



SUBJECT: Consultations on Bill 23 More Homes Built Faster Act, 2022

TO: Mayor and Members of Council

FROM: Corporate Strategy

Report Number: CS-12-22

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: N/A

Date to Council: November 8, 2022

Recommendation:

Direct City Staff to use the guiding principles contained in CS-12-22 to respond to the various consultations related to Bill 23, More Homes Built Faster Act, 2022;

WHEREAS Bill 23, the More Homes Built Faster Act, 2022, if passed, will make substantial changes to multiple pieces of existing legislation and supporting regulations as part of Ontario's Housing Supply Action Plan for 2022-2023;

WHEREAS Ontario is in the midst of a housing affordability crisis. And the City of Burlington is committed to delivering housing options that meet the needs of current and future residents, at all stages of their life and that are attainable at all income levels;

WHEREAS the Province of Ontario through its MOU with the Association of Municipalities of Ontario has committed to prior consultation, that is informed to by the diversity of municipal governments benefits municipalities and Ontario and to cooperating with municipal governments in considering new legislation or regulations that will have a municipal impact;

WHEREAS introducing legislation that significantly affects municipal financing, infrastructure planning and funding, climate change strategies and staffing levels without meaningful consultation has the potential for unintended negative impacts to the municipalities and their ability to provide normal services;

WHEREAS; the both the Provincial and Federal governments have initiated

conversations on how all three levels of government can collaborate to solve the housing crisis;

WHEREAS; the current timing for input on these substantial changes in legislation and regulations is not adequate for the municipal sector to provide fulsome, effective, and constructive feedback or to identify the unintended consequences and serious implications that may arise from these changes that may ultimately frustrate the Provincial Government goal

THEREFORE BE IT RESOLVED THAT the Burlington City Council requests that the Province of Ontario extend the comment period for all 30- and 31-day postings for feedback on potential legislative, regulatory, policy and other changes, to 66-day postings, to allow for fulsome municipal consultation; and

THAT a copy of this resolution be forwarded to the Honourable Doug Ford, Premier of Ontario, the Honourable Steve Clark, Minister of Municipal Affairs and Housing, Natalie Pierre, MPP Burlington, Effie Triantafilopoulos, MPP North-Burlington Oakville, the Honourable Parm Gill, Minister of Red Tape Reduction, Mike Schreiner, Leader of the Ontario Green Party and MMP Guelph, Halton Region, Town of Halton Hills, Town of Oakville, Town of Milton, Association of Municipalities of Ontario and the Ontario Big City Mayors Caucus.

PURPOSE:

Vision to Focus Alignment:

- Increase economic prosperity and community responsive city growth
- Support sustainable infrastructure and a resilient environment
- Building more citizen engagement, community health and culture
- Deliver customer centric services with a focus on efficiency and technology transformation

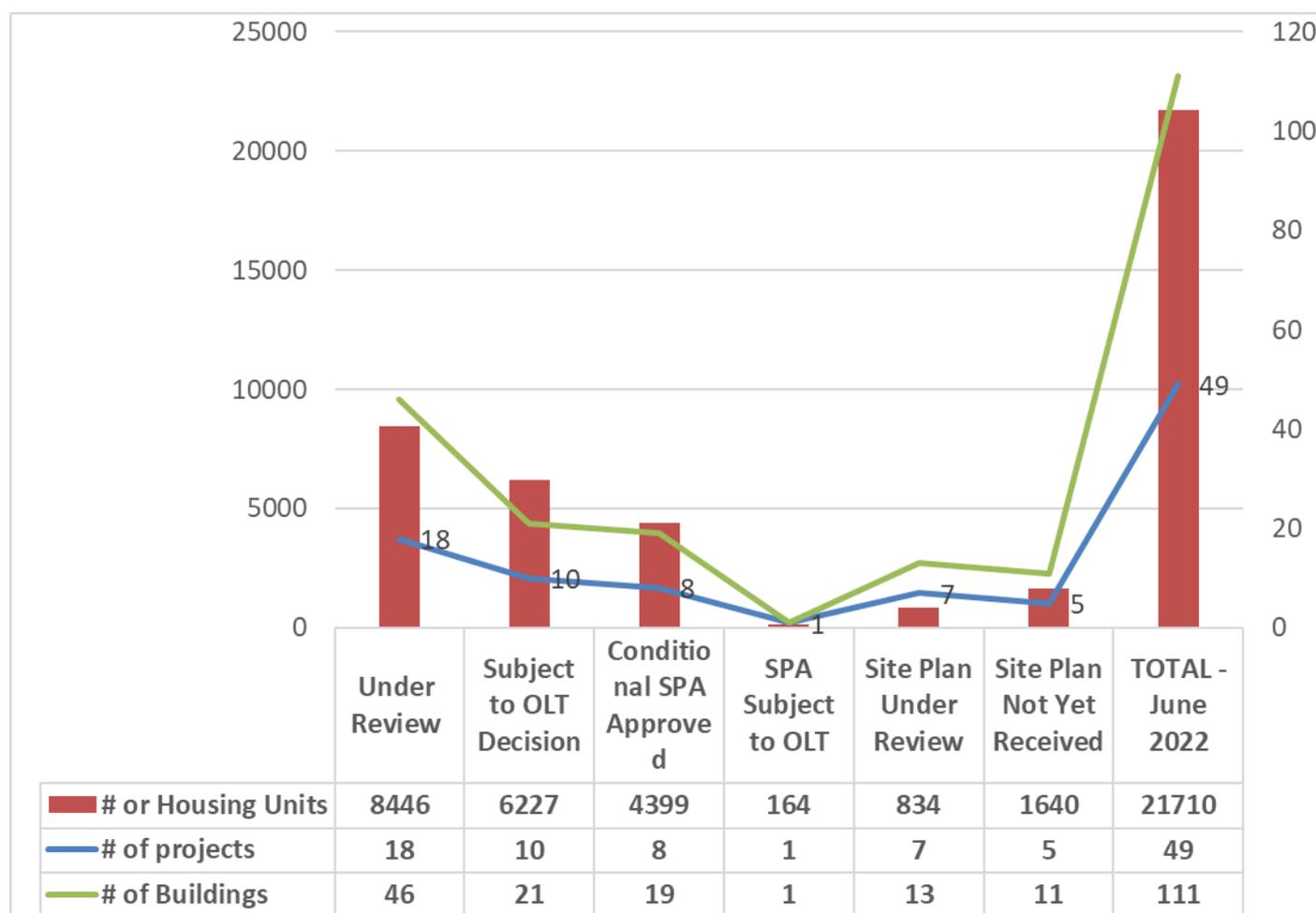
Background and Discussion:

The province introduced Bill 23, *More Homes Built Faster Act, 2022* on October 25, 2022. The goal of the legislation is to facilitate the construction of 1.5 million new homes in Ontario by 2031. The omnibus bill proposes amending a number of existing statutes including: the *Planning Act*, *Ontario Heritage Act*, *Development Charges Act*, *Conservation Authorities Act*, and *Ontario Land Tribunals Act*, amongst others, and introduces new legislation named *Supporting Growth and Housing in York and Durham*

Regions Act, 2022. At the time of preparing this report, the Bill had passed second reading and has been sent to the Standing Committee on Heritage, Infrastructure and Cultural Policy for review.

Ontario is in the midst of a housing affordability crisis. And the City of Burlington is committed to delivering housing options that meet the needs of current and future residents, at all stages of their life and that are attainable at all income levels. This commitment is demonstrated by council’s approval of the **Burlington Housing Strategy** in June 2022. In recent years, both staff and City Council have been active in reviewing and processing residential development applications with a total of 21,700 units in our “development pipeline” as at June 2022 as illustrated in Exhibit A.

Exhibit A – Summary of Residential Development Applications as at June 2022



The City is also committed to streamlining our planning and development review/approval processes. The Streamlining Development Approval Funding (SDAF)

provided by the Government of Ontario to the City in the amount of \$1.0 million, is being used to:

- Improve development review to be more efficient and streamlined to increase customers satisfaction;
- Decrease the end-to-end cycle time of development review and approval;
- Contribute to the strategic goal of increasing housing construction across the City; and,
- Provide responsive growth management.

With the introduction of the legislation, all the changes being proposed by Bill 23 along with the regulatory and environmental registry postings were posted online. Below is a listing of all the consultations along with the deadline for the submission of comments. The deadlines on several of the recommendations is extremely short. The City of Burlington, along with other municipalities in the province is very concerned that these timelines will not allow newly elected municipal councils the opportunity to provide fulsome feedback.

Although not specifically included for comment as part of the proposals posted, the City of Burlington along with 28 other municipalities have been assigned municipal housing targets based on population size and growth to each municipality. The City of Burlington has been assigned a housing target of 29,000 by 2032. Municipalities will be required to develop pledges outlining how they will help kick start development to meet the target. More details about the nature of the target are required.

There are three categories of postings included:

1. Environmental Registry of Ontario Postings:

- Proposed Planning Act and City of Toronto Act Changes – Nov. 24, 2022
- Proposed Planning Act and Development Charges Act Changes – Nov. 24, 2022
- Proposed Ontario Heritage Act and Regulatory Changes – Nov. 24, 2022
- Proposed Conservation Authorities Act and Regulatory Changes – Nov. 24, 2022
- Proposed Natural Hazards Regulatory Changes – Dec. 30, 2022
- Proposed Inclusionary Zoning Regulatory Changes – Dec. 9, 2022
- Proposed Changes to Ontario Regulation 299/19: Additional Residential Units - Dec. 9, 2022
- Proposed Supporting Growth and Housing in York and Durham Regions – Nov. 24, 2022

2.Regulatory Registry Postings:

- Proposed Municipal Act and City of Toronto Act Changes – Nov. 24, 2022

- Proposed Ontario Land Tribunal Act Changes -Nov. 25, 2022
- Proposed Ontario Underground Infrastructure Notification System Act Changes - Nov. 25, 2022
- Proposed New Home Construction Licensing Act Regulatory Changes – Dec. 9, 2022
- Proposed Building Code Regulatory Changes – Dec. 9, 2022

3. A review of various housing and land use policies to identify and remove barriers to getting more homes built:

- Provincial Policy Statement and A Place to Grow review proposal – Dec. 30, 2022
- Proposed Revocation of the Parkway Belt West Plan- Dec. 30, 2022
- Proposed Revocation of the Central Pickering Development Plan – Nov. 24, 2022
- Conserving Ontario’s Natural Heritage – Dec. 30, 2022
- Ontario Wetland Evaluation System Proposal – Nov. 24, 2022
- Potential measures to support Rent-to-Own – Dec. 9, 2022

Collectively, the legislative amendments outlined above amount to the most drastic changes to the land use planning process that Ontario has seen in years. There will be considerable community impacts on how Burlington plans and protects for appropriate development within the city while further streamlining the development review process in order to build more homes faster.

Staff are currently reviewing and assessing the specifics of the proposed changes, but in broad terms, Bill 23 will, amongst other things:

- Reduce the opportunity for engagement of both private and public bodies, such as the Region of Halton and Conservation Halton, in the land use planning process;
- Restrict the ability of the municipality to obtain or deliver future parkland and open space through land conveyance or cash-in-lieu;
- Restricts the ability of the municipality to deliver much needed growth-related capital infrastructure given the introduction of caps, exemptions, phase-in of charges and ineligible costs related to Development Charges and Community Benefits;
- Impose new criteria and restrictions on the listing and designation of properties and districts with cultural heritage value;
- Introduce as-of-right zoning to permit up to three residential units per lot; and

- Provide express authority to the Ontario Land Tribunal to prioritize files in accordance with pending regulation, dismiss appeals and award costs.

Overall, the changes proposed through Bill 23 will require the City to undertake significant and fundamental changes to its existing land use planning process and will have substantial impacts on associated planning review and due diligence and City growth-related financing requirements.

Other Postings: Decision: Minister's Approval of ROPA 49

On November 4, 2022, the Minister of Municipal Affairs and Housing issued the [Notice of Decision](#) with respect to Regional Official Plan Amendment No. 49. The decision of the Minister of Municipal Affairs and Housing regarding an Official Plan Amendment adopted in accordance with section 26 is final and not subject to appeal.

The Minister has made forty-five (45) modifications to ROPA 49 to address provincial policy direction and government priorities related to growth management to the 2051 planning horizon.

Based on a preliminary review by City staff, the Minister's decision has made policy modifications to guide growth and development within the Region to the year 2051. The modifications have deleted the policy framework as adopted by Regional Council that allocated growth to 2041 within the Region's existing Urban Boundary and recommended a framework to accommodate growth between 2041 and 2051 through a future amendment.

The Minister's decision replaces the Region's Table 1 Population and Employment Distribution with adjusted distributions for each local municipality and for the Region as a whole to the 2051 horizon. Additional modifications include a new Section 81.4(5) that states that notwithstanding the policies that require an area specific plan through Section 77(5), the approval of development applications within Strategic Growth Areas are not permitted prior to the adoption of an area specific plan with the exception of 720 Oval Court, 735 Oval Court, 740 Oval Court, 5155 Fairview Street, and 5135 Fairview Street within the Appleby GO MTSA.

The Ministers decision also includes a number of mapping modifications as follows:

- New Community Area and New Employment areas within the Regional Urban Boundary in Milton and Halton Hills adjusting the Regional Urban Boundary.
- Lands within the North Aldershot Policy Area Central sector and West Sector have been redesignated and included within the Regional Urban Boundary as new Community Area.
- Conversion of Employment Areas throughout the Region including the following lands within the City of Burlington:

- 5164, 5366, 5470, 5900 Upper Middle Road and 5201 Mainway
- 1150-1200 King Road

City staff will continue to review the Ministers decision to further assess and understand the implications to the City and the City's approved, under appeal Official Plan and will report back to Council.

Strategy/Process

As noted above the commenting deadlines for some of the changes are very short and may not allow for the comments to be presented to council formally prior to submission. Staff have prepared a set of guiding principles that will be used to evaluate the numerous changes proposed in Bill 23. Staff are recommending council approval of the guiding principles identified in this report.

Options Considered

In order to respond comprehensively to the proposals, the following guiding principles, drawn from the Vision 2040 – Burlington's Strategic Plan, From Vision to Focus, the Official Plan and other key documents, will be used to guide the responses to the proposals presented by the Province. The guiding principles will help determine how the proposed changes may contribute to or impact the City's ability to deliver on our shared interests and commitments.

More Homes Built Faster

Burlington is absolutely committed to supporting the creation of more housing and more diverse housing options.

Strategic direction 1, A City that Grows, of the Strategic Plan commits to growth being achieved in mixed use nodes and corridors including MTSAs and urban centres and established targets for diverse, dense housing and affordable housing. Vision to Focus identified the need to increase housing options across the City, to complete area-specific planning for the MTSAs and to complete a Housing Strategy. The City's new Official Plan, approved with modifications by the Halton Region in November 2020 and currently under appeal, supports opportunities for the accommodation of a wide range of housing options in Burlington. Further, the recently completed ***Burlington's Housing Strategy*** provides a roadmap for addressing local housing needs and increasing attainable housing options that meet the needs of all current and future residents at all stages of life and at all income levels. The housing strategy highlights the City's commitment to meeting resident's housing needs and the critical importance of partnership with other levels of government, the development community and residents. Further, municipal strategies that encourage development to achieve higher energy efficiency standards, such as Burlington's Climate Action Plan, will resulting in

housing that is not only more affordable to purchase, but is also affordable for residents to live in comfort as global energy prices continue to rise.

Complete Communities

Burlington is committed to community-responsive growth and strives to achieve transit-supportive, complete communities in the right places that support local, provincial and federal investment in transit. A complete community is vitally important. It will support a variety of options for present and future residents to conveniently access most of the necessities of daily living including places to work, shop and play in a form that supports a full range of transportation options, reducing reliance on private autos, therefore making life more affordable for residents.

The City plays a leadership role in achieving complete communities but relies on partnerships with the development community, residents, community service providers and other levels of government to ensure that growth is well planned, includes new homes, places to work, community facilities, schools, institutional uses and in particular new parks. These communities must also include the necessary infrastructure such as water, wastewater and roads to support new residents, support development and support lowering the modal split for private autos.

An Engaged Community

The City of Burlington is committed to engaging residents on issues that affect their lives and their city. The goal of community engagement is to lead to more informed and, therefore, better decision-making, thereby making it critical that residents continue to be engaged on development applications and development planning in their neighbourhood.

Residents in Burlington have come to expect that they will be informed and engaged on these matters through the various actions the City takes. This includes notifications of pre-application neighbourhood and statutory public meetings all on the City's comprehensive development applications webpages.

Growth pays for Growth

The City of Burlington is committed to the long-standing principle that new growth is financially sustainable and that development related charges pay for growth-related infrastructure, facilities and parks to support the development of complete communities. The principle of growth paying for growth is a critical consideration to avoid or minimize the burden of growth costs falling on existing taxpayers. If as proposed in Bill 23, revenues from development charges, parkland dedication fees (including land conveyance) and community benefits charges are artificially lowered, it will result in growth-related capital costs being transferred to the City's property tax base. This would mean that existing and future taxpayers across Ontario will be

required to pay a greater share of growth-related costs, resulting in increased property taxes, which ultimately result in increased costs of total homeownership.

Matters of Provincial Interest

The Province and the City of Burlington are committed to ensuring that the matters of Provincial Interest in Section 2 of the *Planning Act* are addressed through the City's strategic directions and Official Plan policies. These matters cover many critical matters and range from, but are not limited to:

- the orderly development of safe and healthy communities;
- the protection of ecological systems, including natural areas, features and functions;
- the protection of public health and safety;
- the mitigation of greenhouse gas emissions and adaptation to a changing climate;
- the promotion of built form that, is well-designed, encourages a sense of place, and provides for public spaces that are of high quality, safe accessible, attractive and vibrant;
- the conservation of features of significant architectural, cultural, historical, archaeological or scientific interest.

Public Health and Safety

The Province and the City are committed to protecting life and property from natural hazards. The City is committed to a systems-based approach to natural hazards that acknowledges these natural hazards are often associated with, and mitigated by, components of the natural heritage system. The City works closely with many partners, public and private, to ensure the health and resiliency of these systems are maintained, and where possible, enhanced.

Environment, Urban Design and Climate Change

Burlington is committed to becoming a healthier and greener City that aspires to:

- be a leader in climate change planning and working towards a lower carbon footprint community, including city operations,
- be a leader in climate change adaptation and mitigation including innovation in stormwater management and low impact development,
- recognize and celebrate excellence in architecture, urban design and sustainable development,
- have a healthy natural heritage system, and
- have a healthy thriving urban forest.

The proposed amendments will potentially impact all of these areas and need further clarification and review to be fully understood.

Financial Matters:

The changes proposed in Bill 23, namely those impacting development charges, parkland dedication fees (including land conveyance) and community benefits charges, will have significant and broad sweeping detrimental consequences to municipal finances. The changes proposed will have a cumulative impact in limiting the City's revenue in order to support growth-related infrastructure.

As indicated earlier in the report, the proposed legislative changes are contrary to the City's guiding principle in which ***growth pays for growth***, increasing the burden of municipalities to fund growth-related infrastructure. The City has limited revenue sources, therefore the revenue to provide infrastructure will be transferred to the property tax base and will impact the City's debt capacity through the increased use of long-term debt and associated financing costs. This affects all facets of the City's capital program as the limited funding envelope impacts our ability to deliver infrastructure needs related to renewal, growth and new strategic projects, resulting in tough choices between maintaining existing assets and building new infrastructure.

The proposed changes to parkland dedication are substantive. The changes will result in less revenue collected and reduced meaningful land conveyance opportunities impacting the City's ability to fund infrastructure related to parks and recreational services. The legislation will result in less parkland being set aside by development, and less funds collected to pay for and develop greenspace. Combined with the fact that future residential development will primarily occur through intensification, new neighbourhoods will be vastly underserved with parks and open space which will in turn place significant pressure on use of Burlington's existing park system including but not limited to destination parks such as Spencer Smith Park, Lowville Park, Burloak Park etc.

The City continues to effectively manage and allocate our reserve funds established for growth-related capital projects. The City of Burlington's uncommitted reserve fund balances are approximately:

- development charges (\$18 million),
- community benefits charges (\$1 million) and
- parkland dedication (\$4 million).

These current balances are not abundant or excessive given our multi-year capital forecast needs. The funds are used efficiently and are only spent to provide timely infrastructure associated with growth. Based on rising costs, and already reduced revenues in these areas, planning for growth related projects are already seeing delays and insufficient funding.

Staff will continue to review the proposed changes contained in Bill 23 and will outline further financial impacts as more information becomes available.

Climate Implications

On April 23, 2019, Burlington’s City Council unanimously passed a motion to declare a climate emergency. Broadly, the City’s has set out frameworks to provide for innovative solutions and opportunities to address local housing issues while making better use of existing infrastructure and services through the provision of additional residential units and directing new housing options in locations for intensification, such as Major Transit Station Areas with more diverse options for alternative modes of transportation, to support the provision of a wider range of housing options and minimize impacts on the environment.

In accordance with the Growth Plan for the Greater Golden Horseshoe (2019), planning in Burlington must have as a guiding principle the need to “integrate climate change considerations into planning and managing growth such as planning for more resilient communities and infrastructure – that are adaptive to the impacts of a changing climate and moving towards environmentally sustainable communities by incorporating approaches to reduce greenhouse gas emissions.”

Engagement Matters:

Communications and Engagement staff will prepare a communications strategy to explain what the changes proposed in Bill 23, *More Homes Built Faster Act, 2022* mean to the City’s planning process. The communications messages will align with the proposed guiding principles.

Conclusion:

The legislative amendments contained in Bill 23 amount to the most drastic changes to the land use planning process that Ontario has seen in years. There will be considerable impacts on how Burlington plans and protects for appropriate development within the City in the vein of streamlining the development review process in order to build more homes faster. Overall, the changes proposed through Bill 23 will require the City to undertake significant revisions to its land use planning process and will have substantial impacts on associated planning and financial outcomes.

Respectfully submitted,

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Notifications: (if none delete section)

The Honourable Doug Ford, Premier of Ontario, the Honourable Steve Clark, Minister of Municipal Affairs and Housing, Natalie Pierre, MPP Burlington, Effie Triantafilopoulos, MPP North-Burlington Oakville, the Honourable Parm Gill, Minister of Red Tape Reduction, Mike Schreiner, Leader of the Ontario Green Party and MMP Guelph, Halton Region, Town of Halton Hills, Town of Oakville, Town of Milton, Association of Municipalities of Ontario and the Ontario Big City Mayors Caucus.

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.