



London
CANADA

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November 24, 2022

Paula Kulpa
Heritage Branch, Ministry of Citizenship and Multiculturalism
400 University Avenue, 5th Floor
Toronto, ON
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Sent by Email

**Re: City of London comments on Proposed Changes to the Ontario Heritage Act and its regulations: Schedule 6 of Bill 23, the proposed More Homes Built Faster Act, 2022
ERO number: 019-6196**

Dear Ms. Kulpa,

The City of London appreciates the opportunity to comment on the proposed changes to the *Ontario Heritage Act* and its regulations in Bill 23 (Schedule 6) – the proposed *More Homes Built Faster Act, 2022*. Our Municipal Council received the attached report on November 22, 2022 and approved that it be submitted as the City of London's comments.

The City is supportive of some of the proposed changes, including not proceeding with the previously proposed amendments to Section 42(1), *Ontario Heritage Act*, and the ability to amend a by-law designating Heritage Conservation District. The City is not opposed to requiring a property to meet two or more of the criteria of O. Reg. 9/06 to pursue designation pursuant to Section 29(1)(b), *Ontario Heritage Act*, but seeks further clarification and guidance to ensure that diverse places of cultural heritage value can continue to be eligible for *Ontario Heritage Act* designation. The Ministry should undertake meaningful engagement with municipalities if it wishes to mandate the criteria for the designation of a Heritage Conservation District as it is unclear how the criteria for an individual property in O. Reg. 9/06 can meaningfully or reasonably applied to a group of properties collectively.

The City has concerns regarding the proposed changes to the Register. Introducing limitations on the length of time that a property can be included on a Register, as a non-designated property added pursuant to Section 27(3), *Ontario Heritage Act*, undermines the intent of the Register as a tool in the land use planning process.

Since the first Council-adopted Inventory of Heritage Resources in 1991, the City of London has used the Register (adopted in its entirety pursuant to Section 27(3), *Ontario Heritage Act*, in 2007) to identify potential cultural heritage resources – resources that matter to Londoners. Today, there are 2,233 properties listed on the Register – which represents only 2% of the total number of property parcels in the City of London. On an annual basis, the City of London designates about three (3) properties under Part IV, *Ontario Heritage Act*.

The Register acts as an important reference tool – identifying the cultural heritage status of properties in London, including all heritage designated properties and heritage listed (non-designated) properties. The proactive identification of resources of potential cultural heritage value (non-designated properties) acts as an important flag to ensure that those resources are further studied and evaluated prior to major change like redevelopment or a demolition.

Access to the Register is provided on the City's website in an accessible format PDF document and on the City's online mapping application. This is a reliable source of information to property owners, prospective buyers, planners and consultants, municipal staff, and decision makers. This is a transparent means of identifying which properties in London which may have cultural heritage concerns.

Introducing a limitation on the length of time a non-designated property may remain on the Register undermines the work and effort to recognize under-represented and diverse histories. We have been working to address inequities and to better reflect diverse histories and values in the cultural heritage resources that are recognized and protected in our community. There are two recent examples that I'd like to highlight for your awareness.

The Fugitive Slave Chapel (275 Thames Street/430 Grey Street) is a significant landmark in London's black community. Built in 1848, the Fugitive Slave Chapel is physical, tangible evidence of the Black community's early presence in London. Listed on the Register, it was threatened by demolition in 2013 – when the City designated the property to save the building from demolition. Now, the community is preparing to support the relocation of the Fugitive Slave Chapel to the Fanshawe Pioneer Village where it will be preserved and interpreted for future generations to better understand the contributions of Black Londoners.

Dr. Oronhyatekha was an important Mohawk doctor who lived in London in the 1870s-1880s at 172 Central Avenue. He is a National Historic Person. Listed on informal inventories since the 1980s, Dr. Oronhyatekha's House in London was threatened by demolition in 2017. Again, through the process enabled by the inclusion of the property on the City's Register, the City was able to designate the property and save this important building from demolition as the only standing structure remaining in Canada with a direct historical relationship to Dr. Oronhyatekha.

These are just two examples where the existing process requiring 60-days written notice of intention to demolish or remove a building or structure from a property

listed on a Register has been effective in protecting and conserving significant cultural heritage resources. However, both properties had been listed for more than two years on the Register. With the proposed amendments in Bill 23, neither of these resources would have been afforded any heritage consideration prior to their demolition.

Introducing the time limits on the inclusion of properties on the Register could compromise our goals for a more inclusive, diverse, and representative cultural heritage resources in London and Ontario. Time limitations on the inclusion of properties on the Register could create an artificial threat to significant cultural heritage resources which may not be designated. This could create unfortunate scenarios where cultural heritage resources valued by under-represented communities are lost and not conserved for future generations. If proclaimed, there will be additional pressure on municipalities to designate as many properties as possible within the next two years – further constraining already limited resources and potentially increasing appeals to the Ontario Land Tribunal.

We believe that the Register is an important, proactive, and transparent way of identifying resources that are valued by our community. The Register is an important tool in land use planning. With these concerns and the potential unintended consequences of the proposed amendments to the *Ontario Heritage Act*, the City of London respectfully requests the Province to extend the commenting period to allow for robust and meaningful municipal consultation.

The City of London further requests:

- Clarity in legislation or regulation of the ability to waive the limitation of Section 29(1.2), *Ontario Heritage Act*, to enable mutually agreed heritage designations despite any prescribed event or other limiting circumstance.
- Clarification that only new designations must meet the proposed enhanced minimum criteria for designation, meeting two or more of the criteria of O. Reg. 9/06, so as to not call into question the validity of any existing heritage designations.
- Meaningful engagement with municipalities prior to any changes to the criteria or application of O. Reg. 9/06.
- The Ministry provide comprehensive guidance in revised Ontario Heritage Toolkit in a timely manner.
- Provincial support in the identification, study, and evaluation of cultural heritage resources that matter to Londoners.

Sincerely,



Heather McNeely, MCIP RPP
Acting Director, Planning and Development



P.O. Box 5035
300 Dufferin Avenue
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November 23, 2022

A. L. Barbon
Deputy City Manager, Finance Supports

B. Card
Deputy City Manager, Legal Services

S. Mathers
Deputy City Manager, Planning and Economic Development

I hereby certify that the Municipal Council, at its meeting held on November 22, 2022 resolved:

That the recommendation, as amended, BE APPROVED; the final recommendation reads as follows:

That, on the recommendation of the Deputy City Manager, Finance Supports, Deputy City Manager, Legal Services and Deputy City Manager, Planning and Economic Development, the following actions be taken with respect to Bill 23, the *More Homes Built Faster Act, 2022*:

- a) the report dated November 22, 2022, entitled "Bill 23, *More Homes Built Faster Act, 2022* information report" BE RECEIVED for information;
- b) the position of calling on the Province to refer the proposed legislation to the Ontario Housing Supply Action Plan Implementation Team (HSAPIT) to allow the necessary time for a fulsome review to mitigate the potential of unintended consequences and to find solutions to improving housing affordability across the province that meet local needs, BE ENDORSED by Council;
- c) the staff report BE FORWARDED, with a cover letter, to the Minister of Municipal Affairs and Housing, Minister of Finance, Premier of Ontario and local MPs and MPPs; and,

d) that the Province BE FURTHER ADVISED that the Municipal Council supports the submissions on Bill 23, *More Homes Built Faster Act, 2022*, from the Association of Municipalities of Ontario and the Ontario Big City Mayors;

it being noted that as of November 18, 2022, Bill 23 had passed Second Reading and was being considered by the applicable Standing Committee and it being further noted that the Civic Administration will report back to Council with any further information on legislative changes arising from this Bill;

it being pointed out that the Strategic Priorities and Policy Committee heard a delegation from M. Wallace, Executive Director, London Development Institute with respect to this matter. (4.1/2/SPPC)



M. Schulthess
City Clerk
/hw

cc: H. McNeely, Acting Director, Planning and Development
A. Thompson, Manager, Government and External Relations
K. Edwards, Manager, Long Range Planning, Research and Ecology

Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports
Barry Card, Deputy City Manager, Legal Services
Scott Mathers, Deputy City Manager, Planning and Economic Development

Subject: Bill 23, *More Homes Built Faster Act, 2022*, Information Report

Date: November 22, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, Deputy City Manager, Legal Services and Deputy City Manager, Planning and Economic Development, the following actions be taken with respect to Bill 23, the More Homes Built Faster Act, 2022:

- (a) This report, entitled “Bill 23, More Homes Built Faster Act, 2022 Information Report” **BE RECEIVED** for information.
- (b) That Council **ENDORSE** the position of calling on the Province to refer the proposed legislation to the Ontario Housing Supply Action Plan Implementation Team (HSAPIT) to allow the necessary time for a fulsome review to mitigate the potential of unintended consequences and to find solutions to improving housing affordability across the province that meet local needs; and
- (c) This report **BE FORWARDED**, with a cover letter, to the Minister of Municipal Affairs and Housing, Minister of Finance, Premier of Ontario and local MPs and MPPs.

IT BEING NOTED that as of November 18, 2022, Bill 23 had passed Second Reading and was being considered by the applicable Standing Committee and **IT BEING FURTHER NOTED** that Staff will report back to Council with any further information on legislative changes arising from this Bill.

Executive Summary

On October 25, 2022, the Government of Ontario introduced Bill 23, the *More Homes Built Faster Act, 2022* which proposes changes to the *Development Charges Act*, *Planning Act*, *Ontario Heritage Act*, *Municipal Act*, *Conservation Authorities Act* and other statutes. The Government of Ontario has indicated that the intent of these changes is to support their Housing Supply Action Plan to increase housing supply.

The proposed legislation includes a significant number of legislative and regulatory changes related to planning, piped services, recreation, public engagement, built and natural heritage conservation and municipal finance. This report provides an overview of the proposed changes to the various Acts and identifies preliminary operational and financial implications for the City of London resulting from this legislation.

Analysis

1.0 Background Information

Following up on several legislative changes since 2019, Bill 23 represents the latest and most sweeping proposal to date in support of the Provincial Government’s initiative to increase housing supply. In addition to the proposed legislative changes, several related proposals have been posted to the Environmental Registry of Ontario (ERO). The commenting period on the legislative changes is from October 25, 2022, to November 24, 2022.

Given the timing and inability to fully engage Council on a position in time to submit comments to the regulatory registries, Administration has been working with the Ontario's Big City Mayors Caucus (OBCM) and the Association of Municipalities Ontario (AMO) to develop a unified municipal response. Both have provided submissions to the Standing Committee on Heritage, Infrastructure and Cultural Policy that is currently considering the Bill. The AMO submissions is attached as Appendix A. The OBCM summary identified as Appendix B will be circulated under separate cover.

Overall, it is recognized that municipalities are supportive of the goal to increase housing supply and are supportive of many of the changes in Bill 23, however there are concerns that the Bill in its current form would result in unintended consequences that do not address the dependencies between land use policy, infrastructure planning, construction phasing and financing.

2.0 Bill 23 Amendments

The following provides a summary of the legislative changes proposed through Bill 23 as they relate to London.

2.1 Changes to Development Charges

Development Charges (DC) are a critical source of funding used to finance growth infrastructure and are the main instrument used to ensure that "growth pays for growth", a long-standing policy of the City of London and articulated in The London Plan. The *Development Charges Act, 1997* (DCA), governs the collection of DCs. The intent of DCs is to ensure that infrastructure costs arising from increasing population and employment are funded by new development that benefits from the introduction of the new services (user-pays approach). DCs have been established to ensure that these costs are not borne by existing residents and businesses through property taxes or water/sewer rates.

The proposed changes introduced in Bill 23 would result in significant changes to the DCA. Additional DC exemptions have been articulated for affordable and other forms of housing, certain costs and services have been deemed ineligible for DC recovery, and the phase-in of DC rates have been proposed. The full scope of changes includes the following:

Full Exemptions

- Affordable housing units in a development subject to inclusionary zoning.
- Non-profit housing developments.
- Affordable housing (not non-profit or inclusionary zoning) that meet certain conditions:
 - Ownership: no greater than 80 per cent of the average resale purchase price; and
 - Rental: 80% of the average market rent.
- Attainable housing (definitions and parameters to be prescribed at a later date).

Partial Exemptions (Discounts)

- DCs for rental housing development is reduced based on the number of bedrooms:
 - 3+ bedrooms has a 25% reduction, 2 bedrooms has a 20% reduction, and 1 bedroom has a 15% reduction.
- For existing 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.
- Exemption for residential units in existing and new houses:

- 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, semi-detached, 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.

Changes to Revenue and Interest Rates

- Mandatory 5-year phase in of DC rates in by-laws, retroactive to June 1, 2022.
 - Year 1 (80%), Year 2 (85%), Year 3 (90%), Year 4 (95%), Year 5 (100%)
- Setting a maximum interest rate during the period that DCs are frozen and/or deferred to a maximum of Canadian Banks prime rate plus 1.0% per annum.

Changes to Eligible Capital Costs

- Removing housing services as an eligible service that can be included in DCs.
- Removing studies as an eligible cost that can be included in DCs.
- Prescribe specific services for which the cost of land would not be an eligible capital cost that could be recovered through DCs.

Other Changes

- Update a DC By-law at least once every 10 years compared to the current requirement to update every 5 years.
- Use a historical service level of 15 years compared to the current 10 years to calculate capital costs that are eligible to be recovered through DCs.
- Municipalities must spend or allocate 60% of reserve fund balances for water, wastewater, and road DCs at the start of each year (other DC services may be prescribed).

Implications

The proposed changes included in Bill 23 would result in significant financial pressures for municipalities. The most financially impactful change is the DC rate phase-in. With this change, full recovery of DCs for a new approved by-law is not achieved until year five. This would impact the City's ability to fund the necessary growth-related infrastructure to support new development and maintain the timing of projects as approved in the capital plan.

A significant number of exemptions for DCs have been created through the proposed legislation for affordable and other forms of housing. The proposed legislation will also impact the City's ability to recover for capital costs that are no longer deemed eligible. Housing Services has been removed from the list of DC eligible services, which is used to recover for and construct affordable housing. While this does not impact the City's current DC By-law, Administration has been exploring the inclusion of this service for the upcoming 2025 DC Study. Should this change receive Royal Assent, municipalities would no longer be able to utilize DCs as a tool for funding affordable housing developments. Additionally, costs of studies, including the preparation of the DC Background Study, and land or an interest in land that will be prescribed for certain services, will no longer be deemed eligible capital costs. This places municipalities in a position where other funding sources would need to be identified in order to cover the shortfall (i.e. property tax, water / sewer rates).

The proposed changes included in Bill 23 that impact the DCA will require difficult choices between funding necessary growth-related infrastructure to support new development, replacing growth infrastructure funds with alternative funding sources

such as property taxes, and/or delaying the construction of critical growth-related infrastructure. This would create affordability concerns and may result in the loss of progress made to resolve lifecycle infrastructure deficits in the event that funding was required to be diverted from renewing assets to pay for growth needs.

2.2 Changes to Planning and Heritage

Various *Planning Act* and *Ontario Heritage Act* changes have been proposed by Bill 23. Revisions to the subdivision and site plan approval processes are proposed including significant changes to how and where site plan control can be applied. Substantial changes are also proposed to the City's authority to require parkland dedication at the time of development; several exemptions have been proposed and alternative dedication maximums are proposed to be reduced by half. Also proposed are major changes to the *Ontario Heritage Act* that includes revisions to the register of cultural heritage resources, and revisions for individual heritage properties and heritage conservation districts designated under the Act.

A summary of the proposed changes to the *Planning Act* and *Ontario Heritage Act* are provided below:

Zoning By-law Changes:

- The City's Zoning By-law permits up to two additional units in association with any single detached, semi-detached, or street townhouse dwelling. The new legislation will remove the minimum unit sizes and allow both additional units to be permitted within the main building.
- New Zoning must be approved as soon as possible to include minimum heights and densities for London's Protected Major Transit Station Areas.
- Regulations for Inclusionary Zoning are changed to include specific requirements for affordable units and exempting units from Development Charges. This will necessitate a new analysis of the feasibility of Inclusionary Zoning given London's housing market conditions.

Reducing The City's Site Plan Control Powers:

- Site Plan control will not apply to any residential development with 10 or fewer units.
- Where site plan approval is required, it may not include requirements for the exterior design elements of buildings or landscape design aesthetics.

Reduction In Parkland That Can Be Created Through the Development Process:

- Exemption from parkland dedication for affordable, attainable, non-profit and additional housing units.
- Maximum alternative parkland dedication conveyance has been amended from 1 ha per 300 units to 1 ha per 600 units, and parkland dedication cash-in-lieu has been amended from 1 ha per 500 units to 1 ha per 1000 units.
- Parkland dedication rates frozen at time of zoning/site plan.
- Municipalities must spend or allocate 60% of parkland dedication funds (in special accounts) per year.

New Heritage Act Timelines and Expiry Dates Added:

- Changes to the Ontario Heritage Act will require Council to take a proactive approach in designating the over 2,200 properties listed on London's Cultural Heritage Resources Register; otherwise, they will be automatically removed after 2 years from when the legislation takes effect.
- Once a Planning Act application is triggered, Municipalities will not be permitted to issue a notice of intention to designate a property under the Ontario Heritage Act unless the property is already on the heritage register.

Other Changes:

- Subdivision approval process will not include a statutory public participation meeting.
- Third Party appeals will no longer be permitted to most Council decisions on planning matters.

Implications

The proposed changes to the *Planning Act* to allow for more gentle intensification within neighbourhoods are generally consistent with current approach of The London Plan; however, the new legislation would still require a review of the current policies and zoning to ensure conformity. The proposed changes to Inclusionary Zoning need to be further analyzed but may further erode the viability of this important tool in the London context.

The proposed changes to *Planning Act* and *Ontario Heritage Act* processes would limit our ability to achieve The London Plan's objective of creating interesting places and spaces that each play an important role within the City structure. Fundamental changes to London's long-standing approach to heritage planning and site plan control would be required as a result of the proposed changes, which may require policy and/or process changes to achieve this key planning objective of the London Plan.

Currently, there are 2,233 listed heritage properties on London's Cultural Heritage Register. The Register acts as an important reference tool to flag properties with cultural heritage status in London that require further study and evaluation prior to major change like redevelopment or a demolition. Limiting the length of time a non-designated property may remain on the Register impacts efforts to recognize under-represented and diverse histories. To address inequities and better reflect diverse histories and values, non-designated properties will need to be recognized and protected. Two recent examples of cultural resources protected using the existing process include the Fugitive Slave Chapel (275 Thames Street/430 Grey Street) and Dr. Oronhyatekha's London home at 172 Central Avenue. The proposed legislation will put additional pressure on municipalities to designate as many properties as possible within the next two years – further constraining already limited staffing resources and potentially increasing appeals to the Ontario Land Tribunal.

The ability to acquire parkland as dedication of land or cash-in-lieu under sections of the *Planning Act* is a critical tool to enable the City to achieve public parkland objectives in accordance with City policies including The London Plan and the Parks and Recreation Master Plan. The proposed exemptions and reductions to alternative rate maximums will result in less land and funds being collected, thus fewer and smaller future parks with fewer amenities being created within the context of increased densities. This will directly impact the equity of access to parks and community spaces for new and existing Londoners. Finally, the proposed changes in Bill 23 will place increased financial pressures on the municipality to maintain levels of service, for existing park renewal, the timing of installation of new parks and the quality of amenities provided to residents.

Once the final legislation is enacted, staff will report back to Council with more specific actions required to conform with the new requirements and how they may impact the policy objectives of The London Plan.

2.3 Changes to the Conservation Authorities Act

Also included in Bill 23 are proposed changes to the *Conservation Authorities Act* that would significantly impact the role of the City's three conservation authorities: Upper Thames River Conservation Authority, Lower Thames River Conservation Authority, and the Kettle Creek Conservation Authority. A summary of details is provided below:

- Consolidate the 26 conservation authority regulations into one provincial regulation.
- Limit what Conservation Authorities are permitted to comment on as part of planning applications to keep their focus on natural hazards and flooding.
- Allow the Province by regulation to exempt development authorized under the *Planning Act* from conservation authority permits.
- No longer have authority to withhold a permit on the basis that an activity is likely to affect pollution or the conservation of land.

- Temporarily freeze Conservation Authority fees for development permits.

Implications

While the scope of Conservation Authorities' role in the development process would narrow, this should have a minimal impact on London's planning processes. Following direction from Council in June of 2021, the City and Upper Thames Region Conservation Authority have been working on a Development Memorandum of Understanding (DMOU). The document is intended to align the review between the two organizations on ecological, natural heritage and flooding matters, and would be consistent with the proposed legislation. City and Authority staff are continuing to meet regularly to work through aligning definitions, legislative and/or regulation changes and resourcing challenges.

The proposed changes could result in the City needing to take on a larger role with respect to Conservation Authority regulations for planning matters. The degree of impact remains unclear as the Act proposes to leave it to future regulations to detail the specifics. On October 25th, 2022, the Ministry of Natural Resources and Forestry posted a permitting consultation guide to the Environmental Registry of Ontario (ERO). This notes that an exemption regulation has not been proposed, but the Ministry is requesting initial feedback on how the exemption tool may be used in the future including any requirements or conditions that a municipality should be subject to.

The AMO submission to the Standing Committee on November 16, 2022, attached as Appendix A, identifies concerns related to risks to the environment and human health of the proposed legislation.

Staff will continue to monitor the proposals related to Conservation Authorities and report back to Council with any impacts to the City once these are better understood.

3.0 Financial Implications

The proposed changes contained in Bill 23 would negatively impact a municipalities financial sustainability, with the most significant changes occurring to the *Development Charges Act*. One of the primary objectives of London's DC Studies have been to ensure that 'growth pays for growth', which is a long-standing London Plan policy. The proposed changes would compromise this objective by shifting the burden for growth related infrastructure investments to existing taxpayers. To date, the Province has not indicated that grant funding will be made available to municipalities in order to off-set revenue losses and to enable timely delivery of infrastructure needed to meet Provincial housing targets.

While the full scope and magnitude of the proposed changes are still being evaluated and determined, it is estimated that the overall impact to the City of London will be \$97 million + over a 5 period. The proposed changes with the greatest financial impact to the City that are quantifiable at this time are as follows:

1. The mandatory 5 year phase-in of DC rates would result in approximately a 10% or \$40M - \$38M reduction in DC revenues over a 5 year period. Of this amount, approximately \$29M - \$27M represents lost revenue associated with residential development. This reflects 40% of the total estimated impact for the 5 year period.
2. Growth related studies that would be deemed ineligible under Bill 23 and would no longer be funded from DCs is approximately \$7M - \$8M (gross costs) over a 10 year period. In addition, land costs for certain services that are to be prescribed at a later date would also be deemed ineligible, it being noted that approximately \$74M in land costs are included in the 2023 – 2032 capital budget. Combined, this reflects 42% of the total estimated impact for the 5 year period.

3. While the removal of Housing Services does not have a current impact for London since Housing Services is not being recovered for through DCs, the removal of Housing Services represents a lost opportunity to use DCs as a future funding tool. Although Municipal Council has endorsed a review of DC recovery for Housing Services, the study is in its preliminary stages and a draft DC rate cannot be determined. As an illustrative proxy, however, the median residential DC rate components for the 11 municipalities recovering for Housing Services has been used to estimate a 10 year revenue value based on London's projected housing construction. It is estimated that \$30M - \$40M over a 10 year period could be recovered through DCs to fund growth-driven affordable housing infrastructure. Should this ability be removed from Bill 23, alternative funding sources would be required to address growth needs, or adjustments to levels of service.

Separate to the Bill 23 changes associated with the *Development Charges Act*, it is anticipated that there will be significant financial implications for parks and natural areas. The reductions in land dedication and cash-in-lieu ratios, as well as new mandatory exemptions will reduce opportunities for delivering on Council's priorities and the standards established in the Parks and Recreation Master Plan. The full financial impacts of the proposed changes are still being assessed by Staff at this time.

All of the proposed Bill 23 changes with financial implications will place considerable pressure on the City's upcoming Multi-Year Budget (MYB) process. In absence of the Bill 23 reallocation of costs presently funded through DCs and other developer/builder contributions, there are a significant number of funding requests anticipated to be submitted through the MYB in order to meet existing service levels or to improve/enhance service based on community and technical needs. Bill 23 is also being introduced at a time when the City is preparing its Asset Management Plan Update to meet Provincial requirements and to assess funding requirements to meet proposed levels of service, mitigate risks of asset failure and to address concerns related to asset condition/performance. It is expected that the additional costs to taxpayers and water/sewer ratepayers being imposed by Bill 23 will present difficult decisions for Council as it contemplates priorities and trade-offs between funding growth, asset renewal and service improvement needs with affordability concerns.

Civic Administration will continue to assess the financial implications of the proposed changes included in Bill 23 and will provide a future update on any significant findings.

4.0 Next Steps

Several significant changes in Bill 23 would impact City policies and processes and would have financial implications to London taxpayers moving forward. It is important to note that at the time of the writing of this report the Act has not received royal assent and there is a possibility the proposed legislation may be revised.

Civic Administration will share this report and the description of potential local impacts from Bill 23 with the Premier of Ontario as well as the Ministers of Municipal Affairs and Housing, Finance, and local MPPs and MPs. All efforts will be undertaken to raise awareness of these impacts with provincial members.

The pace by which the Provincial Government has requested comments from cities is untenable and, given the significant financial and infrastructure planning concerns, must be extended to give new Councils time to generate direction for Civic Administration.

In August 2022, through the *Strong Mayors, Building Homes Act, 2022* the provincial government announced the Housing Supply Action Implementation Team (HSAPIT) and appointed the Chair and Vice-Chair, Mayor Drew Dilkens from the City of Windsor and Mayor Cheryl Fort from the Township of Hornepayne, respectively. The intent of this team of provincially appointed municipal leaders and industry experts is to provide advice to the government on matters including assessing the impacts of potential measures to increase housing supply and attainability like those found within Bill 23.

Given the breadth of changes proposed in Bill 23 and the real potential for unintended impacts, it is appropriate for the government to pause Bill 23 to convene the HSAPIT to ensure municipalities and the development community can work with the province to achieve the aims of the legislation and lessen economic, social and environmental impacts. The proposed changes should be the first items on the agenda. The City of London can be ready to supply all information that this body would require to make effective recommendations on Bill 23.

The City of London will join the call from the Ontario Big City Mayors Caucus and the Association of Municipalities of Ontario asking for this implementation team to consider the impacts of Bill 23 before the legislation is enacted. This will give Municipal Council and Civic Administration the time needed to fully evaluate the impacts of Bill 23 on London. The City of London will move swiftly to provide any local information the HSAPIT would need to provide timely and fulsome recommendations to the Province of Ontario on implementing the measures detailed in Bill 23.

Prepared by: Kevin Edwards, MCIP RPP
Manager, Long Range Planning, Research and Ecology

Submitted by: Heather McNeely, MCIP, RPP
Acting Director, Planning and Development

Recommended by: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

Recommended by: Barry Card
Deputy City Manager, Legal Services

Recommended by: Scott Mathers, MPA, P.Eng
Deputy City Manager, Planning and Economic
Development

Cc: Community Advisory Committees

**Appendix A: AMO Submission to the Standing Committee on Heritage,
Infrastructure and Cultural Policy dated November 16, 2022.**

Appendix B: OBCM Summary (to be circulated under separate cover)