

November 30, 2022

The Honourable Steve Clark
Minister of Municipal Affairs and Housing

Sent via email: minister.mah@ontario.ca

To whom it may concern:

Please be advised that Brantford City Council at its meeting held November 29, 2022 adopted the following:

7.2 Ontario Bill 23 More Homes Built Faster Act, 2022 [Financial Impact: Considerable but Unable to Quantify at this Time], 2022-712

- A. THAT Report 2022-712 respecting Bill 23 the More Homes Built Faster Act, 2022 BE RECEIVED; and
- B. THAT since the Province of Ontario disregarded the comments and concerns of municipalities across Ontario with respect to the significant and sweeping amendments set out in Bill 23 by passing the More Homes Built Faster Act, 2022 before the commenting period had even closed; and given the fact that the More Homes Built Faster Act, 2022 includes amendments that will create infrastructure funding deficits, deplete funding for affordable housing, decimate reserves, and create wealth for developers while taxpayers pay for growth, the City demands that the Province make the City whole by providing grants and other funding to cover any loss in revenue resulting from the legislative changes implemented through the More Homes Built Faster Act, 2022; and
- C. THAT the City Clerk BE DIRECTED to forward a copy of Report 2022-712 to the Ministry of Municipal Affairs and Housing and Will Bouma, MPP Brantford-Brant as the City of Brantford's official comments, and the Association of Municipalities of Ontario and the Ontario Big City Mayors for their information, and that Mayor Davis BE REQUESTED to advance the City's position at the upcoming meeting of the Ontario Big City Mayors.

I trust this information is of assistance.

Yours truly,

Chris Gauthier
Deputy Clerk Clerk
cgauthier@brantford.ca



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Date	November 29, 2022	Report No. 2022-712

To Mayor and Members of City Council

From Nicole Wilmot, MCIP, RPP

Chief Planner and Director of Planning and Development Services

People, Legislated Services and Planning

1.0 Type of Report

Consent Item [X]
Item For Consideration []

2.0 Topic Ontario Bill 23 More Homes Built Faster Act, 2022 [Financial Impact: Considerable but Unable to Quantify at this Time]

3.0 Recommendation

- A. THAT Report 2022-712 respecting Bill 23 the *More Homes Built Faster Act,* 2022 BE RECEIVED;
- B. THAT the following resolution BE APPROVED and accompany the City of Brantford's submission to the Province of Ontario's ERO postings related to Bill 23:
 - BE IT RESOLVED that the City of Brantford request that the Province allocate more time to solicit feedback and address the concerns expressed herein, including the provision of other financial tools or sources to fund revenue losses, prior to Bill 23 receiving Royal Assent;
- C. THAT the City Clerk BE DIRECTED to forward a copy of Report 2022-712 to the Ministry of Municipal Affairs and Housing and Will Bouma, MPP Brantford-Brant as the City of Brantford's official comments, and the

Association of Municipalities of Ontario and the Ontario Big City Mayors for their information; and

D. THAT Staff REPORT BACK to Committee of the Whole – Planning and Administration when Bill 23 receives Royal Assent and the associated Ontario Regulations are available.

4.0 Executive Summary

On October 25, 2022 the Provincial government introduced More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022–2023 and subsequently Bill 23, the *More Home Built Faster Act, 2022* that proposes to amend existing provincial legislation to achieve the goal of increasing housing supply to address affordability in the Province of Ontario. To seek comments on Bill 23, the Province posted over 20 proposals to the government's commenting platform known as the Environmental Registry of Ontario (ERO) to outline the proposed amendments. Of these ERO postings, there are ten (10) proposals and one (1) bulletin that will impact municipal procedures and operations in Brantford. The commenting deadlines range from November 24th to December 30th, 2022. This Report is a high-level summary of the content of the proposals of Bill 23, which has received its second reading. The Province has not yet released associated regulations that would clarify specific procedures, rules, financial tools or enforcement measures. Staff will report back when Bill 23 receives Royal Assent and updated regulations are released.

It should be noted that Bill 23 is a companion to Bill 109, *More Homes for Everyone Act* recently enacted in April 2022. Bill 109 introduced other substantial changes to municipal development approval processes, such as mandatory fee refunds if provincially prescribed review timelines are not achieved, which come into effect on January 1, 2023. Planning staff will bring an Official Plan Amendment to Planning Committee and Council for consideration in December 2022 to outline the impacts of Bill 109 and proposed procedural changes to mitigate them.

Collectively, Bill 23 and Bill 109 introduce the most drastic changes to the land use planning process that Ontario has seen in decades. Municipal staff are assessing the proposed changes and awaiting clarifications, but in broad terms, Bill 23 will, amongst other things:

 Reduce municipal revenues through introducing new development charges exemptions and discounts, requiring a phase-in of development charge fees approved under a new DC by-law, reduced interest rates on installment payments, and the removal of eligible services funded by development charges. This, in turn, will impair and delay the ability to deliver much needed growth-related capital infrastructure necessary to support new development at the rapid pace urged by the Province;

- Eliminate site plan control on residential development of up to 10 units, which may impact compatibility, functionality and orderly integration of intensification within existing neighbourhoods;
- Require listed properties be removed from the Brantford Heritage Register if not designated after two years, and impose new criteria and restrictions on listing or designating new properties of cultural heritage value;
- Reduce the opportunity for engagement and collaboration with the Grand River Conservation Authority in the land use planning process;
- Restrict the ability of the municipality to obtain and/or deliver future parkland and open spaces;
- Impacts the ability to have meaningful consultation processes with local indigenous communities; and
- Limits appeals of certain applications, and permits the Ontario Land
 Tribunal (OLT) to prioritize files in accordance with pending regulations,
 dismiss appeals and award costs. It is noted there has been recent news
 coverage reporting that the Province may be walking back components of
 this proposed amendment regarding appeal rights; at the time of writing
 this Report, the Province hasn't officially revised the ERO posting.

Overall, the City of Brantford is supportive of Provincial efforts to advance the important goal of increasing housing supply and affordability; however, municipal staff are of the opinion that the amendments under Bill 23, as proposed, introduce consequential changes to municipal operations and financial resources, with little evidence to date that these changes will improve housing affordability. The key areas of concern are:

1. Bill 23 reduces or eliminates development charges receipts, which is a critical revenue tool for municipal infrastructure. Instead of "growth paying for growth", and without other funding sources to cover the shortfall, the cost of new and upgraded infrastructure to support additional housing would shift to existing taxpayers and utility ratepayers. This ultimately increases the cost of homeownership and is counterproductive to housing affordability.

- 2. Changes to the *Planning Act* and municipal development approval processes will strip local government of the tools required to manage growth responsibly for their constituents, and potentially negatively impact the livability of neighbourhoods; and
- 3. The proposed amendments "turn back the clock" on environmental protection and human health when the impacts of climate change are evident and urgent. The efforts of the City of Brantford to protect the Grand River watershed ecosystem and mitigate future flood events will be challenged by the loss of collaboration with the Grand River Conservation Authority in reviewing development applications.

Furthermore, the municipality already has plans and procedures in place to address the goals of increasing housing supply and expediting development review procedures. With approval in November 2021, the Development Approval Process Review identifying 37 recommendations is being implemented to process development applications expediently. The Mayors' Housing Partnership Task Force Affordable Housing Action Plan has specific targets and actions in place to tackle affordable housing supply. Guided by the Action Plan since 2020, and notwithstanding units created by the non-profit and private sectors, 207 new units that meet the definition of affordable housing are either underway or already completed by the City as a housing service provider. The Action Plan commits to building over 500 new municipally owned affordable housing units over the next 10 years.

The City of Brantford has seen the success of all partners working together to find solutions that result in the creation of new homes and the creation of new affordable housing units while still providing crucial infrastructure, green spaces, and valuable services to its residents. It would be prudent for the Province, to extend the commenting period to engage with municipalities and stakeholders in order to explore solutions that do not negatively impact the ability of municipalities to finance growth, and do not remove the public, indigenous communities, and conservation authorities from the planning process.

5.0 Purpose and Overview

The purpose of this Report is a high-level summary of the Ontario Government's Bill 23, *More Home Built Faster Act, 2022* and the More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022–2023. This Report will also explain potential implications to municipal procedures, finances and operations, as well as outline next steps for municipal staff to respond to the proposals, if passed.

This Report is going directly before City Council as an "urgent report" to allow Council to review the proposed amendments prior to Provincial commenting deadlines.

6.0 Background

Since 2019, the Provincial Government has advanced a number of initiatives and legislative changes related to housing supply in Ontario. These include:

- Enactment of Bill 108, More Homes, More Choice Act (June 2019).
- Enactment of Bill 197, COVID 19 Economic Recovery Act (July 2020).
- Enactment of Bill 13, Supporting People and Businesses Act (December 2021).
- Enactment of Bill 109 More Homes for Everyone Act (April 2022).

Appendix A to this Report provides a summary of these previous Provincial initiatives, as well as references to the previous reports provided to Council in relation to them. As each Bill is enacted by the Provincial Government, municipal staff have responded accordingly with updated by-laws. The speed at which the Province is releasing new amendments and enacting regulations has created some administrative overlap for the Parkland Dedication By-Law, Site Plan Control By-Law, and Development Charges By-Law.

In December 2022, Report 2022-683 by Planning and Development Services Staff will outline how municipal staff are responding to the enactment of Bill 13 and Bill 109, the *More Homes for Everyone Act (April 2022),* which prescribes new development application processing procedures to be in force January 1, 2023.

On October 25, 2022, the Ontario government released the "More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022–2023," which has the primary goal of responding to the housing supply crisis by building 1.5 million homes within ten years. On the same day, the Province also introduced Bill 23, the *More Home Built Faster Act, 2022* to address what the Action Plan identifies as barriers or bureaucratic costs that are delaying the construction of a range of housing types. Through Bill 23, the Province proposes several amendments to existing legislation and regulations that aim to expedite approval processes, improve financial incentives to the development industry, and address overall barriers that appear to be slowing down the construction of new housing supply.

To seek comments on Bill 23, the Province posted over 20 proposals to the government's commenting platform known as the Environmental Registry of Ontario (ERO) to outline the proposed amendments. Of these ERO postings, there are ten (10) proposals and one (1) bulletin that will impact municipal procedures and operations in Brantford. Typically, municipal staff provide comment to ERO postings by way of a staff report to Council. In some cases, depending on the subject matter and the deadline, municipal staff will share comments in advance and follow-up with Council through an information report. It is noted that the ERO postings are complex and the timeframes allotted to provide comment is short – ranging from 30 calendar days (a deadline of November 24, 2022), 45 calendar days (a deadline of December 9, 2022) and 66 calendar days (a deadline of December 30, 2022). Under Bill 23, there is also one bulletin mandating municipal housing targets that is posted for information only and no comments are requested (see Appendix B, Item 4). Staff has reviewed the ERO postings and related documents and a summary is provided in this Report.

The Canadian Constitution gives the Provinces exclusive control over municipalities (subject to limited exceptions), meaning that the Province determines what powers the municipality possesses. The ERO postings invite comment from municipalities, but the Ontario government will determine the final form for all proposals and enact the subsequent regulation. As "creatures of the province", all municipalities will be required to implement the regulations within timelines determined by the Province.

7.0 Corporate Policy Context

The City of Brantford shares the provincial goal of increasing housing supply and addressing housing affordability, as well as cost and time-efficient development processes. There are several existing plans that address these areas:

7.1 Affordable Housing Action Plan (2020)¹

The Mayors' Housing Partnerships Task Force prepared the Affordable Housing Action Plan that has the goal of creating more housing options, more quickly, across the housing continuum. Three key objectives were identified: Discover the Opportunities; Work Together; and Make Development Easier.

¹ https://www.brantford.ca/en/living-here/resources/Documents/Housing/2020-Dec15-MHPTF-ActionPlan.pdf

7.2 <u>Brantford-Brant Municipal Housing Master Plan Initiative</u> (2020-2030)²

The Master Plan is intended to establish a long term housing infrastructure plan that can guide the City of Brantford in maximizing the use of land and assets to increase the supply of municipally owned and operated affordable housing. The Action Plan commits to building over 506 new municipally owned affordable housing units over the next 10 years

7.3 Brantford-Brant Housing Stability Plan (2014-2024)³

The Brantford-Brant Housing Stability Plan contains recommendations to address housing and homelessness issues in Brantford and the County of Brant and became a catalyst for community partnerships and investment in the development of affordable housing interventions.

In order to maintain current service levels against growth (e.g., 45 units per 1,000 households), an additional 843 units will be required by 2030. In order to meet this additional need, the Brantford-Brant Housing Stability Plan establishes updated affordable housing development targets as follows:

- An increase of 506 units of municipally owned and operated rental housing by 2030 with the goal of developing 319 units between 2020 and 2026 and 187 units to be developed between 2027 and 2030; and
- An increase of 337 rental units to be developed, owned and operated by non-profit or co-operative housing providers with 213 units to be developed between 2020 and 2026 and 124 units to be developed between 2027 and 2030.

7.4 Envisioning Our City 2051: Brantford Official Plan⁴

The City of Brantford Official Plan is a comprehensive framework of goals, land use designations and policies which guide the future development of the City of Brantford. Section 3.1 of the Official Plan "Providing Housing Opportunities" states: "The City shall encourage a mix and range of market-based housing

² https://www.brantford.ca/en/living-here/resources/Documents/Housing/Brantford-Brant-Housing-Master-Plan-2020-2030.pdf

³ https://www.brantford.ca/en/living-here/resources/Documents/Housing/Brantford-BrantHousingStabilityPlan-5YearReviewUpdate.pdf

⁴ https://www.brantford.ca/en/business-and-development/official-plan.aspx?_mid_=11507

types, styles, tenures and affordability characteristics to meet the needs of a growing and diverse population. The City may become directly involved in the supply of housing through land acquisitions and development."

Within this section, the Official Plan outlines that the City shall make best efforts to maintain:

- a minimum of 15 year supply of lands to accommodate growth through residential intensification and redevelopment, and greenfield lands which are designated and available for residential development; and
- a minimum five year supply of residential units available through land suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.

Provincial Growth forecasts to the year 2051 were used to inform the new Official Plan. To support the growth envisioned by the Official Plan, including within the expansion lands north of Powerline Road, the Master Servicing Plan and the Transportation Master Plan are consistently updated to determine how to service future growth both in new areas of the city, and the intensification of existing areas.

7.5 <u>Development Approval Process (DAP) Review⁵</u>

The Development Approval Process Review reflects the City of Brantford's commitment to streamlining its current processes and modernizing the associated technology for municipal services provided under the *Planning Act*, the *Municipal Act*, and the *Building Code Act*. In 2021, Brantford City Council approved the final report of the DAP Review and staff have been working to implement several key streamlining initiatives, including but not limited to the Site Plan Control process, online application submissions, workflow and permitting portal and service fee review within the funding deadlines established by the Province.

8.0 Input From Other Sources

Planning and Development Services Staff prepared this Report with input from Finance, Engineering Services, Environmental Services, Housing and Homelessness Services, Building Services, Legal Services, Clerk Services, and the Grand River Conservation Authority.

https://www.brantford.ca/en/development-approval-process-review-received-at-city-council.aspx

The Ontario Big City Mayors, of which Mayor Davis is a member, submitted a letter on November 23, 2022 to the Minister of Municipal Affairs and Housing which is provided as **Appendix C** to this Report.

9.0 Analysis

This section of Report 2022-712 will broadly summarize the proposed amendments under Bill 23 that are applicable to the City of Brantford. **Appendix B** included in this Report provides a table with related ERO website links to the individual posting where further details can be found. At this time, the Province has not released the regulations associated with the proposed legislation. The regulations will further define the application and enforcement of the legislation. Once regulations are released, City Staff will report back with more detailed assessment of the implications to municipal operations based on the future associated Ontario Regulations.

Broadly speaking, several of the proposed amendments will have significant and concerning implications to the municipality. Many amendments change long standing land use planning practices and financial revenue tools that supported environmentally and fiscally sustainable population growth. It remains to be seen if increasing housing supply and housing affordability will directly result from the proposed amendments under Bill 23.

9.1 Planning Act Changes (Appendix B: Items 1, 2, and 3)

The *Planning Act* is provincial legislation that establishes the rules for land use planning in Ontario. Land use planning includes many functions, such as determining where homes, manufacturing and commercial uses are built. While municipalities can make local planning decisions through their municipal Official Plan and Zoning By-law, the *Planning Act* prescribes the rules municipalities can use in land use planning, the approval process to make local decisions, and the Province generally requires municipal decisions to support Provincial goals. The Province often updates the *Planning Act* and requires the municipality to implement changes accordingly.

Once Royal Assent is issued, the latest amendments to the *Planning Act* would include the following:

9.1.1 As-of-right three (3) dwelling units per residential lot

A dwelling unit is defined in the City of Brantford's Zoning By-law as a "separate set of habitable rooms designed for, or used by, an individual; or group of individuals, which shall include at least one room and a kitchen and a bathroom, and which has a private entrance from outside, or a private entrance from a common internal hallway or internal stairway."

Bill 23 proposes to allow a maximum total of three (3) dwelling units on any residential lots that are serviced by full municipal water and sewage services. This means that a single detached home, a semi-detached home or a rowhouse (referred to as "primary buildings") could include a maximum total of 3 dwelling units. Additionally, if there is a garage or other accessory building on a lot, it could contain a maximum of one dwelling unit, and the primary building can contain two dwelling units for a total of 3 units on a lot.

Bill 23 also proposes to restrict the municipality to requiring only one parking space per dwelling unit and cannot dictate a minimum unit size.

Currently Brantford already permits 3 dwelling units in most residential zones in response to earlier Provincial direction through Bill 108 *More Choice, More Homes Act* (Report 2020-63⁶, September 8, 2020). This change will now allow, as-of-right, 3 units on a lot in every residential zone. As of October 31, 2022, there have been 7 permits issued in the City for specifically third accessory/additional units. Additionally, the City already has a requirement of one parking space per dwelling unit and also permits tandem parking.

Comment to the Province:

The City of Brantford already allows 3 dwelling units to be located within the primary building for the majority of residential zones. However, many of the older established areas may not have the ability to accommodate "intensification everywhere" due to road

⁶ https://pub-brantford.escribemeetings.com/filestream.ashx?DocumentId=5973

and transit capacity, water and wastewater capacity, space needed for parking, garbage collection, and fire emergency access. Without the ability to uphold good planning practices, including enforcement of urban design, site plan control, and public consultation, many stable neighbourhoods may soon be grappling with inappropriate intensification.

9.1.2 Third-party appeals for all planning matters are restricted to select individuals

Third-party appeals is a process for those residents or neighbours who disagree with a change to a land use approval or decision. Presently, any member of the public who has participated in the planning process may appeal a decision through the Ontario Land Tribunal (OLT). The proposed amendment would significantly limit third-party appeals on all planning matters (official plans, official plan amendments, zoning by-laws, zoning by-law amendments, consents, and minor variances) to only key participants such as the applicant(s), the City, the Province, public bodies including Indigenous communities, and utility providers. Therefore, members of the public are no longer able to appeal a land use decision, and any existing third-party appeals where no hearing date has been set as of October 25, 2022 will be dismissed.

Comment to the Province:

While these amendments may be intended to facilitate timely approvals and reduce the number of appeals before the Ontario Land Tribunal (OLT), the result diminishes the democratic process. Citizen involvement in the planning process is a key component to understanding the needs of the community. Planning and Development Services Staff note that this amendment may elevate the importance of opportunities for the public to participate in public meetings required by the *Planning Act* prior to the final decisions on development applications and other land use planning matters. There may also be a potential increase in judicial reviews and other alternate challenges that are not necessarily appropriate or efficient forums for appeals.

9.1.3 Plan of Subdivision applications no longer require a public meeting

A plan of subdivision application is a process which divides large parcels of land into several lots, usually for individual houses. The location and width of streets and the blocks set aside for parks or schools are also established within a plan of subdivision. The amendment under Bill 23 proposes that there will be no public meeting requirement for a plan of subdivision. Presently, at least one public meeting is held during a regular meeting of the Committee of the Whole - Planning and Administration (or of the Planning Committee during the current Planning Committee pilot program), to invite any member of the public to express their comments, concerns, or ask questions.

It is noted however, that generally, a plan of subdivision is also subject to a zoning by-law amendment, which maintains the requirement for a public meeting.

Comment to the Province:

Public consultation on planning applications is a critical component of the planning process and provides valuable contributions to the decision making process. Any limitations to public consultation may also pose challenges for meaningful engagement and consultation with indigenous communities.

9.1.4 Residential development up to ten (10) units are exempt from site plan control

Site plan control is a process to identify technical requirements for a development plan, such as the location and height of buildings, requirements for landscaping, parking, driveways, lighting, garbage and storage locations, among other technical design elements to ensure that the proposed development is compatible with the neighbourhood. Bill 23 will remove the requirement for site plan approval for residential development up to ten (10) units. The Province has identified the site plan approval process as a potential barrier to constructing new housing units.

A project of this scale may come in the form of a street townhouses, stacked townhouses, fourplexes, apartment buildings, and converted dwellings, which are typically large homes or buildings that can be retro-fitted to add units within an existing building. The Site Plan Control By-law 90-2018 requires projects of three (3) or more units must receive site plan approval.

It is noted that some projects of up to ten (10) units require zoning by-law amendments to permit these uses in some zones. To mitigate the potential loss of site plan control procedures, Planning and Development Services Staff can explore options to strengthen the Zoning By-law regulations through individual zoning by-law amendment applications such that some matters previously raised under site plan control may be addressed through new site-specific zoning where feasible. Planning and Development Services Staff is also in the process of preparing a new Zoning By-law anticipated to be completed by the end of 2023. As part of the New Zoning By-law Project, the project team is exploring opportunities to address the concerns noted above by adding regulations in the new Zoning By-law.

Comment to the Province:

Site plan control is an important tool to address technical design elements of a development or redevelopment proposal. Projects adding up to ten (10) units are often infill development projects where matters such as landscaping, lighting, and parking require careful consideration to ensure neighbourhood compatibility. Additionally, as part of site plan review and approval, the applicant receives important technical direction regarding stormwater management, driveway locations, emergency access routes, garbage collection, and other matters related to the safe and orderly function of the site.

9.1.5 Exterior Design of Buildings No Longer Regulated

Bill 23 proposes to expressly exclude exterior design from the list of matters that can be addressed under site plan control. Currently, the City can require elevation drawings and Urban Design Reports as part of Site Plan Control applications to evaluate the character, scale, appearance and design features and materials to ensure that the design of new developments is consistent with the City's Urban Design Manual.

The City of Brantford has enhanced policies to support successful intensification in Brantford through the new Official Plan, Urban Design Manual and the future new Zoning By-law. New policy and forthcoming zoning regulation has elevated the importance of good urban design to address compatibility of new construction within existing neighbourhoods. If this amendment is passed, the City will not be able to comment on the design elements that contribute to compatible, vibrant, and successful spaces and buildings at a time when the Province is pushing for intensification.

As part of the New Zoning By-law Project, the project team will identify regulations to include in the new Zoning By-law that will implement the direction of the Urban Design Manual through zoning. Since building permit applications must comply with all Zoning By-law regulations, this will ensure some matters of appearance and design features can be addressed outside of the Site Plan Control process. For example, the new Zoning By-law is proposed to include a regulation to implement a guideline from the Urban Design Manual that directs new high-rise buildings apply a 45 degree angular plane to ensure compatibility with adjacent low-rise residential neighourhoods. Although, not all site plan-related matters can be addressed through the Zoning By-law, City Staff will seek to bolster the regulations where applicable and permitted.

Comment to the Province:

Exterior design features often positively supports the successful integration of new development within existing neighbourhoods and contribute to the unique character of a community. With this proposed amendment, the City will lose the ability to adequately regulate and promote good quality design in accordance with the City's urban design standards.

9.1.6 Parkland Dedication, Cash-in-Lieu of Parkland for Residential Development

The Province is proposing amendments to the parkland dedication and cash-in-lieu of parkland policies within the *Planning Act* affecting residential development. Parkland

dedication is a process that enables municipalities to ensure appropriately sized land is set aside for parks and recreational purposes in support of new development or redevelopment. Alternatively, instead of setting aside land, the developer may make a payment towards parkland or recreational purposes (known as cash-in-lieu of parkland), which must be set aside in a reserve fund for parks and recreational services.

Presently, the *Planning Act* outlines the provincially prescribed formulas that are to be used by municipalities. Municipal parkland dedication by-laws may not exceed the maximum allowed parkland dedication rates, but may offer a lower rate. The City of Brantford Parkland Dedication By-law 139-2022 uses the maximum allowed standard rate for residential development, which is 5 percent of the land, or cash-in-lieu of the value of 5 percent of the land. The Planning Act also allows a municipality to offer an alternative requirement , which is a rate not greater than one hectare per 300 dwelling units, or cash-in-lieu of the value of one hectare per 500 dwelling units. The alternative requirement recognizes that high density development (e.g., apartments) will result in a greater localized demand for parkland compared to low and medium density development (e.g., single detached, semi-detached, and townhouse dwellings).

9.1.6.1 Reduced Parkland Conveyance

Table 1 below outlines the City of Brantford's existing Parkland Dedication By-law 139-2022 requirements and the proposed new formulas to be permitted under Bill 23. The proposed amendments would reduce the alternative requirement so that parkland contribution shall not exceed one hectare per net 600 dwelling units, or cash-in-lieu based on the value of one hectare per net 1,000 dwelling units parkland dedication/cash-in-lieu for residential development. Bill 23 also proposes to reduce the standard requirement if the proposed residential development include certain defined classes of affordable units. It is anticipated that forthcoming regulations will provide the definition of defined classes of affordable units. The reduced standard requirement for development containing affordable units shall not exceed 5 percent of the land multiplied by percentage of non-affordable units in the development.

Table 1: Parkland Dedication rates, existing and proposed by Bill 23

For Residential Development	Land to be Conveyed	Cash-in-lieu of Land Conveyance
City of Brantford By-law 139-2022	5% of the subject land	Market value of 5% of the subject land
Existing Planning Act Requirements	5% of the subject land, or the alternative requirement of one hectare per 300 dwelling units	Market value of 5% of the subject land, or the alternative requirement of market value of one hectare per 500 dwelling units
Bill 23 Proposed Amendment	5% of the subject land multiplied by the ratio of the number of non- affordable units to the total number of units in the development, or the alternative requirement of one hectare per net 600 dwelling units excluding affordable units	Market value of 5% of the subject land multiplied by the ratio of the number of non-affordable units to the total number of units in the development, or the alternative requirement of market value of one hectare per net 1,000 dwelling units excluding affordable units

In September 2022, Planning and Development Services Staff responded to the *COVID-19 Economic Recovery Act, 2020* (Bill 197), which effectively disabled the City of Brantford's use of an alternative requirement. Bill 197 mandated that municipalities can only employ the alternative requirement where there are Official Plan policies in place that deal with the use of the alternative requirement and where the municipality has consulted with such persons and public bodies as the municipality considers appropriate. Through Report 2022-557 Council directed Staff to undertake public consultation regarding the use of an alternative requirement for residential parkland dedication/cash-in-lieu and to report back for Council's consideration to amend the Parkland Dedication By-law to enact an alternative requirement.

If Bill 23 receives Royal Assent, Staff will report back for Council's consideration to amend the Parkland Dedication By-law to enact an alternative requirement that aligns with the new formula or a lesser rate as appropriate, taking into consideration the comments received by the public. Since the conveyance of parkland or cash-in-lieu is a cost of development, exemptions

⁷ https://pub-brantford.escribemeetings.com/filestream.ashx?DocumentId=14445

from the requirements are regarded as a tool to incentivize certain types of development. Bill 23 proposes to exempt non-profit housing developments and additional residential units from parkland dedication requirements. Brantford's current Parkland Dedication By-law 139-2022 already exempts affordable housing, accessory dwelling units, supportive housing like nursing homes, and all development in a portion on the Downtown Urban Growth Centre from parkland dedication requirements.

Comments to the Province:

Broader exemptions and reduction of parkland conveyance and cash-in-lieu contributions will hinder the City's ability to provide adequate parks and recreational services, and as such, the Province should develop alternative funding options available to municipalities to offset the loss of parkland revenues.

9.1.7 Constrained Lands and Privately Owned Lands are Eligible Parklands

Another proposed amendment through Bill 23 would allow developers to apply land that is subject to an easement or other restriction or land that is encumbered by below grade infrastructure towards the municipal parkland dedication requirements. Presently, the City's Parkland Dedication By-law does not allow "constrained lands" to be dedicated as parkland, such as lands containing servicing infrastructure (e.g., lands around a stormwater management pond), natural heritage features, archaeological features, or steep slopes.

Bill 23 also proposes that privately owned public spaces can count towards achieving the prescribed parkland dedication formula. The amendments under Bill 23 propose that the municipality can now enter into agreements with the owners of the privately owned land to enforce the parkland requirements. In addition, in cases where disputes arise about the suitability of land for parks and recreational purposes, Bill 23 proposes to establish new appeal rights. If approved, a property owner would be able to appeal a municipality's decision to refuse to accept conveyance of parkland identified by the owner to the Ontario Land Tribunal.

Comment to the Province:

Constrained and encumbered lands are not appropriate contributions to parkland as they cannot be developed for parks. If permitted, there will be less usable parks to service growing demand. Furthermore, the municipalities will be assuming additional liability for lands that may include constraints such as those with stormwater management facilities or existing easements, or natural hazards such as steep slopes.

9.1.8 60% of Parkland Reserve Must be Allocated Each Year

The proposed amendments will require municipalities to allocate or spend at least 60 per cent of their parkland reserve fund balance at the start of each year. Annual spending from the Cash in Lieu of Parkland Reserve Fund varies, with allocations to specific projects approved through the annual capital budget process. On average, spending in the last five years was \$406,600 per year. Flexibility currently exists to build up the reserve fund to provide for a large project in the future. The reserve fund is estimated to have a balance of \$3.5 million at the end of 2022. It is noted that the City's proposed 2023 budget will be prepared to meet the 60 percent allocation requirement.

Comment to the Province:

The requirement to allocate 60 percent of funding each year hinders the ability to build up reserves towards major new parks or recreational projects. It is further noted that the enactment of Bill 197 *COVID-19 Economic Recovery Act, 2020* and Bill 23 have resulted in administrative overlap to address multiple changes regarding parkland dedication.

9.1.9 Changes on the role of Conservation Authorities

There are elements of the *Planning Act* which reference the role of local conservation authorities. Policy proposals impacting conservation authorities will be discussed in **Section 9.6** of this Report.

9.2 Development Charges Act, 1997 Changes (Appendix B, Item 3)

Bill 23 proposes several significant changes that would amend the *Development Charges Act, 1997 (DCA)* (and associated sections of the *Planning Act)*. Development charges (DC's) are fees collected from developers at the time a building permit is issued to help the municipality pay for specific municipal services necessary to support new development, such as roads, transit, water service, sanitary and storm sewers, treatment facilities, community centres, libraries, and fire and police facilities. The *DCA* supports the long-standing principle that growth should pay for growth, and therefore it enables municipalities to enact bylaws to set out the development charges fee schedule. Operating and maintenance costs are ineligible to be funded by DC's.

In accordance with the *DCA*, the Development Charges By-law is passed after a municipality completes a comprehensive Development Charges Background Study and establishes the rates for each service category that the municipality can collect. These rates are indexed annually based on the Statistics Canada, Building Construction Price Index.

Development charges are an essential cost recovery tool to fund the costs of growth related infrastructure and facilities; therefore, the changes to the *DCA* proposed in Bill 23 are expected to have a significant impact on the City. The following subsection highlights some of the most critical amendments that are proposed. **Section 10** of this Report will discuss the financial implications and provide the City of Brantford's overall comment to the Province regarding these changes.

9.2.1 Statutory DC Exemptions

While the City's DC By-law already exempts developers of affordable rental units from payment of DC's, the changes would provide additional exemptions for affordable owned units, attainable units, inclusionary zoning units, and non-profit housing. For affordable and attainable housing, the City must enter into an agreement which ensures the unit remains affordable/attainable for 25 years, adding additional administrative burden to municipalities. It should be noted that the definition of "attainable" housing requires the regulation to clarify "prescribed development or class of developments" that would be considered "attainable

housing". Inclusionary zoning, a type of zone which would require a percentage of affordable housing units in certain new development types, is not presently applicable in Brantford. As noted in the previous section, Bill 23 adds other developments to the exemption list for parkland dedication requirements under the *Planning Act*.

The proposed changes to the DCA also provide for statutory exemptions for secondary dwellings, however, the City's DC Bylaw already provides for that exemption.

Comments to the Province:

A further definition of what will be considered 'attainable' housing needs to be provided during the consultation phase of Bill 23 to allow municipalities the opportunity to consider the financial impacts that will result from this change.

9.2.2 Removal of Housing as an Eligible Service

Bill 23 proposes to remove the "Housing" category as an eligible service. Once in force, the City will no longer be able to collect DC's for this service. The collection of a Housing DC was just introduced with the 2019 by-law, and with Council's approval of the Mayor's Housing Partnership Taskforce – Affordable Housing Action Plan in 2021, the DC Background Study approved in late 2021 supported a growth related allocation to these new builds at 65 percent. Presently, Housing DC's support a significant portion of the capital costs to build City owned affordable housing, with approximately \$50 million in receipts forecasted to be received over the next 10-years.

Comments to the Province:

The removal of Housing Services as a service eligible for DC funding is counterproductive to one of the Government's stated objectives of promoting affordable housing. It hampers efforts by the City to provide such housing since Housing Services DCs are used to pay for a portion of its planned municipal constructed affordable units and the potential to provide financial support for third parties to deliver those units. It is requested that Housing remain as an eligible service.

9.2.3 Mandatory Phase-in of Development Charges

Any new DC by-laws would require a mandatory provincially-prescribed five-year phase-in of the calculated maximum DC charge. Under the current legislation, DC charges can be adjusted to the maximum charge immediately upon by-law passing. With the proposed changes, in the first five years of a new municipal DC by-law, the actual charges imposed will be at a reduced percentage of the maximum fee. The prescribed phase-in schedule is Year 1 - 80%, Year 2 - 85%, Year 3 - 90%, Year 4 -95%, Year 5 - 100%. The City's current DC by-law was approved prior to June 1, 2022, meaning this change will not take effect until a new by-law is passed (legislatively required in 2026).

Comments to the Province:

The proposed phase-in applies to the full charge, not just the incremental increase, and could likely lead to situations where the charge imposed during some years of phase-in period are actually lower than what was being collected under the previous by-law. It is recommended the phase-in provisions be removed, or at a minimum, that the provision apply to any applicable incremental increase only.

9.2.4 Mandatory Rental Housing Discounts

For rental housing developments that are not affordable, attainable or non-profit, new statutory DC discounts will apply. The reduction for three or more bedrooms is 25 percent, for two bedrooms is 20 percent, and for all other bedroom quantities is 15 percent.

Comments to the Province:

The introduction of the new discounts proposed will place a further financial burden on municipalities. To ensure that growth related costs of services and facilities associated with rental housing that is not affordable, attainable, or non-profit is not borne by existing taxpayers and ratepayers, it is critical that DC's still be collected for all other types of development.

9.2.5 Capital Cost Definition Excludes Land Acquisition

Bill 23 proposes that the cost to acquire land is an ineligible expense for DC receipts. For example, while fire services are an eligible service to use DC revenues, if the City needed to purchase land to build a new fire station, the cost to purchase land to build the station could not be funded from DC's under the proposed legislation.

Comments to the Province:

In keeping with the long standing belief that "growth should pay for growth", it is critical that all costs to provide necessary services and facilities to support growth be eligible for DC funding.

9.2.6 Removal of Eligible Growth Related Studies

Bill 23 also proposes to remove the cost associated with undertaking studies from the list of DC eligible costs. These studies include master plans such as the Transportation Master Plans, Master Servicing Plans, Official Plans, Secondary Plans, and the DC Background Study itself. These plans are critical in determining the infrastructure needed to support future growth and form the basis for long-term capital planning. It is unclear if the cost of other studies such as environmental assessments, which are critical and legislated project specific undertakings, would also become ineligible.

Comments to the Province:

The cost of any studies required to support growth related capital forecasting or specific growth related project requirements should remain as an eligible cost so these costs are not borne by existing taxpayers and ratepayers.

9.2.7 Capping Interest Rate for Frozen DCs and Installment Payments

Bill 23 proposes a new section to be added to the *DCA* to include provisions for determining the maximum interest rate a municipality can charge in certain circumstances. Currently, the

DCA allows municipalities to begin applying interest on the amount of DC's calculated from the date of an application (such as for a zoning by-law amendment or a site plan control application) to the date the DC's are payable when building permits are issued.

Additionally, for institutional and rental housing development, the *DCA* allows the proponent to pay their DC charge in instalments, as opposed to all at once on the date of building permit issuance. Municipalities are permitted to charge interest on these deferred payments.

In both cases, the City's current DC Interest Policy imposes a rate of Bank of Canada prime plus 2 percent. Bill 23 proposes to cap interest at prime plus 1 percent.

Comments to the Province:

The City has incurred reduced revenues and significant administrative costs to manage the changes already made to the DCA in 2020 with respect to the introduction of frozen rates (from the time of site plan or zoning approval until building permit issuance) and multi-year installment payments for prescribed types of development. Municipalities should be provided the flexibility to establish an appropriate interest rate.

9.2.8 Requirement to Allocate Funds Received

Bill 23 proposes changes to the *DCA* that will require 60 percent of monies that are in a DC reserve fund for water, wastewater and roads to be spent or allocated at the beginning of the year. It is noted that further clarity on the definition of "allocated" is needed from the Province. This same 60 percent requirement also applies to reserve funds for Parkland Dedication.

Comments to the Province:

Further definition of what will be considered 'allocated' is required. It is normal for municipalities to collect and reserve receipts for the construction of one or more major growth related projects within its longer term capital forecast. It is recommended that

clarification be provided that an allocation of funds in a long term capital forecast will meet this requirement.

9.2.9 Potential Impact to Residents' and Businesses' Utility and Property Tax Bills

Comments to the Province:

Development charges are a critical revenue tool to fund both tax supported and rate supported growth related capital infrastructure. The changes proposed in Bill 23 will result in a considerable reduction in DC receipts. Without additional funding from senior levels of government, the cumulative impact of these changes will certainly result in funding shortfalls that will naturally fall to the property tax bill and the utility bill and will delay the construction of necessary infrastructure that is needed to support new homes while municipalities attempt to find other funding sources.

9.3 2031 Municipal Housing Targets – Bulletin (Appendix B: Item 4)

Under Bill 23, the Province has assigned housing targets to 29 selected municipalities in Southern Ontario. These selected municipalities, which comprise 80 percent of Ontario's current population, are expected to work towards achieving these targets by 2031. The housing target for the City of Brantford is 10,000 new residential homes (Appendix B, Item 4). Clarification is needed on whether this target encompasses all housing types, including additional units located within primary buildings.

Under Bill 23, the municipality is also required to make a Municipal Housing Pledge to identify the tools and strategies that it intends to use to achieve its respective housing target. Pledges may include housing priorities, identifying and expediting housing in priority areas, plans to streamline the development approval process, or commitments to plan, fund and build critical infrastructure to support housing.

This bulletin is for information purposes only and not open to comment. Further clarification is required how the Municipal Housing Pledge is to be prepared, whether and how often it is submitted to the Province, and how it might be enforced.

The City of Brantford is well positioned to achieve the housing target through implementation of the new Official Plan, which is based on a future population of 165,000 residents by 2051, with over 900 new housing units forecast on average each year through intensification within built-up areas and new greenfield development including the expansion lands. It is noted that 1,000 housing units were issued building permits in 2021 and over 1,300 housing units were issued building permits through September in 2022. In addition, there are over 900 units in approved residential plans of subdivision and site plans that have not yet been built, and over 3,200 housing units proposed in various development applications currently submitted to the Planning and Development Services Department. Therefore, for the next few years, the City is poised to achieve the necessary average of 1000 units per year that will contribute to the mandated 10,000 units in the 10 year timeframe.

The Province is not receiving comments on the mandated housing targets. There are few details provided to date on the required Housing Pledge and what enforcement measures and tools might be used to report on fulfilling this mandate. A tangential concern would be whether the Province intends that the new housing supply is comprised of additional or accessory units, such as garden suites or basement apartments. The City of Brantford promotes improving housing supply through a full spectrum of housing types. If the mandated housing target intends that the City increase the supply of new neighbourhoods of single detached or semi-detached homes, this requires reliable DC revenue for infrastructure to unlock new land for that form of growth.

9.4 Changes to the Ontario Heritage Act and Regulations (Appendix B: Item 5)

Bill 23 also seeks to amend the *Ontario Heritage Act (OHA)* in response to concerns that heritage matters have been used as a potential barrier to housing construction. While there are several proposed changes, the following amendments are those that would have the most impact to existing City of Brantford heritage policies and projects. An overall comment to the Province addressing these matters is provided at the end of this sub-section.

9.4.1 Brantford Heritage Register

Bill 23 proposes changes to how a municipality uses a heritage register. A heritage register is a tool under the Ontario Heritage Act (OHA) that allows municipalities to identify both designated heritage properties (i.e. those which are protected individually or as part of a district, and which may require heritage permits to alter or demolish) and "listed" properties which do not require heritage permits, are not designated, but are still considered to have unique heritage potential and thus receive a temporary delay to a demolition proposal. The intention of using a heritage register for "listed" properties is to monitor properties of potential heritage interest. The listed property would receive interim protection from demolition to allow time for a fulsome review of heritage designation criteria which may lead to becoming a protected designated property under the OHA. As of November 2022, the City of Brantford completed six of eight phases of the Heritage Register Project which identified approximately 830 properties across the City as warranting inclusion on the City's Heritage Register.

The most significant proposed amendment is requiring listed properties be removed from the register if not designated within two years of the proposed amendments coming into force, or two years of being listed, whichever is later. Any property removed from a heritage register could not be re-listed for five years. Previously, properties could remain listed on the heritage register indefinitely.

9.4.2 Heritage Review of Planning Applications

Municipal councils will not be able to designate a property that is the subject of certain planning applications (e.g. a zoning by-law amendment) and if a council wishes to issue a notice of intention to designate a property undergoing a planning application process, the property must already be listed on a heritage register. Furthermore, only 90 days are allotted to complete the notice of intention to designate. This rule may be subject to exceptions which will be set out in forthcoming regulation.

9.4.3 Updated Heritage Designation Criteria

Bill 23 proposes amendments to Ontario Regulation 9/06 (Criteria for determining cultural heritage value or interest) which is used to establish a heritage designation for individual properties and heritage conservation districts. Higher thresholds are proposed to apply a heritage designation on an individual property as well as a heritage conservation district.

These are just a sample of the proposed OHA amendments under Bill 23. There are several other amendments that will require municipal Planning Staff to revisit its long-standing heritage policy and procedures, as well as address how to proceed with future phases of the Brantford Heritage Register Project. Planning and Development Services Staff will confer with the consultants presently working on the Brantford Heritage Register Project to fully understand the implications of Bill 23 and pivot the project's direction, if necessary.

Comment to the Province:

The City of Brantford is a 145 year old community that is rich in history. Tackling the designation of hundreds of potential listings takes time and research and few municipalities have the funding or resources to do this work in a two year timeframe, given that qualified heritage professionals are required to do this work. The City of Brantford believes there are alternative approaches to support growth and construction in historic neighbourhoods and properties without compromising heritage values that are a part of a municipality's unique character.

9.5 Review of a Place to Grow and Provincial Policy Statement (Appendix B: Item 6)

The Province proposes to combine and streamline two fundamental provincial land use planning documents, the Provincial Policy Statement (PPS) and A Place to Grow, the Growth Plan for the Greater Golden Horseshoe ("Growth Plan"). These documents outline provincial goals and policy requirements for a wide range of land use planning matters, such as how to manage population growth, increasing transportation and transit infrastructure, and the location of urban growth boundaries and natural

heritage features. Each development application that is presented to Council for consideration explains whether or not the development is consistent with the PPS and conforms to the "Growth Plan" as required by the *Planning Act* and the *Places to Grow Act (2005)*.

Comment to the Province:

Planning and Development Services Staff will continue to monitor the creation of a combined document that will address existing overlap and outdated content within the PPS and Growth Plan. Municipal Staff are largely in support of provincial-level goals and requirements for sustainable land use planning practices, and those in particular which address housing supply to support functional communities.

9.6 Changes affecting Conservation Authorities, Natural Hazards, Natural Heritage, and Wetland Evaluation System (Appendix B: Items 7, 8, 9, 10)

Substantial amendments are proposed which affect the activities of conservation authorities in Ontario. While not directly within municipal operations, a change in the role of conservation authorities will change the important relationship and cooperation the City of Brantford shares with the Grand River Conservation Authority (GRCA) in protecting the Grand River ecosystem, as well as the shared responsibility of protecting people and development from flooding, steep slopes, and other natural hazards associated with the Grand River. Under the current provincial *Conservation Authorities Act*, which governs Ontario's 36 conservation authorities, a separate regulation outlines the unique responsibilities of each conservation authority. Bill 23 proposes to introduce a single province-wide regulation to streamline processes, provide clarity and certainty for development and to focus the conservation authorities' mandate to protect people and property from the natural hazards.

Additionally Bill 23 proposes to considerably limit the role of conservation authorities to provide comment on development applications or on environmental studies. The role for conservation authorities is particularly important in Branford because of the large area impacted locally by the Grand River (approximately 28 kilometres of the Grand River is in Brantford). Under the existing *Planning Act* and *Conservation Authorities Act*, the GRCA may comment on development applications that may impact watersheds, wetlands, floodplains, and hazardous areas. Further

to this, since 1996, the City of Brantford and GRCA have operated under a Memorandum of Understanding to identify additional responsibilities of the GRCA with respect to natural heritage and hazard land protection within the City. This involved regular attendance at pre-consultation meetings for potential planning applications, providing support and evidence on behalf of the City at Ontario Land Tribunal Board hearings, and reviewing environmental studies and being a lead reviewer in a number of specialized areas including fish habitat, flooding hazards, steep slope and erosion, and stormwater management as it relates to natural heritage and natural hazards. In general, the GRCA provides important information and insight on a number of topics for which municipal staff may not have "inhouse expertise" including significant wildlife habitat, endangered species and plants, environmentally sensitive areas, significant woodlands, provincially significant wetlands, and other natural heritage systems. Planning and Development Services Staff anticipates additional responsibilities to compensate for the contributions provided by the GRCA, and this may include the need to hire additional specialized planning staff to assess the impacts of proposed development on environmentally significant features.

Bill 23 will completely remove the GRCA's role under the *Planning Act*, the *Condominium Act*, the *Ontario Heritage Act*, the *Drainage Act*, the *Ontario Water Resources Act*, the *Environmental Assessment Act*, the *Endangered Species Act*, and the *Aggregate Resources Act*.

For planning application processes, the GRCA's fee for service was charged to the applicant. The MOU between the City of Brantford and the Grand River Conservation Authority was due to be renewed in 2022. Municipal and GRCA Staff will await the outcome of Bill 23 to determine next steps. Planning and Development Services will review this matter further to explore options to retain an in-house natural heritage planner or seek third-party support.

Other notable conservation authority-related amendments under Bill 23 will modify definitions and criteria for identifying and evaluating wetlands, exempt certain activities from requiring permits, modify other activities falling under the jurisdiction conservation authorities, and create an offset policy that would permit development applications to develop within natural heritage features if other additional lands which provide similar natural heritage functions are protected.

Comment to the Province:

The proposed amendments "turns back the clock" on environmental protection and human health when the impacts of climate change are evident and urgent. The efforts of the City of Brantford to protect the Grand River watershed ecosystem and mitigate future flood events will be challenged by the loss of collaboration with the Grand River Conservation Authority in reviewing development applications.

9.7 Indigenous Consultation

While not directly addressed by Bill 23, it is evident that there will be negative impacts to our ability to meaningfully consult and collaborate with Indigenous Peoples. The City of Brantford is a party to the Grand River Notification Agreement. Under that Agreement, the City provides notice of certain development applications to the elected Councils of the Six Nations of the Grand River and the Mississaugas of the Credit First Nation (MCFN) for review and comment, which is an important part of the planning process in Brantford. Many Indigenous communities lack the vital resources necessary to respond to development proposals within the current Planning Act timelines, therefore shortening these timeframes will only exacerbate these challenges further.

Comment to the Province:

The combined effects of Bills 109 and 23 result in a significant reduction of both the amount of time in which proponents and municipalities can undertake meaningful engagement and consultation with Indigenous Peoples, as well as the opportunities for consultation and engagement (through the elimination of planning processes that apply to developments that will or could potentially impact the rights of Indigenous Peoples). One of the stated goals of Ontario, as set out in the 2020 Provincial Policy Statement, was to encourage planning authorities to build constructive, cooperative relationships through meaningful engagement. The amendments proposed in Bill 23 and Bill 109 collectively undermine that goal and the important work municipalities have done to foster collaborative relationships with Indigenous communities.

9.8 Proposed Amendment to the Greenbelt Plan - Addition of Paris Galt Moraine (Appendix B: Item 11)

Another recent ERO posting announced adding lands known as the Paris Galt Moraine to the existing Greenbelt. It is noted that this addition is specifically located within the County of Wellington. There is no impact or change to the City of Brantford. It is noted that none of the existing Greenbelt Area is within the municipal boundaries of Brantford.

9.9 Ontario Building Code 2024 Edition (Appendix B: Item 12)

Several ERO postings announced alongside Bill 23 make reference to updates to the Ontario Building Code that are ongoing. At this time, municipal Building Services Staff have no concerns with the proposed updates and amendments.

10.0 Financial Implications

10.1 Reduced Development Charges Receipts

The changes proposed in Bill 23 as they relate to the *Development Charges Act* are expected to have significant financial implications for the City that cannot be properly quantified at this time. It is clear, however, that the statutory exemptions, mandatory discounts and removal of eligible services will result in a severe reduction in planned receipts from development charges. The City's ability to proceed with necessary development-related works will become constrained. In its comments to the Province in response to changes proposed in Bill 23, Hemson Consulting Ltd. estimates that individual municipalities will collect between 10 percent and 35 percent less DC revenue in the next 5 years. Excluding housing DC receipts, this represents an estimated range in lost DC revenues of between \$20 million and \$70 million.

Of significant note to the City is the removal of Housing from the list of services eligible for the collection of DC's, which could see lost revenues of approximately \$22 million over the same 5 year period. The City's next 10-year capital plan forecasted collecting almost \$50 million in Housing DC's, and the development of new affordable housing units was planning to rely heavily on the use of these DC's which will no longer be available. Staff will be updating the financing plan for the delivery of these services and will make recommendations through a future report to Council.

Removing DC eligible items will reduce DC collections and the ability to fund capital works. Without alternate sources of funding, these costs would fall to residents and businesses through increased charges on residents' and businesses' utility and property tax bills. The municipality is regulated to have sustainable reserve accounts for water and wastewater projects, including a set percentage of full system value available for emergencies. The water and wastewater rates are set once every five (5) years based on anticipated revenue projected in the Development Charges Background Study. If DC's are unavailable, this could potentially trigger a revised municipal Water and Wastewtaer Rate Study, which is likely to recommend an increase on water and wastewater rates paid by residents and businesses.

Reducing DC's for new development does not decrease the cost of growth-related infrastructure. Municipalities are limited in their ability to generate revenues so reductions in DC revenue transfers costs to existing property taxpayers and rate payers. This goes against the long standing belief that "growth pays for growth". Higher property taxes and water and wastewater rates in turn would affect housing and business affordability which would be counter-productive to the goal of creating more affordable housing options. It would also affect the viability of businesses who are an important contributor to the overall municipal tax base.

Furthermore, to successfully achieve additional housing supply, the municipality must be able to service them. Planning for infrastructure, ranging from new roads to new pumping stations require consistent and predictable funding through DC's to allow municipalities to strategically plan for long-term projects. Municipalities create budgets for these projects and build up reserves through DC's based on predetermined DC rates informed by studies. The delivery of new infrastructure would likely be delayed if DC revenue is reduced and yet the demand for growth increases. The growth related 10-Year Capital Plan was developed using forecasted DC receipts outlined in the Development Charges Background Study undertaken in 2021. Staff will need to work with its consultants to estimate the financial impact resulting from Bill 23.

10.2 Other Financial Implications

Bill 23 will add further financial implications to the Planning and Development Services Department, which is in the process of responding to the recently enacted Bill 109 *More Homes For Everyone Act* that

require planning application fees be refunded if provincially prescribed response deadlines are not met. If more development applications are received in response to developers building more homes faster, there will be more pressures on the staff who process them, and as a result, Planning and Development Services may be refunding more fees. More information about the procedural and potential financial implications of Bill 109 will be reported through Report 2022-683 in December.

Additional staff resources, or the requirement to retain third party consultants, may be required to supplement the role that the Grand River Conservation Authority has provided to the City of Brantford. There is a concern that there could be indirect costs to repair or retroactively address problems that could arise from more constrained review processes and the removal of site plan control on some development.

Reduction in the collection of parkland dedication fees could also impact the provision of parks and recreational services. In order to determine the fulsome financial implications of Bill 23, City Staff will require more information which is anticipated to come through the associated regulations to support these amendments.

11.0 Climate and Environmental Implications

The "More Homes, Built Faster: Ontario's Housing Supply Action Plan 2022–2023" has the primary goal of building 1.5 million homes within ten years. It remains to be seen if achieving this goal through the proposed amendments under Bill 23 may have an associated negative impact on climate and environmental matters due to changes to the role of conservation authorities and introducing offset policies for natural heritage features.

12.0 Conclusion

As described in this Report, the Province is proposing a set of substantial changes through Bill 23 *More Homes Built Faster Act, 2022* that will have significant impacts for municipalities across Ontario. The overall goal of increasing housing supply in Ontario is supported. However, several of the provisions significantly eliminate local decision-making and the municipal revenue tools that are critical to good land use planning and financial practices which communities depend on. The City of Brantford would support additional opportunities to work with the Province and all stakeholders to explore solutions towards the important goal of building more homes faster and increasing housing affordability. It is requested the Province postpone Bill 23 to permit

more discussions and consultations with municipalities. Should Bill 23 proceed, the Province should identify and provide further financial tools or sources to fund municipal revenue losses.

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Chief Planner and Director of Planning and Development Services

People Legislated Services and Planning

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Attachments

Appendix A – Summary of Previous Provincial Acts and City of Brantford Response

Appendix B – Summary of Bill 23 More Homes Built Faster Act, 2022 ERO Postings

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required [] yes [X] no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk [] yes [X] no

Is the necessary by-law or agreement being sent concurrently to Council? [] yes [X] no

Appendix A: Summary of Previous Provincial Acts and City of Brantford Responses

 Table 2 Summary of Previous Provincial Acts and City of Brantford Responses

Provincial Bill	City of Brantford Response	
Bill 108, More Homes, More Choice Act -Royal Assent June 2019	Bill 108 now allows for up to two additional accessory dwelling units, for a total of 3 dwelling units being permitted in a single detached, semi-detached and street townhouse (rowhouse) dwelling.	
	Report No. 2020-63, September 8, 2020	
	This staff report responds with Official Plan and Zoning By-law amendments to allow for a total of 3 dwelling units as-of-right.	
	Report No. 2022-259, August 10, 2021	
	This staff report adds provisions for tandem parking for converted dwelling units.	
Bill 197, COVID 19 Economic Recovery Act	Bill 197 amends multiple Acts, including the <i>Planning Act</i> .	
-Royal Assent July 2020	Report 2022-577, September 8, 2022	
-Noyal Assembling 2020	This staff report responds to changes impacting parkland dedication.	
Bill 13, Supporting People and Businesses Act	Bill 13 changes municipal planning and development review procedures under the <i>Planning Act</i> .	
Businesses Act	Staff Report 2022-683, December 8, 2022 (forthcoming)	
-Royal Assent December 2021	This staff report responds to the new municipal planning and development review procedures related to Bill 13, including establishing a category of minor zoning amendments that may be addressed through delegated authority instead of a committee of Council.	
Bill 109 More Homes for Everyone Act	Bill 109 amends the <i>Planning Act</i> and other statutes to address the Ontario Housing Affordability Task Force Report, issued in February 2022.	
-Royal Assent April,	Staff Report 2022-189, April 12, 2022	
2022	This staff report expresses several concerns with recommendations outlined in the Ontario Housing Affordability	

Provincial Bill	City of Brantford Response
	Task Force and of Bill 109, which would address some of the Task Force Report recommendations.
	Of particular concern were Bill 109 amendments regarding prescribed timelines for review of certain planning applications and the requirement to refund fees if prescribed timelines were not achieved. The prescribed timelines come into effect January 1, 2023.
	Staff Report 2022-683, December 8, 2022 (forthcoming)
	This staff report will respond to enacted Bill 109 amendments, including prescribing mandated review timelines.

Appendix B – Summary ERO Postings associated with Bill 23 *More Homes Built Faster Act, 2022*

Table 3 Summary of ERO Postings associated with Bill 23 More Homes Built Faster Act, 2022

Item	Title Of Proposed Amendment	ERO#	Proposal Summary	Commenting Deadline
1	Proposed Planning Act and City of Toronto Act Changes (Schedules 9 and 1 of Bill 23 - the proposed More Homes Built Faster Act, 2022)	019-6163	To streamline approval processes and address barriers to the construction of houses, amendments are proposed impacting the following: As-of-right three dwelling units per residential lot Restricting third party appeals to select individuals Plan of subdivision applications no longer require meetings required Development up to 10 units are exempted from site plan approval Changes on the role of conservation authorities Parkland dedication and cash-in-lieu calculations are amended	Nov. 24, 2022 (30 days) Updated to: Dec. 9, 2022 (45 days)
2	Proposed Changes to Ontario Regulation 299/19: Additional Residential Units	019-6197	The proposed changes would allow, "as-of-right" (without the need to apply for a rezoning) up to 3 units per lot in many existing residential areas (i.e., up to 3 units allowed in the primary building, or up to 2 units allowed in the primary building and 1 unit allowed in an ancillary building such as a garage). Supersede local official plans and zoning to automatically apply province-wide to any parcel of land where residential uses are permitted in settlement areas with full municipal water and sewage services (excepting for legal non-conforming uses such as existing houses on hazard lands). Remove barriers and incent these types of units by prohibiting municipalities from imposing development charges, parkland dedication or cash-in-lieu requirements (Proposed Planning Act and Development Charges Act Changes: Providing Greater Cost Certainty for Municipal Development-related Charges), applying minimum unit sizes or requiring more than one parking space per unit.	Dec. 9, 2022 (45 days)
3	Proposed Planning Act and Development Charges Act, 1997 Changes: Providing Greater Cost Certainty for	019-6172	To reduce the cost of building homes, the government is proposing changes to the Planning Act and the Development Charges Act, 1997 through Bill 23, including: Additional statutory exemptions from development charges for affordable units, attainable units, inclusionary zoning units, non-profit housing.	Nov. 24, 2022 (30 days) Updated to: Dec. 9, 2022 (45 days)

Item	Title Of Proposed Amendment	ERO#	Proposal Summary	Commenting Deadline
	Municipal Development- related Charges		 Exempting additional units from parkland dedication requirements Housing services are removed as an eligible services using development charges Mandatory five year phase-in f the calculated maximum DC charge Discounted DCs ranging from 15-20% for rental housing developments that are not affordable, attainable, or non-profit Changes to capital cost definition Capping interest rate for frozen DCs and installment payments Requirements to allocate 60% of funds received each year 	
4	2031 Municipal Housing Targets - Bulletin	019-6171	This notice is for informational purposes only. There is no requirement to consult on this initiative on the Environmental Registry of Ontario. The Province has assigned housing targets to 29 selected lower- and single-tier municipalities in Southern Ontario. These selected municipalities will work towards achieving these targets by 2031.	n/a
5	Proposed Changes to the Ontario Heritage Act and its regulations: Bill 23 (Schedule 6) - the Proposed More Homes Built Faster Act, 2022	019-6196	 A proposal to make legislative and regulatory amendments to the Ontario Heritage Act to help remove barriers to housing development including: Properties added to a heritage register must meet at least one criteria under O.Reg 9/06 Properties on a heritage register must provided with a notice of intention to be designated within 2 years or be removed; and removed properties cannot be added for at least 5 years For properties undertaking certain types of planning application, councils can only issue a notice to designate a property if it is already on a heritage register 	Nov. 24, 2022 (30 days)
6	Review of A Place to Grow and Provincial Policy Statement	019-6177	The Ministry of Municipal Affairs and Housing (MMAH) is undertaking a housing-focused policy review of A Place to Grow and the Provincial Policy Statement. MMAH is seeking input on how to create a streamlined province-wide land use planning policy framework that enables municipalities to approve housing faster and increase housing supply.	Dec. 30, 2022 (66 days)
7	Legislative and regulatory proposals affecting conservation authorities to	019-6141	Legislative and regulation changes under the Conservation Authorities Act to streamline processes, provide clarity and certainty for development, and focus on conservation authorities' natural hazards mandate.	Nov. 24, 2022 (30 days) Updated to: Dec. 9, 2022

Item	Title Of Proposed Amendment	ERO#	Proposal Summary	Commenting Deadline
	support the Housing Supply Action Plan 3.0			(45 days)
8	Proposed updates to the regulation of development for the protection of people and property from natural hazards in Ontario	019-2927	The ministry is proposing a regulation that outlines how conservation authorities permit development and other activities for impacts to natural hazards and public safety.	Dec. 30, 2022 (66 days)
9	Proposed Updates to the Ontario Wetland Evaluation System	019-6160	In support of Ontario's Housing Supply Action Plan 3.0 and the government's commitment to support the construction of 1.5 million new housing units over the next ten years, the province is proposing updates the Ontario Wetland Evaluation System that would remove duplicate requirements and streamline the evaluation process.	Nov. 24, 2022 (30 days)
10	Conserving Ontario's Natural Heritage	019-6161	The province is seeking feedback on the discussion paper entitled Conserving Ontario's Natural Heritage, which addresses how Ontario could offset development pressures on wetlands, woodlands, and other natural wildlife habitat. The Ministry of Natural Resources and Forestry is considering developing an offset policy that would require a net positive impact on these features and help reverse the decades-long trend of natural heritage loss in Ontario.	Dec. 30, 2022 (66 days)
11	Approved Amendment to the Greenbelt Plan - Growing the size of the Greenbelt	019-4485	 Remove the lands listed above from the Greenbelt Area to support the goal to build 1.5 million homes over the next 10 years. Expand the Greenbelt Area to enable the policy coverage of the Greenbelt Plan to be extended to lands in the Paris Galt Moraine 	Closed
12	General Proposed Changes for the Next Edition of Ontario's Building Code (Phase 3 - Fall 2022 Consultation)	22- MMAH0 16 22- MMAH0 19 019-6211	The Ministry of Municipal Affairs and Housing is entering its third and final phase of consultation on the 2024 edition of Ontario's Building Code. This phase focuses on remaining Ontario-specific provisions that were not included in the first phase of consultation, as well as new changes related to harmonization with the National Construction Codes that were identified in the first two consultations.	On-going



November 23, 2022

The Hon. Doug Ford Premier of Ontario Legislative Building, Queen's Park Toronto, ON M7A 1A1

The Hon. Steve Clark Minister of Municipal Affairs and Housing 17th Floor - 777 Bay St. Toronto, ON M7A 2J3

Dear Premier Doug Ford and Minister Clark,

As Chair of Ontario's Big City Mayors (OBCM) I am writing to you today on behalf of our membership (see signatories below) regarding Bill 23, More Homes Built Faster Act, 2022. We were grateful for the opportunity to present to the Standing Committee on Heritage, Infrastructure and Cultural Policy and would like to take this opportunity to further elaborate on our comments.

OBCM is supportive of the government's goal of building 1.5 million homes over the next 10 years in Ontario. We see daily the impact of the current housing crisis in our municipalities, and we want to ensure we can work with the government to achieve our collective goal to build affordable, safe and thriving communities. There are positive components to Bill 23, however we are writing to you today to highlight our key concerns for Ontario's biggest cities.

Legislated Funding Cuts to Municipalities

The proposed amendments to development charges (DC's), including exemptions and removals for housing services and background studies will likely result in billions of dollars worth of infrastructure deficits that, without offsetting, will severely impact our ability to support the building of new homes. Municipalities have always used a "growth pays for growth" model, and without a new model put in place, the financial burden for this infrastructure will fall to the existing tax base. In line with the asset management planning that is mandated by the province for municipalities, the DC's collected are determined through background studies to meet our infrastructure needs. These funds are then allocated and put in reserve for these projects and future growth. Our municipalities will realize significant tax increases over the next several years to maintain the infrastructure needed to support these developments without offsetting and/or support from other levels of government. The impact on the proposed changes to parkland spaces could also place an additional significant financial burden on municipalities, as we do not have the funds allocated to secure public greenspace from privately held spaces to secure safe outdoor spaces for our residents.

Work With Municipalities to Get It Done, Effectively

OBCM feels that the proper place for discussions these concerns is at the Housing Supply Action Plan Implementation Table. We are committed to working through that table to find unity with all stakeholders in building the homes Ontarians need and we feel that the best timeline to accomplish this is having it coincide with the March 1st, 2023, date of pledges that municipalities are required to sign. This group is an important tool to bring together all levels of government, including partner ministries and other municipal and industry associations, to oversee important and



impactful changes that will build more housing. At that table a full review can take place and all partners can work together to find solutions that will meet the goal of building affordable housing across the province while including a sustainable funding model to address the critical infrastructure deficits outside of the property tax base.

Accountability for All Partners

We agree accountability can be found through the pledges outlined in Bill 23. Our municipalities have been working hard to ensure we are building more affordable homes and have been making progress on meeting our targets. We are all in this together, yet there are factors outside of all our control right now that could impact outcomes. The province has already reduced the projections for housing starts for 2023 and 2024 as outlined in the Fall Economic Statement, due to the impact of the current slow down in sales, inflation and increasing interest rates as well as labour shortages and supply chain issues in the building sector. Homebuyers deserve accountability throughout the home building process and these impacts and others such as waiting on ministry approvals or incomplete applications from builders, can cause a significant delay to our municipal building targets.

We are requesting that the province require all partners, not just municipalities to sign pledges outlining the actions each partner is responsible for to ensure they are doing their part to help reach these building targets. It is important for all partners to be held accountable if targets cannot be met, and metrics put in place to measure the impacts of the unprecedented outside forces we are currently experiencing.

Building Housing for Ontarians Is Too Important to Rush

We would like to thank the government for extending the commenting period for the majority of regulatory postings that were to end tomorrow. An extra two weeks provides much needed time to assess the impacts of these proposals and allows for more municipal participation in the consultations.

November 15th was the date set by the province for new terms of councils to begin. This means most municipalities are holding their first council meetings this week, welcoming many new mayors and councillors. Due to this, it has been impossible for municipal councils and professional staff to be fully engaged in the legislative process for Bill 23, and even with appreciated extensions, still difficult for them to approve a council position in time to submit comments on all their priority areas. It is critical that the full impacts of these measures are explored before implementation, allowing municipalities to work with the province to get this right. Our cities are also facing a capacity issue throughout many departments, and with outside consultants already working on the implementation of Bill 109, our resources are limited to be able to focus on responses to this bill.

Bill 23 will forever shift the way municipalities run their planning departments which is why we are asking that the government continue consultations with the municipal sector before final reading of this legislation and to continue this approach throughout the creation of the regulations.

In a spirit of continued cooperation and collaboration, as you have shown through extending the commenting period, we would ask that you consider the other issues that we have brought to light. OBCM supports that your government is taking on the issue of increased housing supply, including through many of the measures found in Bill 23. We want to work together with you to get it all right.

I look forward to hearing from you on this matter and discussing further how OBCM can work with the province on building affordable, safe and thriving communities together.



Sincerely,

Mayor Cam Guthrie Mayor of Guelph Chair of OBCM

Mayor Shaun Collier Town of Ajax

Mayor Alex Nuttall City of Barrie

Mayor Patrick Brown City of Brampton

Mayor Kevin Davis City of Brantford

Mayor Marianne Meed Ward City of Burlington

Jan Liggers

Mayor Jan Liggett City of Cambridge

KALH

Mayor Darrin Canniff Municipality of Chatham-Kent

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Mayor Adrian Foster
Municipality of Clarington

Mayor Paul Lefebvre City of Greater Sudbury

Mayor Andrea Horwath City of Hamilton

Adrew House

Mayor Bryan Paterson City of Kingston Jen Manasa

Mayor Berry Vrbanovic City of Kitchener

Mayor Josh Morgan City of London

Mayor Frank Scarpitti City of Markham

park Scarpit

Mayor Gordon Krantz Town of Milton

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Mayor Mat Siscoe City of St.Catharines Mayor Steven Del Duca City of Vaughan

Mayor Kevin Ashe
City of Pickering

Mayor Ken Boshcoff City of Thunder Bay

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Mayor Dorothy McCabe City of Waterloo

Mayor Dave West City of Richmond Hill

Tail Wat

Mayor John Tory City of Toronto Mayor Elizabeth Roy Town of Whitby

CC:

OBCM Mayors and CAOs

Association of Municipalities of Ontario (AMO)

Mayors and Regional Chairs of Ontario (MARCO)