Grey County Planning and Development

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May 29, 2019

Planning Act Review
Provincial Planning Policy Branch
777 Bay Street -13th Floor
Toronto, ON M5G 2E5

Comments submitted through the EBR website and hard copy via mail

RE: County of Grey Comments on *Bill 108: More Homes, More Choices Act* Environmental Registry Posting Numbers 019-0016, 019-0017, and 019-0021;

Dear Planning Act Review:

Please find attached a copy of Grey County Staff Report PDR-CW-24-19, which represents the County of Grey comments on the proposed *Bill 108: More Homes, More Choices Act* (Environmental Registry Posting Numbers 019-0016, 019-0017, and 019-0021). This report was presented to the May 23rd Grey County Committee of the Whole session, where the staff recommendation was adopted as per Resolution CW120-19.

Thank you for the opportunity to provide comments on this proposed legislation.

Should you have any questions, or require any further information please do not hesitate to contact this office.

Yours truly,

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cc. Lorraine Dooley, Ministry of Tourism, Culture and Sport (via ERO Posting)
John Ballantine, Municipal Affairs and Housing (via ERO Posting)
Local Municipalities – Grey County (via email only)
Grey Sauble Conservation Authority (via email only)
Saugeen Valley Conservation Authority (via email only)

Grand River Conservation Authority (via email only)
Nottawasaga Valley Conservation Authority (via email only)
Grey Bruce Health Unit (via email only)
Cathie Brown, Association of Municipalities of Ontario (via email only)

Committee Report

To:	Warden Hicks and Members of Grey County Council
Committee Date:	May 23, 2019
Subject / Report No:	Review of Bill 108 More Homes, More Choice Act / PDR-CW-24-19
Title:	Grey County Comments on Bill 108
Prepared by:	Grey County Staff
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	All Municipalities within Grey County
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution *CW120-19*;

Recommendation

1. **That Report PDR-CW-24-19 regarding an overview of the '*Bill 108: More Homes, More Choices Act'* be received; and**
2. **That Report PDR-CW-24-19 be forwarded onto the Province of Ontario as the County of Grey's comments on the proposed legislation posted on the Environmental Registry through postings # 019-0016, 019-0017, and 019-0021; and**
3. **That the Report be shared with member municipalities and conservation authorities having jurisdiction within Grey County; and**
4. **That staff be authorized to proceed prior to County Council approval as per Section 25.6(b) of Procedural By-law 5003-18.**

Executive Summary

The Province recently released proposed legislative changes under '*Bill 108: More Homes, More Choices Act'* and they are seeking comments by June 1, 2019. Bill 108 proposes to amend several pieces of Provincial legislation, most notably to the County the;

- *Planning Act,*
- *Local Planning Appeal Tribunal Act,*
- *Development Charges Act,*
- *Environmental Assessment Act,*
- *Endangered Species Act,*
- *Conservation Authorities Act, and*

- *Ontario Heritage Act.*

County comments have already been submitted on the *Endangered Species Act* and the *Conservation Authorities Act* as these were posted on the Environmental Registry. These legislative changes impact the provision of housing, development approvals, the County's ability to build and maintain public infrastructure, and the collection of development charges. County staff are supportive of some of the proposed amendments but have some concerns with other planned changes, in some cases we do not have complete information.

Background and Discussion

On May 2nd, 2019 the Province introduced '*Bill 108: More Homes, More Choices Act',* which proposes to amend a broad spectrum of legislation, including but not limited to the;

- *Planning Act,*
- *Local Planning Appeal Tribunal* (LPAT) *Act,*
- *Development Charges Act,*
- *Environmental Assessment Act,*
- *Endangered Species Act,*
- *Conservation Authorities Act, and*
- *Ontario Heritage Act.*

County staff have focused our review on those legislative changes that would appear to have a direct impact on the County and our service delivery. The proposed Bill 108 can be found at this link. The Province is seeking comments on Bill 108 by June 1st, 2019.

What follows are some summaries and comments on the proposed legislative changes through Bill 108.

Planning Act Changes and Staff Response

The Province is proposing a wide array of changes to the *Planning Act*, some of which are directly linked to both the *LPAT Act* and the *Development Charges Act.* The proposed changes to the *Planning Act* can be summarized as follows, along with a staff response for each section.

1. Additional residential unit policies

Currently the *Planning Act* requires municipalities to include policies in their official plans that permit secondary suites (apartments) in either the dwelling on the property, or an accessory building on the property. The proposed changes would allow for secondary suites in both the dwelling and the accessory building, and not require landowners to choose between having a secondary suite in the dwelling or the accessory building.

Staff Response – No concerns provided municipal official plans can still contain the appropriate criteria relating to servicing, parking, and lot size.

2. Inclusionary zoning policies

Currently some municipalities are prescribed to include inclusionary zoning policies in their official plan, while others may include inclusionary zoning policies in their plans. Under the proposed changes, those municipalities that are not prescribed may only contain inclusionary

zoning policies where they relate to; (a) a protected major transit station, or (b) an area where a development permit system has been established.

Staff Response – Staff fail to see the rationale for the proposed change and would prefer the existing wording that gives non-prescribed municipalities more flexibility to implement inclusionary zoning without having to implement a development permit system or be near a major transit station.

3. Reduction of decision timelines

Currently the *Planning Act* establishes timeframes for processing development applications or approving new official plans. If a municipality or approval authority does not make a decision within these timeframes, the 'non-decision' can be appealed to LPAT. These timeframes are proposed to change as follows:

Application or Policy Type	Current Timeframe	Proposed Timeframe
Official Plans or Official Plan Amendments	210 days (which can be extended by a further 90 days)	120 days (with no extensions)
Zoning By-laws, Zoning By-law Amendments, or Holding Provisions	150 days	90 days (except where associated with an official plan amendment, in which case it's 120 days)
Plans of Subdivision	180 days	120 days

Staff Response – Staff support the intent of the proposed changes to make the approvals process more efficient. However, staff note that existing legislative minimum timeframes (e.g. 20 days minimum notice of a public meeting) when compared to Council schedules, may make it difficult to process applications within this timeframe. In some cases, within a two-tiered planning system, staff reports are required at both the local and county levels before a final decision can be reached. In order to get on a council agenda reports may need to be written two weeks early, and such reports may first need to be adopted by a committee before going onto council a few weeks later. As such, in working 'backwards' in order to reach a final decision staff may require two months of reporting through committee and council at the local and county level. The requirement for peer reviews, or addendum studies from the proponent can also set this timeframe back even further.

Compressed Timeframes

Should this legislation change, County staff will work with municipal staff to try to further streamline the process wherever possible. However, staff would note that the Province is essentially requiring that municipalities 'do their jobs 40% quicker' without adding any additional resources or removing any barriers to enable such an expedited process. Staff are confident that some efficiencies can certainly be found in our processes, but it may be tough to meet the new deadlines in all circumstances. County Planning and IT staff have been working on developing a Planning Application Tracking System which we believe will help to create efficiencies in processing applications as well as better communicating to developers and the public the status of an application.

While the above timeframes may be somewhat workable for many private development applications, they do become much more complex when approving a new official plan. The current legislation allows for one 90-day extension on the processing of an official plan or an official plan amendment. As evidenced by the Province's recent review of the County's Recolour Grey Official Plan, a 120-day approval can be very difficult to achieve for the approval of a new official plan.

Pausing Timeframes if Additional Information is Required

It may be reasonable for municipalities and approval authorities to be able to 'pause' the timeframe where additional information is required and where the applicant has agreed to the extension. For example, if an application is received in July, and additional environmental field work is required in Spring of the following year, the processing could be 'paused' to facilitate

that field work if mutually agreed upon through an agreement. It is recommended that the Province consider this as part of the proposed adjustments to the processing timeframes.

Staff would also request that the 90-day extension provision be kept for the approval of new official plans or five / ten-year reviews.

4. 2017 amendments to the Act (Broader Range of Appeals)

When the *Planning Act* was amended in 2017 to implement the Local Planning Appeal Tribunal, it provided a narrower range of opportunity for when an application could be appealed i.e. it had to be inconsistent with the Provincial Policy Statement (PPS) or not in conformity with a provincial plan or upper tier plan. The proposed changes would allow for a broader range of appeals, provided rationale is given for the appeals. Note this change is tied in with changes to the *LPAT Act.*

Staff Response – Staff have no concerns with these changes provided appellants are required to clearly state what they are appealing (e.g. what specific sections of an official plan or zoning by-law), and the rationale for their appeal.

The current appeal system under LPAT appears to restrict some valid appeals where the appellant did not include certain wording in their appeal.

5. Third party appeals for non-decisions on official plans

Currently municipalities or private individuals may appeal the non-decision on an official plan or official plan amendment if timeframes noted above extend beyond the legislated maximum. For example, if the local municipality adopted an official plan or official plan amendment and the County as the approval authority failed to make a decision on the official plan or official plan amendment within the prescribed timeframe then the municipality or private individuals could appeal the non-decision. Furthermore, municipalities or proponents have the ability to extend the processing timeframes from 210 days to 300 days (a maximum 90-day extension) for official plans or official plan amendments. The proposed changes would;

a) only allow non-decision appeals from a municipality that adopted the plan, or the proponent of an official plan amendment, and
b) eliminate the 90-day extension.

Staff Response – Staff see merit in limiting the non-decision appeals as proposed. However, staff request the ability to retain the 90-day processing extension for the approval of new official plans or five / ten-year reviews.

6. Bonusing changes to community benefits charge by-law

Currently section 37 of the *Planning Act* allows for ‘bonusing’ on development approvals where additional height or density could be permitted in exchange for the developer providing additional services or facilities. For example, a developer may be permitted to build an extra storey on their apartment building, in exchange for that apartment building containing some affordable housing. The proposed changes would replace the bonusing provisions with new provisions for Community Benefit Charges (CBCs) By-laws. Community benefits may include libraries, daycare facilities, or parks. These CBCs would be tied in with the proposed changes to the *Development Charges Act*.

Under the new system a municipality may impose a CBC against a development to pay for capital costs of facilities and services required as a result of the development. CBCs cannot be charged against services set out in the *Development Charges Act*. There are capped maximums on what CBCs a municipality can charge relative to the land value of the property, prior to building permits being issued. Municipalities must also hold CBC monies in a special account and spend or allocate 60% of those monies collected each year.

There would also be regulation-making authority by the Minister to exempt some types of developments from CBCs.

Staff Response – Bonusing has not been extensively used by Grey's member municipalities in recent years, though there were some municipalities that used to utilize bonusing quite frequently, such as the Town of The Blue Mountains. Bonusing was available to local municipalities only, not to counties.

In general, some members of the public and developers have questioned the transparency of bonusing i.e. how are they to know at an application stage whether bonusing will be permitted on any given application. From a public perspective this can lead to uncertainty on the types of development that could be located adjacent to them. From a development perspective, it can be tough to develop your pro forma when unsure of the total density or height that is permitted, or the costs of the bonusing requested.

In principle, staff would support any changes that make the bonusing or CBCs processes more transparent to both the public and development community.

The proposed changes would appear to allow both local municipalities and counties to implement CBCs by-laws. This may or may not lead to confusion or potential duplication with CBCs at county and municipal levels. For example, where a plan of subdivision and zoning amendment were being considered it would appear that both the municipality (on the zoning) and a county (on the subdivision) may be able to request a CBC. That said, however both the counties and municipalities would appear to be 'shut-out' of CBCs where parkland dedication is also being requested.

Staff also have concerns that having CBCs replace some aspects of the fees collected under the current development charges program may lead to certain 'soft services' being underfunded, or requiring additional funds from the general levy. This may impact municipalities in Grey more than the County, where most of our development charges go towards 'hard services' (i.e. roads).

Furthermore, because most municipalities in Grey have not utilized bonusing in the past, it would mean that they may not be collecting CBCs at all, and simply 'short' that funding that would traditionally have come through development charges. If a developer was proposing to build at a municipally permitted density, then bonusing simply was not applied (i.e. they were not seeking extra density). However, in those instances' municipalities were still collecting development charges. Depending on how the CBC by-laws work, municipalities may or may not be eligible for funds here.

At this stage staff are also unaware of what percentage of land value municipalities will be able to collect CBCs for. Depending on where the Province chooses to set this percentage it could significantly impact the amount municipalities are able to collect.

Staff see some concerns with having to spend or allocate 60% of the CBCs monies each year, unless that allocation can be allocated to longer-term capital projects. There could be a number of municipal projects 'on the horizon' where the CBCs money will not be spent in the current year but will be allocated in a 5 or 10 year capital plan. Staff understand the intent of not wanting municipalities to be able to just collect the money and not spend it on the purposes it was intended for. That said, municipalities should not be required to 're-do' their capital planning each year, based on new developments being approved that year. It could also impact municipality's ability to save for larger projects with collected monies from a number of different development projects.

Another key element towards the implementation of CBCs will be the transition provisions as they relate to existing developments where bonusing requirements have yet to be met. If the Province is to implement CBCs, municipalities with existing bonusing requirements should still be protected.

7. Parkland by-laws and Community Benefit Charges under section 42 and conditions under section 51.1

Currently section 42 of the *Planning Act* allows municipalities to collect 5% of residential land (or 2% for other land use types) for parkland or set alternative parkland provisions by by-law. If land is not desired, municipalities also have the ability to collect cash-in-lieu of parkland. The proposed changes would remove the ability for municipalities to set alternative parkland provisions. Reporting provisions for municipalities that have collected cash-in-lieu monies are also amended to remove the annual reporting requirement and require 'reporting as prescribed'.

The changes to section 51.1 appear to remove the ability for a municipality to collect CBCs where parkland dedication has also been required. Section 42 also contains proposed changes to synchronize the parkland provisions with CBCs in a similar manner.

Staff Response – staff generally have no concerns with section 42 by-laws as these provisions for parkland dedication and cash-in-lieu are a municipal responsibility.

Staff have serious concerns with limiting the ability for a municipality to collect CBCs, where parkland dedication is also being required. If soft services are no longer covered under development charges, then municipalities are being required to choose between parkland or soft services. While staff are cognizant that municipalities should not be able to 'double-dip' and collect twice, if community benefits are being collected for matters unrelated to parkland (i.e. soft services), then CBCs and parkland dedication should be able to be collected in tandem.

8. Restricting third party appeals of plans of subdivision and other subdivision changes

Currently when a plan of subdivision is approved under section 51 of the *Planning Act*, anyone who has participated in the development application process is able to appeal the application to LPAT (e.g. neighbours, agencies, utilities, municipalities, or the proponent themselves). Under the proposed changes only municipalities and public bodies, select utilities, and the proponent can appeal.

Section 51(20) has also been amended to remove the requirement for a minimum of 14 days clearance between the public meeting for a plan of subdivision, and a decision by an approval authority.

Staff Response – staff understand the intent of limiting appeals on plans of subdivision is to make the development process simpler and more predictable, to ensure housing can become available more quickly. Staff would question whether disallowing such appeals will have the desired effect, or if it will simply mean the implementing zoning by-law will instead be appealed. If the Province's desired approach is to limit such appeals on new housing, they may consider whether or not similar provisions should be applied to the implementing zoning by-law. In instances where lands are pre-zoned by a municipality, there would be no appeal rights for any neighbours.

Staff see pros and cons to limiting appeal rights in this manner. Under the current system, an appeal on a plan of subdivision can be costly for all involved and can take up to two years to move through the appeal process. In limiting such appeals, it may place more pressure on municipalities, counties, and developers to try to work with neighbours early in the subdivision process to ensure their comments are heard and addressed to the extent feasible. However, a cynic may note that limiting such appeals would remove the onus for municipalities, counties, and developers to work with neighbours as their decisions can be made without the threat of appeal to LPAT.

That said, it's also curious that the Province would choose to limit appeals for subdivisions only, and not for other applications which provide provincial and local benefit (e.g. for employment or agricultural uses).

It is unclear what the reduction in the 14-day minimum gap between a subdivision public meeting and a decision means at this stage. Based on the wording provided it would appear to mean that a public meeting could be held and a municipality or county could approve the subdivision the next day, or possibly even the night of the meeting.

9. Development permit system at local municipal/Minister discretion

Currently the Minister or an upper-tier municipality may require a local municipality to establish a development permit system. Local municipalities have discretion as to which lands said development permit systems would apply to. Under the proposed changes the upper-tier would no longer have the ability to require local municipalities to develop a development permit system. The Minister would however have the ability to dictate which lands the development permit system would apply to.

Staff Response – at this stage staff are not clear under which circumstances the Minister would require such a development permit system. Staff would recommend that some municipal autonomy be permitted in selecting which lands were appropriate for a development permit system.

10. Regulation-making powers

Through the proposed changes the Minister now has increased ability to make transitional regulations based on changes to the legislation.

Staff Response – staff generally have no concerns with these provisions, provided transitional regulations fairly consider the public, development industry, and municipal interests in planning matters which are already in process prior to a legislative change. As much as possible, the existing planning matters, and future planning matter should be treated in a fair and equitable manner.

Local Planning Appeal Tribunal Act (LPAT) Changes and Staff Response

LPAT was initially implemented through Bill 139 in 2017 to replace the Ontario Municipal Board (OMB). The changes to LPAT through Bill 108 would now be 'un-doing' a number of the Bill 139 changes, in favour of returning to the previous OMB system. The moniker LPAT would still remain, and some hybrid systems between the current LPAT and the previous OMB would form the basis for the new tribunal procedures. The proposed changes are as follows;

1. LPAT can now require mediation, prior to a contested hearing, even where all parties have not previously consented to mediation.
2. LPAT can limit examination or cross examination of witnesses.
3. Participants (i.e. non-parties with some standing) to a proceeding will be required to make their submissions in writing only, rather than being permitted to give oral evidence at the hearing.
4. Case Management Conferences (CMCs) can now be required by LPAT for appeals in certain matters (official plans, official plan amendments, zoning amendments, or plans of subdivision).
5. Hearings will once again be conducted in a *de novo* fashion.
6. The tribunal can now set and charge different fees in respect to different classes of proceedings.
7. Hearings can now be decided based on the 'best planning outcome' versus the narrower tests of consistency and conformity under the current system.

Aside from the proposed legislative changes, the government also announced they will be;

- closing the Local Planning Appeal Support Centre (LPASC), which was meant to guide citizens through the LPAT and planning appeals process, as of June 30, 2019, and
- providing LPAT with $1 million in order to appoint more adjudicators to clear the current backlog of appeals.

Staff Response – staff are generally supportive in principle of the proposed changes to the *LPAT Act;* however would note that municipalities have never really had the opportunity to fully experience the new LPAT system and therefore the new LPAT system may in fact be better than the proposed changes to LPAT. County staff recommend that more time be given to experience the new LPAT process and then do a review of that process say one year from now to see if any changes are required by consulting with municipalities, agencies, developers, and the public.

The provisions which may require mediation appear to be a positive change, as mediation is generally favourable to having to go to a contested hearing. Limiting participants to written statements would also appear to still give an opportunity for participation, while limiting overall timing of a hearing.

The changes to the LPAT would appear to limit the instances where a decision gets sent back to a municipal council for a new decision, which may be perceived as a 'step backwards'. Staff have no firm opinion on this matter, as we never had the opportunity to experience this process under the current LPAT system. County staff recommend that this process remain in the LPAT Act so that municipalities can test this process to see if it is beneficial for all parties involved.

Allowing for planning decisions to be made based on the best possible planning outcome would appear to be reasonable, but could lead to greater uncertainty on the types of decisions that get made. For example, if the Tribunal were to grant a decision which attempts to appease all parties, rather than a decision which best aligns with the current planning policy it could lead to unpredictable decisions.

Staff's biggest concern is the transition provision regarding how appealed decisions are dealt with. Currently there are some appeals still being processed under the former OMB system and some appeals processed under the current LPAT system. If the new changes are to add a 'third category' it could further confuse matters for municipalities, the public, and adjudicators.

Staff are supportive of efforts to try to deal with appeal matters in a timelier manner, provide new appeals are not 'jumping the queue' over existing matters under appeal. As an example, the County recently had a hearing scheduled for a matter in July 2020. Should the new monies be provided to clear the backlog, perhaps existing appeals could be moved forward, and future appeals could fill some of those timeslots previously booked for existing appeals in 2020.

Development Charges Act Changes and Staff Response

Schedule 3 of Bill 108 contains proposed amendments to the Development Charges (DC) Act. There are three key changes to the Act regarding secondary suites, soft services and administrative matters.

1. **Secondary suites exempted**

The proposed changes to the DC Act would exempt the creation of a secondary suite in new residential buildings from development charges including second units within ancillary dwellings. The classes of residential buildings that will be eligible for this exemption will be prescribed in regulation.

Staff response – Secondary suites are a good opportunity to be able to assist homeowners with the costs of housing. By permitting a secondary unit it allows homeowners to collect revenue to help offset their housing costs. Secondary suites are also a good way to increase the amount of affordable rental housing throughout Grey County. Grey County's current DC By-laws exempt secondary units within and attached to existing residential dwellings. Council has also supported in principle revisions to the DC By-law that would exempt secondary units within detached buildings (i.e. ancillary buildings and structures such as coach and laneway house or a secondary unit above a detached garage). County staff therefore recommend supporting the proposed DC exemptions for secondary units.

2. **Changes to Development Charge treatment of 'Soft Services'**

As noted under the proposed changes to the Planning Act, the Province is proposing to replace bonusing provisions with something that is called a Community Benefit Charge (CBC). Under the new CBC, municipalities will be able to charge developers directly for community benefits such as libraries and daycare facilities. The new CBC would also replace discounted services/soft services from the DC Act and therefore only hard services/infrastructure costs and other prescribed eligible costs would be eligible for collection through DC's including roads, water, wastewater (sewer), stormwater, transit, waste diversion and the protection services of

policing and fire. It appears that the proposed charges permitted under the CBC would be capped based on a portion of the appraised value of land.

Staff Response - Currently discounted services/soft services collected under the County DC include growth capital costs associated with paramedic services, provincial offences, trails, growth related studies (e.g. growth management plans), and growth-related capital costs associated with the Grey Bruce Health Unit. Road infrastructure currently represents over 90% of the County's DC and therefore this proposed changed would have minimal impact to the County compared to other municipalities. This change will likely cause certain 'soft services' being underfunded or require additional funds from the general levy.

Some of the 'soft services' identified as examples under the new CBC are currently administered by the County (e.g. daycare facilities) and therefore it is not clear as to how administratively the new CBC would work. For example, if a CBC is set for new daycare facilities, are local municipalities able to collect this charge and transfer to the County? Can the County collect the CBC if parkland dedication is being collected by a local municipality? Once collected, are there limitations on how and where the charges collected can be utilized? More information regarding the proposed new CBC is necessary to determine if this would adequately address the growth-related costs related to 'soft-services'. Ultimately, County staff would like the new CBC to maintain the level of charges collected for growth-related soft services that are currently eligible under the DC Act. It is important to ensure that growth continues to pay for growth and that any increases required to soft-services from growth is not being paid by existing tax payers.

3. **Administration**

There are proposed changes as to when development charge rates would be calculated. Currently, development charge rates are determined at the time when the first building permit is issued. The proposed changes to the Act would 'freeze' development charge rates earlier on in the development process (e.g. when an application is made for a site plan or zoning approval). Development charges would continue to be paid at the time of building permit issuance, however the DC rate could be lower than what would normally be collected. Municipalities are able to charge interest from the time the DC rate has been frozen until time of payment of the DC.

There are also proposed changes to DC's regarding rental housing, institutional, industrial, commercial, and non-profit housing developments. For these types of developments, the DC's would be paid in six equal annual instalments with the first installment starting at the earlier of either issuance of occupancy permit and the date the building is first occupied. Municipalities will be able to charge interest from the time of building permit issuance up to the maximum amount prescribed. Any front-ending/deferral payment agreements reached prior to the Act coming into force will be preserved.

Staff Response – with respect to the proposed changes as to when the DC rate would be calculated, what this likely means is that there will be less DC's collected. DC's generally increase over time, especially in areas where growth continues to increase. Within Grey County, we have been experiencing overall growth which has resulted in DC's increasing over time in order for the increased growth to pay for growth related costs. If DC rates are calculated earlier on in the process, this will likely mean that the DC's to be collected would be lower than expected. At the same time, by 'freezing' DC rates at time of application submission it provides

developers with greater certainty as to what the DC's they will be paying at time of building permit. One concern is tracking the DC rates to be paid as some developments do not require a site plan and/or zoning amendment and therefore there will be different DC rates that will need to be tracked for each development. This could add administrative costs to tracking the various DC rates and may require a technological solution (i.e. software) to help track these different rates for each development. Currently, County DC's are collected by local municipalities and therefore if these proposed Act changes were approved, the County would work with local municipalities on determining the best way to track and monitor the DC rates for various developments.

With respect to the proposed changes to DC's regarding rental housing, institutional, industrial, commercial, and non-profit housing developments. What this means is that the full DC will be collected eventually, it will just be delayed. This has a similar effect as a deferral agreement which municipalities are currently able to consider. Municipalities will be able to charge interest from time of building permit and the interest rate will be determined by regulation. County staff recommend that the interest rate identified through regulation use a standard index rate tied to inflationary costs.

County staff generally have no concerns with these proposed changes, however this could add to the administrative costs noted above for tracking when occupancy has occurred. If an occupancy permit is required, then tracking this should be less of an issue; however if an occupancy permit is not required the responsibility rests with the owner to notify the municipality within 5 business days that occupancy has occurred. Who is going to track and enforce these situations and what administrative costs will result from this tracking and enforcement?

Council has supported in principle looking at exempting rental housing and non-profit housing developments from a County DC and therefore the proposed changes would not have an impact to this proposed DC By-law change. The County currently does not collect a DC for industrial, commercial and institutional developments and therefore the proposed changes to the Act will not have an impact for the County. Current deferral agreements would not be impacted by the proposed changes to the Act.

Some other proposed changes include:

4. Removing the 10 per cent statutory deduction for waste diversion capital costs (not including landfill sites, landfill services, or incineration). This means that local municipalities will be able to collect the full waste diversion capital costs for growth related costs. We believe that the Province is considering this change to allow local municipalities to collect more DC's for green bin programs which is being encouraged in the Made in Ontario Environment Plan. This is a positive change in our opinion.
5. Exempting the conversion of communal areas to residential units in rental buildings from development charges. This would allow communal areas within existing residential buildings to be converted to residential units without triggering a DC. County staff generally have no concerns with this proposed amendment as it would enable more rental housing to be created.

Environmental Assessment Act Changes and Staff Response

The Province is proposing to increase the exemptions for low risk activities within the municipal Class EA process. These may include activities such as installing speed bumps, de-icing, street scaping, etc. County staff support exempting low risk activities within the municipal Class EA process as it will help to speed-up infrastructure improvements and help to reduce overall costs for certain projects.

Endangered Species Act Changes and Staff Response

See Addendum to Staff Report PDR-CW-14-19

Conservation Authorities Act Changes and Staff Response

The proposed changes to the Conservation Authority Act (CAA) released as part of Schedule 2 of Bill 108 are consistent with the proposed changes identified in the earlier ERO posting (site ERO) and summarized in County staff report PDR-CW-22-19. Further detail has been provided with these legislative changes, including the proposed change regarding non-mandatory services. The proposed CAA changes indicate that conservation authorities (CA's) will continue to be authorized to provide other programs and services beyond their core services (i.e. non-mandatory services). If financing by a participating municipality is required to provide these non-mandatory programs, CA's and the participating municipality must enter into an agreement in order for the CA to provide the program or service. This could include providing comments on development applications related to natural heritage for example. The CA will be prohibited from including capital costs and operating expenses for these programs and services if no such agreement has been entered into on and after a day prescribed by regulation. CA's will be required to prepare and implement a transition plan in order to ensure compliance with this requirement when it takes effect.

Staff Response - Based on the proposed changes to the CAA, municipalities will need to enter into agreements with the CA's in order for CA's to continue to offer non-core programs and services. This could lead to an inconsistent delivery of programs and services throughout a watershed as some municipalities may opt in for certain programs and services while others may not. For those that opt in, the cost to continue these programs and services could increase if not all municipalities were to opt in. This could lead to a reduction in programs and services being offered by CA's as they may not have a collective mass to continue certain programs and services. This will require a coordinated response and determination for what programs and services municipalities will want CA's to continue to provide beyond core mandated services. Grey Sauble Conservation Authority currently manages County Forests and County Trails under a contract agreement with Grey County. This is a 'fee for service' agreement. The proposal is to renew this agreement contract in 2019 and therefore it will be important to structure this agreement to address any changes to the legislation.

CA's provide key programs and services that protect our watersheds and therefore it is important that municipalities collectively support these programs and services in order for our watersheds to continue to be healthy.

CA's will also be authorized to determine the amounts owed by municipalities in relation to programs and services that the CA provides in respect of the Clean Water Act (i.e. source

protection plans). What this likely means is that the Province will no longer be providing funding for the implementation and enforcement of Source Protection Plans and instead these will be fully funded by local municipalities with the services being offered by the CA's.

Ontario Heritage Act Changes and Staff Response

Schedule 11 of Bill 108 contains proposed amendments to the Ontario Heritage Act. The main amendment in this section proposes to provide an owner of a property the right to object being placed on a municipal registry, which lists all properties that have been designated, or properties that have not been designated but have a heritage value. Property owners can now provide notice of objections to the municipal councils as to whether a property should continue to be included on the registry. Property owners would have the ability to appeal any council decision to the LPAT. Other proposed amendments to the Act includes changes around the process and timelines in which a municipal council may designate a property, changes to the definition of 'alter' and 'alteration' and amending section 34 and 34.5 to restrict the demolition or removal of any attribute associated with heritage value.

Staff Response – Based on the proposed changes, property owners would now have more influence over heritage designations on their property. Providing owners with the ability to provide notice of objection allows more transparency throughout the designation process and gives owners the ability to voice concerns before the property is placed on the registry. While County planning staff are supportive of these changes we recognize that the need for property owners to object to being placed on the registry will seldom occur. Municipalities within the County tend to have extensive consultation with property owners regarding designation and would seek positive feedback before placing a property on the registry. While County staff appreciate and are supportive of appeals rights to property owners, staff do not foresee these rights being exercised as hostile heritage designations are rarely supported by municipal council and staff. Overall, the proposed amendments are seeking to provide property owners with legislative appeal rights in rare instances of when municipal staff are in disagreement with owners regarding heritage designation.

General Comments

Based on the nature of the legislative changes being proposed, and the potential for both positive and negative impacts, the Province should consider a more robust consultation on these proposed changes. The current Environmental Registry posting was posted on May 2nd and comments are due by June 1st. This short timeframe does not give municipalities and other stakeholders much time to (a) respond, (b) ask questions, or (c) consult. Staff would recommend that the consultation period be extended to at least 90 days, to allow for a more robust consultation on these topics.

Committee of the Whole supported staff reports Addendum to PDR-CW-14-19, regarding the *Endangered Species Act* changes, and PDR-CW-22-19, regarding the *Conservation Authority Act* changes, at their May 9th, 2019 meeting. A copy of these County staff reports can be found in the Attachments section of this report. These comments will not be reiterated in this Report, unless there are any new comments arising from the additional materials provided through Bill 108.

In addition, the Committee also endorsed the following motion as it pertains to the *Conservation*

Authority Act changes.

> "WHEREAS Climate Change and flooding are mounting threats in Grey and Conservation Authorities provide services including real-time flood forecasting, emergency planning support and water-related studies; and
>
> WHEREAS, in 1996, the total provincial Section 39 Transfer Payment to all of Ontario's conservation authorities for Flood and Erosion Control and Natural Hazard Prevention was reduced from $50-million to $7.4-million, and Grey Sauble Conservation Authority's and Saugeen Valley Conservation Authority's share of this payment has remained static at $71,779 and $157,669 since 1996; and
>
> WHEREAS the recent Provincial Budget has further reduced Grey Sauble Conservation Authority's and Saugeen Valley Conservation Authority's Section 39 Transfer Payments about 50% to $37,055 and $81,396; and
>
> WHEREAS this will affect emergency management supports and municipal planning, zoning, and development input provided by Grey Sauble Conservation Authority and Saugeen Valley Conservation Authority; and
>
> WHEREAS there is a provincial role in province-wide flood risks reduction and emergency management, and investments in prevention can potentially avoid or reduce losses to life and property and major expenditures during and after an emergency; and
>
> WHEREAS the Ontario Government's Proposal on the Environmental Registry of Ontario 013-5018 on Modernizing Conservation Authority (CA) Operations proposes to define a limited list of the core mandatory programs and services for CAs; and
>
> THAT Grey County recognizes the value provided by the work of the CAs, supports the current multi-municipality governance model for the selection of programs, and the current municipal levying approach that includes annual input from Local Municipal Councils; and
>
> THAT Grey County recommends that the province acknowledge their strong and positive provincial role in flood risk reduction programs and reinstate funding to CAs; and
>
> THAT Grey County Staff be directed to provide a copy of this resolution to the Environmental Registry of Ontario prior to the May 20th deadline, to Ministers Bill Walker and Lisa Thompson, Ministers MECP, MNRF and MOF, the Premier, AMO, ROMA, OSUM, and Conservation Ontario."

Legal and Legislated Requirements

The effect of new legislative changes can sometimes be tough to predict at this early stage, as some of the future changes will be implemented through Regulation. Some of the changes are welcomed by the County, however there are changes that cause concern, or are difficult to interpret at this stage.

Financial and Resource Implications

At this stage there are no immediate financial or resource implications to this discussion paper,

as the full details of its implementation are not known.

Staff will continue to monitor Bill 108 and keep County Council aware of any major changes, or regulatory changes.

Relevant Consultation

☒ Internal: Planning, Transportation Services, Housing, Legal Services, Corporate Services and CAO.

☒ External: Member Municipalities and Conservation Authorities within Grey (to be circulated following Committee of the Whole)

Appendices and Attachments

Staff Report PDR-CW-22-19

Addendum to Staff Report PDR-CW-14-19