



COUNTY OF WELLINGTON

COMMITTEE REPORT

To: Chair and Members of the Planning Committee
From: Sarah Wilhelm, Manager of Policy Planning
Jameson Pickard, Senior Policy Planner
Date: Thursday, November 10, 2022
Subject: **Bill 23 – More Homes Built Faster Act, 2022**

1.0 Purpose

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

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

2.0 Background

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

3.0 Major Themes

The proposed changes focus on the following major themes:

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

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

Key changes are listed below.

3.1 Building More Homes

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

Additional Residential Units (ARUs)	<ul style="list-style-type: none">• allow landowners to have up to 3 residential units per lot without the need for a zoning by-law amendment in municipally-serviced urban residential areas• would permit 3 units in the main dwelling (including 2 ARUs) or a combination of 2 units in the main dwelling (including 1 ARU) and another ARU in an ancillary building• zoning by-laws cannot set a minimum unit size or require more than one parking space per unit, but other zoning rules would apply
Housing targets to 2031	<ul style="list-style-type: none">• set housing targets to 2031 for 29 “large and fast-growing” municipalities in Southern Ontario (not applicable to Wellington County)
Major transit stations	<ul style="list-style-type: none">• build more homes near major transit stations (not applicable to Wellington County)
Conservation Authorities	<ul style="list-style-type: none">• identification of Conservation Authority lands suitable for housing

3.2 Streamlining

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

Public Involvement	<ul style="list-style-type: none">• remove “third party” appeal rights for all planning applications (this would include appeals by the public)• remove the public meeting requirement for draft plan of subdivision approvals
Conservation Authorities (CAs)	<ul style="list-style-type: none">• remove Conservation Authority appeal rights for planning applications, except where the appeal would relate to natural hazards policies• limit Conservation Authority responsibilities to review and comment on planning applications (either on behalf of a municipality or on their own) to focus on natural hazards and flooding• change the Provincial wetland evaluation system, including shifting responsibility for wetland evaluation to local municipalities• establish one regulation for all 36 CAs in Ontario

New Provincial Planning Document	<ul style="list-style-type: none"> eliminate duplication between the Provincial Policy Statement (PPS) and A Place to Grow (Growth Plan), by combining them into one document and providing a more flexible approach to growth management
Planning Responsibilities	<ul style="list-style-type: none"> shift planning responsibilities from some upper-tier municipalities to lower-tier municipalities (not applicable to Wellington County)
Site Plans	<ul style="list-style-type: none"> exclude projects with 10 or fewer residential units from site plan control exclude exterior design of buildings from site plan control
Heritage	<ul style="list-style-type: none"> add more stringent requirements related to municipal heritage registers and timing of designation
Rental Unit Demolition and Conversion	<ul style="list-style-type: none"> impose limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties

3.3 Reducing Costs and Fees

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

Development Charges and Parkland Dedication	<ul style="list-style-type: none"> exempt non-profit housing developments, inclusionary zoning residential units (not applicable to Wellington County), and affordable, additional and attainable housing units from development charges and parkland dedication discount development charges for purpose-built rentals remove costs of certain studies from development charges reduce alternative parkland dedication requirements
Conservation Authorities	<ul style="list-style-type: none"> a temporary freeze on CA fees for development permits and proposals
Other	<ul style="list-style-type: none"> review of other fees charged by Provincial ministries, boards, agencies and commissions

3.4 Additional Matters

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

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

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

4.0 Conclusion

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

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

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

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

We have significant concerns about actions to:

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

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

5.0 Next Steps

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

Recommendations

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

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

Respectfully submitted,



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APPENDIX A Provincial Postings for Comment

Below is a link to an information bulletin which provides information on the various proposed changes under Bill 23 and associated legislation and includes direct links the related Environmental Registry and Regulatory Registry postings.

[Link to Bill 23 Consultation Postings](#)

Environmental Registry of Ontario Postings (ERO)

Proposal	ERO Number	Notice Type	Comment Deadline
• Planning Act and City of Toronto Act Changes	019-6163	Act	November 24, 2022
• Planning Act and Development Charges Act Changes	019-6172	Act	November 24, 2022
• Review of a Place to Grow and Provincial Policy Statement	019-6177	Policy	December 30, 2022
• Additional Residential Units	019-6197	Regulation	December 9, 2022
• Inclusionary Zoning Regulatory Changes	019-6173	Regulation	December 9, 2022
• Conservation Authorities Act and Regulatory Changes	019-6141	Regulation	November 24, 2022
• Natural Hazards Regulatory Changes	019-2927	Regulation	December 30, 2022
• Conserving Ontario's Natural Heritage	019-6161	Policy	December 30, 2022
• Updates to Ontario Wetland Evaluation System	019-6160	Policy	November 24, 2022
• Ontario Heritage Act and Regulatory Changes	019-6196	Act	November 24, 2022
• 2031 Municipal Housing Targets	019-6171	Bulletin	N/A
• Consultations on More Homes Built Faster	019-6162	Bulletin	N/A

NOTE: The information bulletin about 2031 Municipal Housing Targets does not apply to Wellington County.

Ontario Regulatory Registry Postings (ORR)

Proposal	ORR Proposal Number	Instrument Type	Comment Deadline
• Ontario Land Tribunal Act Changes	22-MAG011	Act	November 25, 2022
• Municipal Rental Replacement By-laws	22-MMAH017	Act	November 24, 2022
• Potential Measures to Support Rent-to-Own	22-MMAH018	Proposal	December 9, 2022
• Building Code Regulatory Changes	22-MMAH016	Regulation	December 9, 2022
• New Home Construction Licensing Act Regulatory Changes	22-MGCS21	Act	December 9, 2022
• Ontario Underground Infrastructure Notification System Act Changes	22-MGCS022	Act	November 25, 2022

APPENDIX B

Summary of Postings

Appendix B1	Planning Act and Development Act
Appendix B2	New Province-wide Planning Policy Document
Appendix B3	Additional Residential Units and Inclusionary Zoning
Appendix B4	Ontario Land Tribunal
Appendix B5	Conservation Authorities
Appendix B6	Ontario Heritage Act
Appendix B7	Other

Appendix B1 Planning Act and Development Charges Act Changes

Proposed Planning Act and Development Charges Act Changes

ERO 019-6163 & ERO 019-6172

Comments due November 24, 2022

<p>Public Appeals and Public Meetings</p>	<ul style="list-style-type: none"> • third parties (including members of the public) would no longer be able to appeal decisions on planning matters (official plans, official plan amendments, zoning by-laws, zoning by-law amendments, consents and minor variances) to the Ontario Land Tribunal • appeal rights maintained for applicants, the Province, public bodies including Indigenous communities, utility providers that participated in process (except where appeals are already restricted) • proposed removal of public meeting requirement for draft plans of subdivision
<p>Conservation Authorities (also see Appendix B5)</p>	<ul style="list-style-type: none"> • Limit CAs ability to appeal planning applications to provincial natural hazard policies, but CAs can appeal matters where they are the applicant • CAs will be given broader ability to sever and dispose of their land
<p>Development Charges</p>	<ul style="list-style-type: none"> • Exemptions for DCs for non-profit housing developments, inclusionary zoning residential units, affordable residential units, additional residential units and attainable residential units • Removal of costs of certain studies from list of capital costs that are considered in determining a development charge that may be imposed • Require DCs to be reduced from what could otherwise be imposed during the first four years by-law is in force • Extension of DC by-law expiry from 5 to 10 years
<p>Parkland Dedication</p>	<ul style="list-style-type: none"> • Requirement for a Parks Plan before passing a parkland dedication by-law • Requirement for municipalities to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year • New exemptions for affordable units, attainable units, inclusionary zoning units, additional residential units and non-profit housing • Parkland dedication for a building permit within 2 years of a site plan and/or zoning by-law amendment approval would be as of date of planning application submission • Allowance for land owners to identify encumbered and privately owned public space as parkland dedication • Reduced alternative parkland dedication requirements at a rate of 1 ha per 600 net residential units for conveyance and cash in lieu at a rate of 1 ha per 1,000 net residential units

Appendix B1 Planning Act and Development Charges Act Changes (continued)

Streamlining Municipal Planning Responsibilities	<ul style="list-style-type: none"> • changes would remove the planning policy and approval responsibilities from the upper-tier municipalities of (Durham, Halton, Niagara, Peel, Simcoe, Waterloo and York) • proposed changes could also potentially be applied to additional upper-tier municipalities in the future
Site Plans	<ul style="list-style-type: none"> • exemption for development up to 10 units (except land lease) • remove the ability to regulate architectural details and landscape design (character, scale, appearance and design features of buildings, and their sustainable design) • allow land lease communities to be approved through site plan control instead of a plan of subdivision (applies outside Greenbelt Area)
Aggregate Applications	<ul style="list-style-type: none"> • Removal of 2-year “timeout” period for applications to amend new official plans, secondary plans and zoning by-laws for mineral aggregate operations • Decisions on aggregate applications will be delegated to staff instead of the Minister

Appendix B2 New Province-wide Planning Policy Document

Review of A Place to Grow and Provincial Policy Statement

ERO # 019-6177

Comments due December 30, 2022

The Province is conducting a review to determine the best way to integrate the Provincial Policy Statement (PPS) and A Place to Grow (Growth Plan) to “enable municipalities to accelerate the development of housing and increase housing supply (including rural housing), through a more streamlined, province-wide land use planning policy framework.” The Province is consulting on a series of policy approaches (a draft policy document is not available) which would support flexibility and/or certainty in the following key areas:

- settlement area boundary expansions and employment area conversions
- residential development in rural areas, including rural settlement areas
- an appropriate range and mix of housing options and densities, which includes ground-related housing, missing middle housing, and housing to meet demographic and employment-related needs
- use of the most current, reliable information about population and employment
- development in natural heritage features (including offsetting/compensation), natural hazards and human-made hazards
- access to aggregate resources
- cultural heritage resources
- ways to service new development with water and wastewater
- requiring fewer studies (including a straightforward approach to assessing land needs)
- overall reduction in the complexity of comprehensive reviews

Appendix B3 Additional Residential Units and Inclusionary Zoning

Proposed Changes to O. Reg. 299/19 Additional Residential Units

ERO 019-6197

Comments due December 9, 2022

Proposed Amendment to O. Reg. 232/18 Inclusionary Zoning

ERO 019-6173

Comments due December 9, 2022

Additional Residential Units (ARUs)	<ul style="list-style-type: none"> • allow up to 3 units per lot: up to 3 units in the primary building, or up to 2 units in the primary building and 1 unit in an ancillary building such as a garage • allow ARUs without the need to apply for rezoning (or “as-of-right”) in many existing residential neighbourhoods in settlement areas with full municipal water and sewage services • prohibit municipalities from: <ul style="list-style-type: none"> • imposing development charges, parkland dedication or cash-in-lieu requirements, • applying minimum unit sizes, or • requiring more than one parking space per unit
Inclusionary Zoning	<ul style="list-style-type: none"> • allow municipalities near transit stations or with a Community Planning Permit System (CPPS) to use inclusionary zoning to require affordable housing units to be included in residential developments of 10 or more units • proposed changes would place a 5% limit on how many units would be required to be affordable and standardizing how to determine lowest price/rent • inclusionary zoning is not permitted in Wellington County at this time

Appendix B4 Ontario Land Tribunal

Proposed Amendments to the Ontario Land Tribunal Act, 2021

ORR # 22-MAG011

Comments due November 25, 2022

New powers	<ul style="list-style-type: none"> • Allow OLT to dismiss appeals due to unreasonable delay by parties • Allow OLT to order an unsuccessful party to pay a successful party’s costs
New regulations	<ul style="list-style-type: none"> • Enable OLT prioritize certain classes of proceedings through pending regulations (e.g. those which create the most housing) • Enable OLT to set timelines for specific case resolution activities

Appendix B5 Conservation Authority Changes

Conservation Authorities Act and Regulatory Changes

ERO # 019-6141

Comments due November 24, 2022

Removal of the Ability to Comment on Development Applications

Currently, the CA Act sets out a framework for CAs to provide certain “Municipal” or “Other” programs and services. In the County, this would include agreements with CAs to review and comment on site-specific development applications under the Planning Act. These agreements leverage CA expertise in water resources management, natural heritage protection and hazardous lands planning and helps the County and our Member Municipalities meet Provincial Policy obligations and public safety requirements.

Proposed changes under Bill 23 would clarify that a CA can only comment on matters pertaining to their “Mandatory Programs and Services” (set out in O.Reg. 686/21) and not provide programs or services that are related to reviewing and commenting on development proposals, planning applications or other matters made under prescribed Acts.

An accompanying regulation identifies the “prescribed Acts” under which the CA could not perform a review and comment role through “Municipal” and “Other” program and service agreements. Prescribed Acts include:

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

Planning Act Exemption from Certain Prohibitions

Currently the CA Act outlines certain activities which are prohibited from occurring in areas under jurisdiction of the CA. The Bill proposes to add a new sub-section which would provide opportunities to exempt certain development activities from these prohibitions provide the following criteria is met:

- 1) The activity is part of development authorized under the Planning Act; and
- 2) Such conditions and restrictions as may be prescribed for obtaining the exception and on carrying out the activity are satisfied.

The Bill adds regulation-making authority to allow the Lieutenant Governor in Council to impose conditions and restrictions on exceptions and to prescribe certain municipalities where this exemption can be used. This change will have the effect of further limiting the power of CAs by allowing the Minister to make exceptions specifically for development approvals.

While the legislative framework would be established in the CA Act for this tool, the Ministry has not yet proposed a regulation giving it effect. The Ministry is consulting further on this tool through the consultation guide released under ERO# 019-2927.

Appendix B5 Conservation Authority Changes (continued)

Ministers Zoning Orders

Currently CAs are required to issue permits for projects subject to a Ministers Zoning Order. The Bill proposes to extend this requirement to projects subject to a Community Infrastructure and Housing Accelerator order under Section 34.1 of the Planning Act. Additional changes would also establish regulation-making Authority for the Minister to limit the types of conditions that can be imposed in these circumstances by CAs.

Reduced Review Window for Conservation Authority Permits

The bill proposes to reduce the decision window from 120 to 90 days for review and decision on a permit application. Applicants can appeal a non-decision of the CA beyond this time frame to the Ontario Land Tribunal.

Ministers Direction on Fee Changes

The Bill proposes to introduce a new section to the CA Act which would enable the Minister to give written direction to CAs not to change the amount of any fee it charges for a program and service for a specified period of time.

Limitations on CA Appeal Rights

Currently under the Planning Act, CAs have the ability to appeal land use planning decisions to the Ontario Land Tribunal as they are considered a “public body” under the Act. Proposed changes to the CA Act would clarify that Conservation Authorities are not a “public body” except where an appeal made relates to natural hazard policies in provincial policy statements. If enacted, this would take effect January 1, 2023.

Identification of Conservation Authority Lands Suitable for Housing

Currently O.Reg. 686/21 under the CA Act requires CAs to complete a conservation area strategy and land inventory of all lands they own or control by December 31, 2024. Changes are proposed to O.Reg. 686/21 which would require the land inventory to identify CA lands that could support housing development. Additional changes to the CA Act are proposed to help facilitate the disposition of these developable lands (i.e. Notice requirements for the Minister and public, a streamlined severance process, and the use of proceeds generated by the sale of lands).

Establishing one regulation for permits for all 36 Conservation Authorities in Ontario

ERO # 019-2927

Comments due December 30, 2022

The Ministry of Natural Resources and Forestry is consulting on a proposal which would establish a singular regulation that set out the activities and associated requirements for permits for all 36 CAs in Ontario. The individual 36 regulations would be revoked. A consultation document has been prepared which seeks feedback on detailed aspects the proposal including revisions to some natural feature definitions, as well as, internal/permitting processes.

Offsetting policy for natural features

ERO # 019-6161

Comments due December 30, 2022

The Ministry of Natural Resources and Forestry is consulting on a province-wide offsetting policy that would require a net positive impact on natural features. The ministry has prepared a discussion paper seeking feedback on specific aspects of the proposal.

Appendix B5 Conservation Authority Changes (continued)

Updates to Ontario Wetland Evaluation System

ERO # 019-6160

Comments due November 24, 2022

The Ministry of Natural Resources and Forestry is consulting on a proposal to update the current guidance related to Ontario's wetland evaluation system. The proposed changes appear to remove the concept of wetland complexing (the grouping of smaller/multiple wetlands in an area for the evaluation of significance) and would require individual wetlands to be evaluated for significance based on their own merits. The modifications also appear to scale back/ remove Ministry involvement in the evaluation of wetlands and defer to municipalities.

Appendix B6 Ontario Heritage Act

Proposed Changes to the Ontario Heritage Act and its Regulations

ERO # 019-6196

Comments due November 24, 2022

Municipal Registers	<ul style="list-style-type: none">• give 6 months for municipalities to make an up to date municipal register of non-designated properties available on-line• Allowing for property owners to object to inclusion of their property on the municipal register at any time• Requiring that a property to be included on the municipal register must meet criteria. This change is proposed to apply to non-designated properties added to the municipal register on or after amendments come into force.• requiring removal of non-designated properties from a municipal register for five years if council does not issue a notice of intention to designate within 2 years (for existing and newly listed properties) or if Council moves to designate a listed property, but is unsuccessful in doing so
Notice of Intention to Designate	<ul style="list-style-type: none">• within 90 days of the initiation of an official plan amendment, zoning by-law amendment, or plan of subdivision application on the property, the municipality can now give notice of intention to designate when the property only if the property is already listed on the heritage register
Heritage Conservation Districts	<ul style="list-style-type: none">• requirement for municipalities to explain how a heritage conservation district meets criteria• provide for more flexibility to amend or repeal existing heritage conservation districts to support smaller scale development, including housing opportunities

Appendix B7 Other Changes

Municipal Rental Replacement By-laws

ORR # 22-MMAH017

Comments due November 24, 2022

The Ministry of Municipal Affairs and Housing is proposing to enact a Minister's regulation-making authority to enable the Minister to make regulations to standardize and clarify municipal powers to regulate the demolition and conversion of residential rental properties, in order to provide consistency and streamline the construction and revitalization of new housing supply. The government is also seeking input on the content of a new regulation under this authority.

Rent-to-Own Arrangements

ORR # 22-MMAH018

Comments due December 9, 2022

The Ministry of Municipal Affairs and Housing is seeking input on a rent-to-own financing model in Ontario and asks for feedback on how these types of arrangements could help with housing attainability in Ontario.

Building Code

ORR # 22-MMAH016

Comments due December 9, 2022

The Ministry of Municipal Affairs and Housing is seeking feedback on proposed amendments to the Ontario Building Code which proposes to:

- 1) amend the requirements in the code for mid-rise wood buildings between four and six storeys to harmonize with current requirements in the National Building Code; and
- 2) remove the current requirement for a standpipe system in a four-storey stacked townhouse.

New Home Construction Licensing Act

ORR # 22-MGCS021

Comments due December 9, 2022

The Ministry of Public and Business Service Delivery is seeking feedback on proposed amendments to the New Home Construction Licensing Act, 2017 to address unethical behaviour by vendors and strengthen consumer protection for purchasers of new homes in Ontario who may be adversely impacted by price escalations and terminations of agreements.

Underground Infrastructure Notification System

ORR # 22-MGCS022

Comments due November 25, 2022

The Ministry of Public and Business Service Delivery is seeking feedback on proposed Legislative amendments under the Ontario Underground Infrastructure Notification System Act, 2012 to provide the Minister the authority to appoint the Chair of Ontario One Call's Board of Directors, which would supplement other board governance powers contained in the Act to support a shift from an industry-centred Board.