



## MUNICIPALITY OF THAMES CENTRE

**REPORT NO.** PDS-022-24

**TO:** Mayor and Members of Council

**FROM:** Director of Planning & Development Services

**MEETING DATE:** April 29, 2024

**SUBJECT:** **PROPOSED BILL 185 (“CUT RED TAPE TO BUILD MORE HOMES ACT”) AND DRAFT 2024 PROVINCIAL PLANNING STATEMENT**

### RECOMMENDATION:

**THAT** Report No. PDS-022-24 **BE RECEIVED** for information.

**AND THAT** the Director of Planning and Development Services be given direction to forward the said Report to the Province of Ontario as the Municipality of Thames Centre’s formal comments on proposed Bill 185 and the draft 2024 Provincial Planning Statement.

### PURPOSE:

The purpose of this report is to summarize the key changes proposed by the Ontario Legislature with respect to Bill 185 and the draft 2024 Provincial Planning Statement (PPS) and to outline the implications for the Municipality of Thames Centre.

### BACKGROUND:

On April 10, Bill 185 was introduced in the Ontario Legislature which proposes several amendments to existing legislation with a primary focus on the *Planning Act* and the *Development Charges Act*. At the same time, the Province also released the second version of a proposed Provincial Planning Statement intended to replace the existing Provincial Policy Statement and the Growth Plan. Subject to a 30-day window, the proposed changes are posted on the Environmental Registry of Ontario and open for comments until May 10. This report has been prepared to ensure comments on behalf of the Municipality can be forwarded to the Province ahead of the closing period.

## COMMENT:

**With respect to the *Development Charges Act*, key changes being proposed are outlined below followed by a staff comment:**

### Eligible Capital Costs

The proposed amendment would allow municipalities to fund studies, consistent with DC bylaws passed prior to Bill 23. This would allow for the funding of master plans, DC background studies and similar growth-related studies that inform the capital costs of the DC background study.

COMMENT – This change would be beneficial to our community to ensure growth pays for growth. This does not impact our current DC bylaw which includes master plan cost recovery included in the calculation, which predates Bill 23.

### Removal of Mandatory Phase-In Charges

Bill 23 required the phase-in of charges imposed on a DC bylaw over a five-year term. DC bylaws passed after January 1, 2022 were required to phase-in the calculated charges as follows:

- Year 1 of Bylaw – 80% of the charges could be imposed
- Year 2 of Bylaw – 85% of the charges could be imposed
- Year 3 of Bylaw – 90% of the charges could be imposed
- Year 4 of Bylaw – 95% of the charges could be imposed
- Year 5 to 10 of Bylaw – 100% of the charges could be imposed

The proposed amendment proposes to remove the mandatory phase-in of the charges. It is proposed that this change be effective for DC bylaws passed after Bill 185 comes into effect.

COMMENT – Our existing DC bylaw was passed on March 7, 2022 and is currently subject to the mandatory phase-in period in that only 90% of the charges are eligible for collection. It is concerning that the proposed change will not immediately benefit the Municipality since it would not take effect on an existing bylaw but rather through the passing of a new DC bylaw. By March 7, 2026, only then we will be eligible to collect 100% of the charges. To ensure growth pays for growth, the proposed change should repeal the phase-in provisions implemented by Bill 23 which should automatically apply to any existing by-law passed after January 1, 2022.

**With respect to the *Planning Act*, key changes being proposed are outlined below followed by a staff comment:**

#### Elimination of Planning Application Fee Refunds

Fee refund provisions enacted through Bill 109 are to be repealed. These provisions required municipalities to provide applicants with partial or full refunds of planning application fees if decisions were not made within prescribed time frames.

COMMENT - To date, there have been no partial or full reimbursements issued since decisions have been rendered within the prescribed time frames.

#### Further Elimination of Third-Party Appeal Rights

For official plan and zoning by-law amendments, the revised legislation proposes to restrict appeal rights to the applicant, the Minister, public bodies and agencies that made oral or written submissions prior to a decision being rendered. If enacted, the proposed change would no longer allow citizen appeals.

COMMENT - This would be consistent with other planning applications including draft plans of subdivision, consents (severances), minor variances and site plan approval, all of which do not allow third-party appeals.

#### Elimination of Pre-Consultation Requirement

Currently, a pre-consultation meeting is required in advance of application submission. Municipalities would no longer be able to require applicants to engage in a pre-application meeting in that participation would be optional to the applicant.

COMMENT – Pre-consultation meetings are of paramount importance for not only the applicant but staff. They are intended to clearly outline requirements to ensure a complete submission is received to avoid delays ultimately to the benefit of both parties. Should this requirement be eliminated, staff would strongly advise applicants to pre-consult.

#### Use It or Lose It

Several changes are proposed to authorize municipalities to withdraw water and wastewater capacities, subject to criteria, from an approved proposal if development is not occurring. This includes a new provision where plans of subdivision that were draft plan approved prior to 1995, will lapse if not registered within three years.

COMMENT – This proposed change does not impact the Municipality considering servicing capacity is allocated not at the draft plan approval stage but at the time a developer enters into a subdivision agreement, which implements the approved detailed engineering design. Standards draft plan approval conditions also apply to the same effect.

## New Appeal Rights for Settlement Area Expansion Applications

Currently, an applicant cannot appeal an official plan amendment or zoning by-law amendment application that would expand a settlement area boundary. Bill 185 proposes a change that would allow an applicant to appeal the approval authority's refusal or non-decision. There are also changes proposed under the draft 2024 PPS.

COMMENT – This proposed change is very concerning in that it would encourage urban sprawl, the loss of agricultural land and the inefficient extension of municipal infrastructure which is not cost effective. As such, this proposed change is concerning since it does not constitute sound land use planning.

**With respect to the proposed Provincial Planning Statement, key elements are outlined below followed by a staff comment:**

### Lot Creation in Prime Agricultural Areas

The 2024 draft proposes to maintain the status quo with the existing prohibitions of non-farm lot creation.

COMMENT – No change to the current policy direction is warranted to ensure agricultural lands are protected being a finite resource and a matter of provincial interest under the Planning Act.

### Additional Residential Units

In the agricultural area, the 2024 draft proposes up to two (2) Additional Residential Units (ARUs) be allowed within, attached to, or in close proximity to the principle dwelling and subject to criteria.

COMMENT – This change in provincial direction is a welcome addition considering the impacts on agriculture would be nominal with the requirement for residential units to be clustered to the principle dwelling. Through Amendment No. 27 to the Thames Centre Official Plan albeit under appeal, our Official Plan includes policy direction to permit ARUs subject to criteria.

### Planning Horizon

The 2024 draft proposes flexibility in terms of the planning horizon in which municipalities shall plan for a minimum of 20 years to a maximum of 30 years.

COMMENT – This is not a significant departure from the current approach which speaks to a maximum of 25 years.

### Settlement Area Boundary Expansions

Requirements for settlement area boundaries have been reduced providing greater flexibility compared to the current approach requiring a comprehensive review.



COMMENT – This proposed change is very concerning in that it would encourage urban sprawl, the loss of agricultural land and the inefficient extension of municipal infrastructure which is not cost effective. The current approach should continue to apply including the requirement for a comprehensive review.

### Middlesex County Official Plan Growth Responsibilities

The 2024 draft proposes a requirement for an upper tier municipality to identify and allocate population, housing and employment projections and identify areas where growth and development will be focused for its lower tier municipalities.

COMMENT – This is a significant change from the current policy in that the County Plan provides a high-level planning direction with no growth projection and corresponding land allocations to its lower tier municipalities. This is concerning considering water and wastewater infrastructure is the responsibility of lower tier municipalities including Thames Centre. This proposed approach would result in lower tier municipalities competing against each other for allocations to determine where and when growth should occur.

### **CONSULTATION:**

Chief Administrative Officer  
Clerk  
Director of Financial Services / Treasurer  
Director of Public Works

### **FINANCIAL IMPLICATIONS:**

At this stage, the financial implications for the Municipality on the draft 2024 PPS are unknown. Staff will continue to monitor the PPS review and will keep Council informed on the status.

As previously noted, it is concerning that the mandatory phase-in charges for DCs would continue to apply under Bill 185 considering the elimination of the phase-in of charges would only to apply to the passing of a new DC bylaw and would not apply to our existing DC bylaw.

### **STRATEGIC PLAN LINK**

**Pillar:** *Smart Planning*

**Goal:** *Make smart planning decisions to grow the community, while maintaining a "hometown feel"*

### **ATTACHMENTS:**

Blacklined version of the *Planning Act* as proposed by Bill 185  
<https://www.osler.com/osler/media/Osler/Content/PDFs/planning-act-bill-185-first-reading-blackline-final.pdf>



Blacklined version of the *Development Charges Act* as proposed by Bill 185  
<https://www.osler.com/osler/media/Osler/Content/PDFs/Development-Charges-Actbill-185-first-reading-blackline-final.pdf>

Summary of draft 2024 Provincial Planning Statement  
<https://www.airdberlis.com/insights/publications/publication/ontario-releases-a-revised-draft-provincial-planning-statement>

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