

May 10, 2024

Ministry of Municipal Affairs and Housing Provincial Planning Policy Branch 777 Bay Street, 13th Floor Toronto, ON M7A 2J3

Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca

Re: ERO 019-8369: Proposed *Planning Act*, and *Municipal Act*, 2001 Changes and ERO 019-8370: Proposed Changes to Regulations under the *Planning Act* and *Development Charges Act*, 1997: Newspaper Notice Requirements and Consequential Housekeeping Changes

Thank you for the opportunity to review and comment on the following Environmental Registry of Ontario (ERO) posting 019-8369: Proposed *Planning Act*, and *Municipal Act*, 2001 Changes, which are proposed in *Bill 185, Cutting Red Tape to Build More Homes Act, 2024* and ERO 019-8370 Regulation Changes to Newspaper Notice Requirements under the *Planning Act* and *Development Charges Act*.

Please note that the following comments and recommendations are provided by Region of Peel staff and may be considered by Regional Council for endorsement. If additional or differing comments are provided through a Council resolution, they will be forwarded to the Ministry for consideration.

GENERAL COMMENTS

Peel Region appreciates the Province's efforts to increase housing supply in an attempt to improve affordability. These are important issues that require integrated solutions. While Peel Region supports streamlining to increase housing supply, it is important that policy direction balance multiple objectives including infrastructure, affordability, employment, equity, diversity and inclusion, Indigenous engagement, and protecting resources, agriculture, water, and natural systems.

The proposed changes in Bill 185 with respect to the *Planning Act* and *Municipal Act*, 2001 appear to facilitate the speeding up of housing development across Ontario and in Peel by dealing with stalled development. Specific changes to the *Development Charges Act*, 1997, help to restore some of the ability of municipalities to properly fund growth and housing related infrastructure through development charges (DCs). While restoring DC eligibility for required background studies is positive, housing services and land costs should be eligible as DC costs, particularly in light of the current housing affordability crisis. Housing services remaining ineligible for DC funds limits Peel's ability to support the Peel Community Housing Development Program and create much needed community housing and supportive housing, particularly for diverse populations and individuals with low and moderate incomes, including those who are living with family, physical, mental health and addiction struggles.



SPECIFIC COMMENTS

Peel Region staff would like to provide the following specific comments in response to the proposed amendments to *Planning Act* and *Municipal Act, 2001* and other policy and regulatory proposals that are related to *Bill 185, Cutting Red Tape to Build More Homes Act, 2024*.

Removal of Upper-tier Planning Responsibilities

As the date when upper-tier planning responsibilities will be removed from Peel Region is now known, Peel Region is focusing on providing for a smooth transition of planning responsibilities to local municipalities and the Province on July 1, 2024. Although without planning responsibilities under the *Planning Act*, Peel Region will continue to play a role in providing efficient infrastructure to support local municipalities in their efforts to meet housing pledges, deliver on direction in the most efficient and cost-effective manner, and provide planning and technical expertise to achieve Regional and provincial priorities. This includes advancing interests across Peel and continuing Peel's role as housing service manager and a public health authority.

However, there are concerns about the implications of the removal of Peel's upper-tier planning responsibilities on Regional roads. The upgrade of Regional Roads, which comprise a network of important arterial roads within Peel that is critical for goods movement and supporting new development, is currently undertaken by Peel Region. Peel Region currently has authority under the Planning Act ss. 41(8)(a)(i) and 51(25)(c) to take land for widenings gratuitously as a condition of approval for site plans and plans of subdivision. When Peel Region becomes an upper-tier municipality without planning responsibilities, it will no longer be able to require these land dedications, which will impede the ability to continue to provide required critical upgrades to roads infrastructure. The removal of upper tier planning responsibilities may also disrupt the ability to require the registration of access agreements on title pursuant to 41(8)(b), which is necessary to ensure safe access onto Regional Roads. Peel Region staff request that the Province address impacts on the ability to deliver safe and effective roads.

Eliminating Parking Minimums

Prohibiting parking minimums within Protected Major Transit Station Areas (MTSAs) and other Strategic Growth Areas could have many housing-related and health benefits such as promoting compact built form, promoting transit-oriented communities, and supporting pedestrians and cyclists.

Local municipalities in Peel have updated their parking plans and by-laws to reduce parking minimums in transit corridors and intensification areas. This is in alignment with Peel staff's advocacy for reduced parking requirements which reduces the cost of building affordable and non-market housing.

It is important that there be more information on how the elimination of parking minimums apply to non-residential, visitor, and accessible parking. Efforts to prohibit

Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca



parking minimums should be accompanied by investments to make transit more accessible and affordable and effective transportation demand management measures. Consideration should be given to opportunities for transition and how eliminating parking minimums, rather than reducing parking minimums, impacts diverse populations such as low income households.

Enhanced Framework for Additional Residential Units (ARUs)

Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca

Local municipalities in Peel have updated their zoning by-laws to support ARUs and asof-right provisions, and to remove regulatory barriers. Peel staff would like to continue to be engaged on the implementation of the proposed framework for ARUs, particularly as it relates to ensuring sustainable infrastructure capacity, improving housing affordability, and creating housing options such as rental units and homes for large or multi-generational households.

"Use It or Lose It" Tools

Amendments to the *Planning Act* and *Municipal Act* in Bill 185 would establish "Use It or Lose It" tools to help address stalled development. These include provisions dealing with lapsing provisions for site plan and subdivision approvals and authority to allocate or withdraw water and sewage capacity to approved developments.

Lapsing Provisions

Peel Region is encouraged by the "lapsing provisions" that mandates timelines for developers to commence construction within a certain period (e.g., within three years of Bill 185 passing for draft plans of subdivision approved before March 27, 1995) and are mandatory for subdivision approvals. While it is understood that there is a period of time that exists between when units are approved and when construction commences, applicants not adding housing supply in a timely manner, despite having approvals and servicing in place reduces housing options. Lapsing provisions would help add housing supply in a timely manner in areas where approvals and servicing are in place.

However, for subdivision, condominium and site plan approvals, Peel Region questions the need to create regulation-making authority enabling the Minister to exempt individual or classes of approved developments from the lapsing provisions. This power may remove transparency in the process and hinder Peel Region's ability to provide water and wastewater services in a cost-effective manner.

Municipal Servicing Management Tool

Bill 185 also proposes changes that would enable municipalities to enact by-laws under the *Municipal Act* to adopt policies setting out how water and wastewater servicing may be allocated, reallocated and withdrawn so that developments ready to proceed encounter fewer barriers and delays prior to construction.

This change would enable Peel Region through its provision of water and wastewater services to release servicing capacity if a development does not move forward. It also supports the logical progression in the delivery of municipal infrastructure in an



equitable and efficient manner. Clarity is needed, however, on how these servicing provisions will be enforced and what responsibility Peel and local municipalities will have in enforcing them.

Student Housing – Exempting Publicly-assisted universities from the Planning Act

There are a number of university campuses and satellite locations in Peel which host many international students and there is a shortage of rental units for students and residents in general. Changes proposed to exempt publicly-assisted universities from the *Planning Act* would accelerate and facilitate the building of much needed rental housing.

Peel Region currently comments on development applications, including student housing and university redevelopment proposals, from a healthy promotion lens, using our Healthy Development Assessment (HDA). While no longer subject to the *Planning Act*, Peel Region will look for opportunities to partner with the universities and share the HDA to promote health-promoting (e.g., walkable) student housing. As the Province continues to refine, modernize and streamline the planning review process, there are opportunities to incorporate the HDA into planning processes and policies.

Implementation of the proposed exemption should also consider the ability to plan for future infrastructure and growth needs, environmental impacts, and affordability. In addition, this exemption could result in student housing being developed in employment areas. Consideration should be given to protecting employment areas and jobs and requiring studies (e.g., land use compatibility), as necessary.

Minister's Zoning Order Framework

Minister's Zoning Orders (MZOs) are a strategic tool to be used in limited cases to maximize community benefits such as affordable housing. In that light, Peel Region staff support efforts to make the MZO process more transparent.

With residential MZOs, there is an opportunity for the Minister to attach conditions that guarantee a minimum amount of community benefits, such as a certain percentage of units being sold at prices that are affordable to low or moderate income households (consistent with provincial and local definitions), a contribution of land or units for affordable and/or non-market housing, rough-ins for additional residential units (ARUs), and a contribution to housing initiatives. This aligns with local municipal and service manager's efforts to create more housing options and responds to previous requests from local municipalities when requesting an MZO.

The establishment of intake thresholds for MZO requests are recommended as they are critical to fostering transparency for the development review and approval process. For mixed-use and non-residential MZOs, MZO request conditions could be included to provide for co-location with community service facilities such as licensed child care and early years centres.

Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca



Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca

Regarding the information the Ministry is proposing to require for inclusion in any MZO request, it should consider adding the following criteria:

- A description of how the project supports municipal efforts, such as reaching housing targets and creating more affordable and diverse housing options.
- A description of community benefits that will be secured through an MZO (e.g., affordable housing, contribution to housing initiatives, co-location with community services etc.)

Public engagement and appropriate consultation are encouraged through the provision of public notification requirements. Peel Region staff support recognition of, consistency with, and affirmation of Aboriginal and Treaty rights in the decisions of the Crown as related to MZOs.

Standardized Housing Design

Peel Region staff support measures to standardize housing designs as they provide the opportunity to create more affordable and attainable housing and streamline the development approval process. The Province's proposal to create regulation-making authority to exempt standardized housing designs from certain sections of the *Planning Act* (e.g., zoning) would allow the province to speed up approvals especially in light of the forthcoming housing designs catalogue from the federal government.

In particular, the Province should synchronize and align with the forthcoming federal Housing Design Catalogue, which includes frames for modular homes, row housing, and fourplexes that could be used to simplify and accelerate housing approvals and construction timelines. This approach could reduce the cost of housing and remove barriers that would simplify designs and approvals in order to encourage and create more innovative and alternative housing options.

Third Party Appeals

Limitations on third party appeals could reduce timelines for securing planning approvals This is particularly helpful in case of Peel-led affordable/ transitional housing and shelter development projects. These projects contribute to creating the much-needed affordable housing for the most vulnerable in the community.

Not permitting Regional right to appeal, however, could impact the ability to implement an OLT decision and put Peel at risk. Regional interests (e.g., infrastructure provision or conflicts and matters of public health and safety) need to be considered and addressed as part of OLT decisions. Other infrastructure providers (utilities) continue to have the right to appeal. Third party appeals should include Peel Region as a "prescribed body" to ensure that Peel, as a service provider, can appropriately plan and protect for its services, including infrastructure and raise matters of public health and safety, throughout the planning process, similar to the ability of utility providers.

Settlement Area Boundary Expansions – Appealing Area of Settlement

While Bill 185 proposes to allow private parties the right of appeal on settlement boundary expansions and still protect the Greenbelt Area, more clarity about this



proposal is required. This proposal could remove transparency in the process and hinder Peel Region's ability to appropriately manage growth by providing water and wastewater services in a cost-effective manner, as well as increase costs as appeals require time and money. With upper-tier planning responsibilities being removed, another coordination mechanism will be required to ensure appropriate Regional services are able to be provided for new settlement areas.

Expedited Approval Process for Community Service Facility Projects

Peel Region staff are supportive of expediting approval processes for community service facility projects and are looking to expand the types of projects that would be subject to these processes. We suggest that this process be applied to other community service facilities such as licensed child care centres, EarlyON child and family centres, and non-market housing (e.g., supportive housing, shelters).

tel: 905-791-7800 peelregion.ca

Suite B Brampton, ON

L6T 4B9

Public Works

10 Peel Centre Dr.

Peel Region, through Peel Public Health, has engaged with school boards to promote healthy school site design in the development of new and retrofit of existing schools. Peel will look for opportunities to further partner with the school boards and share the Industrial, Commercial, Institutional (ICI) sector Healthy Development Assessment (HDA) to promote walkable and healthy school design.

Community service facilities should continue to be required to produce studies (e.g. land use compatibility), as necessary, to facilitate safe and responsible development.

Anti-Bonusing Provisions

Peel Region staff appreciate the new section to the *Municipal Act, 2001* that would allow the Province to make regulations authorizing a municipality to grant assistance to a manufacturing business or other industrial or commercial enterprise if there is a provincial interest to attract investment in Ontario.

Peel Region staff request clarity from the Province on legislative authority to support Peel's Major Office Incentives program. This grant program relies on an exception to anti-bonusing provisions in the *Municipal Act* for grants provided by a municipality under the *Planning Act*, specifically grants that allow a municipality to provide grants or loans to lower or upper-tier municipalities if there are grant provisions in that municipality's official plan. This business grant assistance proposal could provide Peel with legislative authority to continue to support the Major Office Incentives program and other economic development initiatives after Peel becomes an upper-tier municipality without planning responsibilities on July 1, 2024. Peel proposes that office development be listed as an industry named within the regulation as it relates to the proposed Section 106.1 as a business eligible for such grant assistance.

While a grant assistance program may attract investment in Ontario, such assistance could have negative financial implications for municipalities should the Province not fund such a grant assistance program. Municipalities may end up foregoing revenue in the short term or having to fund such grant assistance from its own revenue sources,



which has potential long-term risks if the investments are not of net economic and/or financial benefit to the municipality.

Newspaper Notice Requirements

Peel staff support modernization of public notice requirements under the *DC Act* and *Municipal Act* that allows municipalities to give notice on a municipal website if there is no local print newspaper available. This is the case with local municipalities in Peel where community papers ceased print publication and went to a digital only format beginning in September 2023.

While supportive of this change, the Province should go further and give municipalities the flexibility to choose the medium for providing statutory notices, especially should any local newspaper in Peel be made available in print once again. Therefore, the Province should only require that notice is given regardless of the format or medium (i.e., print, digital, on a municipality's website or in a digital online version of a local newspaper).

CONCLUSION

All orders of government must work together to increase the supply and longevity of affordable housing and strengthen the capacity of municipalities, industry, and community partners to respond to the rapidly growing need. As the second largest municipality in Ontario, Peel Region continues to play a vital role in addressing infrastructure requirements and other regional services that are needed to sustain increased housing targets. Peel Region looks forward to continuing to work with the Province, local municipalities, and other stakeholders to meet Ontario's housing needs.

We trust that the Region's comments are helpful as the Ministry considers amendments to the *DC Act, Planning Act* and *Municipal Act* provisions in Bill 185. As these legislative and regulatory changes move forward, consideration of the Region's concerns and suggestions is greatly appreciated.

If additional information or clarification is required, please do not hesitate to contact me directly at <u>tara.buonpensiero@peelregion.ca</u>.

Kind Regards,

Jour Buondonauci

Tara Buonpensiero, MCIP, RPP Chief Planner and Director of Planning & Development Services <u>Tara.Buonpensiero@peelregion.ca</u> 437-218-7724

Public Works

10 Peel Centre Dr. Suite B Brampton, ON L6T 4B9 tel: 905-791-7800

peelregion.ca