide cost-effective delivery models
- Request to be able to contract CAs, e.g. for clean-water and other such agreements
- The short transition timeframe will create a scenario in which municipalities will be looking for similar staff at the same time, impeding the ability to shorten timeframes

Conservation Authorities

- Request that the Province consider the long-term implications on the capacity of municipalities to do the work of CAs
- Change to the *Conservation Authorities Act* is anticipated to have impacts for local planning service delivery as it restricts CAs from providing technical expertise and application reviews for natural heritage and natural hazard matters
- The Province should allow municipalities to enter into agreements as needed with CAs, as has been the case with other agreements.
- Municipalities will now be acting as de-facto CAs, without adequate planning or technical staff or liability protection to enforce such requirements
- There will be increased costs to municipalities to have in-house or consultant reviewers.
- It is anticipated that increases to either planning staff capacity or the use of external firms may need to increase to cover natural heritage review
- Natural hazards should remain a shared responsibility
 - It is critical that municipalities continue to have the ability to use the expertise of CAs for Natural Hazards; development subject to *Planning Act* authorizations should not be exempt from Conservation Authority permits

Conclusion

There are several proposed changes that align directly with the *Western Ontario Workforce Strategy* and which can be supported by the WOWC, such as: expediting approvals through no third-party appeals, and as of right zoning to permit up to three residential units per lot.

However, Bill 23 proposes legislative changes that will have significant impacts on all municipalities, as it relates to finance, planning approvals, and environmental matters. As a provider of many services that span local boundaries, upper-tier municipalities are an imperative partner in the solution.

The role of upper-tier municipalities as a body to coordinate County-level services becomes more critical than ever. The County systems and infrastructure which support this growth must still be administered – a role that upper-tier municipalities can continue to fulfill.

Thank you in advance for your collaboration and your attention to this matter. On behalf of the WOWC and its constituents, I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "George Cornell". The signature is written in a cursive, flowing style.

Warden George Cornell
Chair, Western Ontario Wardens' Caucus

Cc: MPPs in Southwestern Ontario
WOWC Board of Directors

Attachment 1 – Alignment of Bill 23 with *Western Ontario Workforce Strategy*

Issue	Proposed changes	Western Ontario Workforce Strategy – Alignment with Recommendation
<p>Inclusionary Zoning / Affordable and Attainable Housing</p>	<ul style="list-style-type: none"> • Exempt affordable housing (generally defined as being priced at no greater than 80% of the average price/rent in the year a unit is rented or sold) and attainable housing and inclusionary zoning units from DC, CBCs and parkland dedication • Introduce a category of “attainable housing” which will be defined in future regulations • An upper limit of 5% of the total number of units in a development that can be required to be affordable as part of inclusionary zoning, and a maximum period of 25 years over which the units would be required to remain affordable (this is a proposed regulation change, not in the legislation itself) 	<ul style="list-style-type: none"> • 3.1a) Inclusionary zoning model policy • 3.2a) Encourage developers to develop innovative housing choices and building models that will align with housing goals and attract target populations • 3.2c) Identify and leverage housing funding solutions from all levels of government • 3.3c) Incorporate rental housing and entry-level housing demand into housing strategy plans • 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements
<p>Development Charges</p>	<ul style="list-style-type: none"> • Five-year phase in of DC rate increases, beginning with a 20% reduction in the first year, with the reduction decreasing by 5% each year until year five when the full new rate applies. This is proposed to apply to all new DC by-laws passed since June 1, 2022. 	<ul style="list-style-type: none"> • 3.2c) Identify and leverage housing funding solutions from all levels of government

[Calculator showing how the Phase in will work](#)

- Historical service level for DC eligible capital costs (except transit) extended from 10 to 15 years
- DC by-laws will expire every 10 years, instead of every five years. By-laws can still be updated any time
- Cap the interest paid on phased DCs for rental, institutional and non-profit housing to prime plus 1%
- DC/CBC/parkland exemptions for attainable housing, which will be projects designated by future regulations
- New regulation authority to set services for which land costs would not be an eligible capital cost recoverable through DCs
- Exclude the cost of studies (including background studies) from recovery through DCs
- Municipalities will be required to spend at least 60% of DC reserves for priority services (i.e., water, wastewater and roads).
- Discount for purpose built rental units, with a higher discount for larger units, on top of the existing DC freeze and deferral of payments over five years

<p>Community Benefit Charges</p>	<ul style="list-style-type: none"> • Maximum CBC payable to be based only on the value of land proposed for <i>new</i> development (not the entire parcel that may have existing development) • Maximum CBC to be discounted by 4% of land value divided by the existing building size, as a proportion to total building square footage 	<ul style="list-style-type: none"> • 3.2c) Identify and leverage housing funding solutions from all levels of government
<p>No third-party appeals</p>	<ul style="list-style-type: none"> • No one other than the applicant, the municipality, certain public bodies, and the Minister will be allowed to appeal municipal decisions to the Tribunal. This applies to <u>all</u> <i>Planning Act</i> decisions (including consents and minor variances) • Existing third-party appeals where no hearing date has been set as of October 25 will be dismissed. The scheduling of a case management conference or mediation will not be sufficient to prevent an appeal from being dismissed 	<ul style="list-style-type: none"> • 3.1a) Expedited approvals and implementation policy to meet process requirements
<p>Gentle Density / Intensification</p>	<ul style="list-style-type: none"> • As of right zoning to permit up to three residential units per lot (two in the main building and one in an accessory building), with no minimum unit sizes • New units built under this permission would be exempt from DC/CBC and parkland requirements, and no more 	<ul style="list-style-type: none"> • 3.1a) Additional residential unit (ARU) policy and implementation • 3.1b) Develop housing strategy resource education tools to support residential intensification and encourage acceptance of additional housing forms and density, remove barriers • 3.2a) Collaborate on business cases to identify incentives or other program

	<p>than one additional parking space can be required</p>	<p>support that would encourage alternative housing forms</p> <ul style="list-style-type: none"> • 3.2b) Encourage developers to develop innovative housing choices and building models that will align with housing goals and attract target populations • 3.3b) Develop strategy for transition models from rental to ownership, consider co-housing and promote tools to support tenant to become owners • 3.3c) Incorporate rental housing and entry-level housing demand into housing strategy plans • 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements
Subdivision approvals	<ul style="list-style-type: none"> • Public meetings no longer will be required for applications for approval of a draft plan of subdivision 	<ul style="list-style-type: none"> • 3.1a) Expedited approvals and implementation policy to meet process requirements
Site plan control	<ul style="list-style-type: none"> • Developments of up to 10 residential units will be exempted from site plan control • Architectural details and landscape design aesthetics will be removed from the scope of site plan control 	<ul style="list-style-type: none"> • 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements
Rental Replacement	<ul style="list-style-type: none"> • Minister to be given the authority to enact regulations related to the replacement of 	<ul style="list-style-type: none"> • 3.3a) Establish a rental housing working group including non-profit organization support and liaison

	<p>rental housing when it is proposed to be demolished or converted as part of a proposed development</p>	<ul style="list-style-type: none">• 3.3b) Develop strategy for transition models from rental to ownership, consider co-housing and promote tools to support tenants to become owners• 3.3c) Incorporate rental housing and entry-level housing demand into housing strategy plans• 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements
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Issue	Proposed changes	Workforce Strategy Recommendation
Inclusionary Zoning / Affordable and Attainable Housing	<ul style="list-style-type: none"> • Exempt affordable housing (generally defined as being priced at no greater than 80% of the average price/rent in the year a unit is rented or sold) and attainable housing and inclusionary zoning units from DC, CBCs and parkland dedication • Introduce a category of “attainable housing” which will be defined in future regulations • An upper limit of 5% of the total number of units in a development that can be required to be affordable as part of inclusionary zoning, and a maximum period of 25 years over which the units would be required to remain affordable (this is a proposed regulation change, not in the legislation itself) 	<ul style="list-style-type: none"> • 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements • 3.2a) Encourage developers to develop innovative housing choices and building models that will align with housing goals and attract target populations • 3.3c) Incorporate rental housing and entry-level housing demand into housing strategy plans • 3.1a) Inclusionary zoning model policy • 3.2c) Identify and leverage housing funding solutions from all levels of government
Parkland	<ul style="list-style-type: none"> • The maximum amount of land that can be conveyed or paid in lieu is capped at 10% of the land or its value for sites under 5 ha, and 15 % for sites greater than 5 ha • Maximum alternative dedication rate reduced to 1 ha/600 units for land and 1 ha/1000 units for cash in lieu 	

	<ul style="list-style-type: none"> • Parkland rates frozen as of the date that a zoning by-law or site plan application is filed. Freeze remains in effect for two years following approval. If no building permits are pulled in that time, the rate in place at the time the building permit is pulled would apply • Encumbered parkland/strata parks, as well as privately owned publicly accessible spaces (POPS) to be eligible for parkland credits • Landowners can identify land they intend to provide for parkland, with the municipality able to appeal to the Tribunal if there is a disagreement • Parks plans to be required prior to the passing of any future parkland dedication by-law (would not apply to by-laws already passed) • Parkland dedication will apply to new units only (i.e., no dedication can be imposed for existing units) • Municipalities will be required to spend or allocate 60% of parkland reserve funds at the start of each year 	
<p>Development Charges</p>	<ul style="list-style-type: none"> • Five-year phase in of DC rate increases, beginning with a 20% reduction in the first year, with the reduction decreasing by 5% each year until year five when the full new rate 	<ul style="list-style-type: none"> • 3.2c) Identify and leverage housing funding solutions from all levels of government

applies. This is proposed to apply to all new DC by-laws passed since June 1, 2022.

[Calculator showing how the Phase in will work](#)

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- DC/CBC/parkland exemptions for attainable housing, which will be projects designated by future regulations
- New regulation authority to set services for which land costs would not be an eligible capital cost recoverable through DCs
- Exclude the cost of studies (including background studies) from recovery through DCs
- Municipalities will be required to spend at least 60% of DC reserves for priority services (i.e., water, wastewater and roads).
- Discount for purpose built rental units, with a higher discount for larger units, on top of the

	<p>existing DC freeze and deferral of payments over five years</p>	
<p>Community Benefit Charges</p>	<ul style="list-style-type: none"> • Maximum CBC payable to be based only on the value of land proposed for <i>new</i> development, not the entire parcel that may have existing development • Maximum CBC to be discounted by 4% of land value divided by the existing building size, as a proportion to total building square footage 	<ul style="list-style-type: none"> • 3.2c) Identify and leverage housing funding solutions from all levels of government
<p>Removal of Upper Tier approval powers</p>	<ul style="list-style-type: none"> • All upper tier municipalities in the Greater Toronto Area, as well as Waterloo and Simcoe will be removed from the <i>Planning Act</i> approval process for both lower tier official plans and amendments and plans of subdivision • Minister would (unless otherwise provided) therefore become the approval authority for all lower tier OP and OPAs, and Minister's decisions are not subject to appeal 	
<p>Zoning in MTSA</p>	<ul style="list-style-type: none"> • Municipalities will be required to update zoning to include minimum heights and densities within approved Major Transit Station Areas (MTSA) and Protected MTSA 	

	<p>within one year of MTSA/PMTSA being approved</p>	
<p>No third-party appeals</p>	<ul style="list-style-type: none"> • No one other than the applicant, the municipality, certain public bodies, and the Minister will be allowed to appeal municipal decisions to the Tribunal. This applies to <u>all</u> <i>Planning Act</i> decisions (including consents and minor variances) • Existing third-party appeals where no hearing date has been set as of October 25 will be dismissed. The scheduling of a case management conference or mediation will not be sufficient to prevent an appeal from being dismissed 	<ul style="list-style-type: none"> • 3.1a) Expedited approvals and implementation policy to meet process requirements
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Site plan control	<ul style="list-style-type: none"> • Developments of up to 10 residential units will be exempted from site plan control • Architectural details and landscape design aesthetics will be removed from the scope of site plan control 	<ul style="list-style-type: none"> • 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding,

		investment properties, taxation and building code requirements
Rental Replacement	<ul style="list-style-type: none"> Minister to be given the authority to enact regulations related to the replacement of rental housing when it is proposed to be demolished or converted as part of a proposed development 	<ul style="list-style-type: none"> 3.3a) Establish a rental housing working group including non-profit organization support and liaison 3.3b) Develop strategy for transition models from rental to ownership, consider co-housing and promote tools to support tenants to become owners 3.3c) Incorporate rental housing and entry-level housing demand into housing strategy plans 3.4b) Review and develop WOWC policies and advocacy priorities on issues impacting housing supply and affordability including inclusionary zoning, blind bidding, investment properties, taxation and building code requirements
Heritage	<ul style="list-style-type: none"> Municipalities will not be permitted to issue a notice of intention to designate a property under Part IV of the <i>Ontario Heritage Act</i> unless the property is already on the heritage register when the current 90-day requirement for <i>Planning Act</i> applications is triggered 	

	<ul style="list-style-type: none"> • Heritage registers to be reviewed and a decision made whether listed properties are to be designated, and if not, removed from the register • A process is proposed which will allow Heritage Conservation District Plans to be amended or repealed • Criteria for Heritage Conservation District Plans can be established for regulation 	
Ontario Land Tribunal procedures	<ul style="list-style-type: none"> • The Tribunal will have increased powers to order costs against a party who loses a hearing at the Tribunal • The Tribunal is being given increased power to dismiss appeals for undue delay • The Attorney General will have the power to make regulations setting service standards with respect to timing of scheduling hearings and making decisions • Regulations can also be made to establish priorities for the scheduling of certain matters 	
Aggregate Resources	<ul style="list-style-type: none"> • Decisions on aggregate applications will be delegated to staff (instead of the Minister) • <i>Planning Act</i> applications for aggregate proposals will be exempt from the two-year 	

	freeze on applications to amend new official plans, secondary plans and zoning by-laws	
Natural heritage planning	<ul style="list-style-type: none"> • A program to offset development pressures on wetlands is being considered, which will require a net positive impact on wetlands. The language appears to contemplate that wetlands can be developed provided a net positive impact is demonstrated • The Wetland Evaluation System is also being revised, and the proposed changes would eliminate the concept of wetland complexes 	
Conservation Authorities	<ul style="list-style-type: none"> • Permits will not be required within regulated areas (including wetlands) for activity that is part of a development authorized under the Planning Act • A single regulation is proposed for all 36 Authorities in the province • Clear limits are proposed on what Authorities are permitted to comment on as part of the planning approvals process, which will keep their focus on natural hazards and flooding 	
Consumer protection	<ul style="list-style-type: none"> • Proposed increases to penalties under the <i>New Homes Construction Licensing Act, 2017</i> of up to \$50,000 	

