

City Hall
100 Queen Street West
East Tower, 4th Floor
Toronto, Ontario M5H 2N2

Tel: 416-392-3551
Tracey.Cook@toronto.ca

Attachment 1

November 21, 2022

**TO: Environmental Registry of Ontario & Ontario Regulatory Registry
(multiple postings, listed in Appendix 2)**

RE: City of Toronto Submission to Bill 23, *More Homes Built Faster Act*, 2022 Consultations

On behalf of the City of Toronto, we are pleased to submit staff comments and recommended revisions to the proposed legislative and regulatory changes contained in proposed Bill 23 – *More Homes, Built Faster Act*, 2022. Collectively we share the Provincial objective of Bill 23 that would create more housing for a broad spectrum of Torontonians.

We commend the Province for its bold vision and goal to make it easier and faster to build new homes for Ontarians as part of its commitment to build 1.5 million homes over the next ten years, of which 285,000 homes (or 19%) are targeted for Toronto – an increase of 115% or 150,000 units over current projections. We also acknowledge that the City of Toronto has and continues to have a leading role to play in facilitating growth and development, and it is in everyone's best interests that we streamline the development review process to achieve this outcome. Through the Concept 2 Keys initiative, and other changes, the City is transforming how development applications are reviewed to reduce application processing times and enhance the consistency, transparency and predictability of the process while continuing to achieve good outcomes. Equally important as facilitating the development of more homes faster, however, is ensuring that that new housing includes significant investment in affordable options and the City is able to support a high quality of life for our current and future residents.

Several of the proposed amendments represent a positive step towards achieving the overall housing supply goal, such as proposed changes around the missing middle, Parkway Belt, subdivision notifications, and reflect a number of the actions the City has already completed or initiated to achieve this outcome.

However, the Bill also focuses on the reduction of fees and charges and does not advance the necessary policy initiatives critical to fostering necessary affordable housing options and planning for complete communities. Changes to the development charges, community benefits charge and parkland levies will negatively impact the City's ability to provide the services necessary to support growth over the long term. As proposed, growth will not pay for growth and will significantly widen the funding gap that already exists resulting in a lack of infrastructure and services to support anticipated growth. The ability to support growth is not achievable without the ability of the City to fund necessary infrastructure for new residents and businesses.

The changes proposed by the legislation rely on policy changes that will create unintended consequences that will hinder the Province's stated goals around housing supply and will impact

housing affordability, and its ability to achieve its housing targets and complete communities. The policy changes will produce significant negative financial implications for the City and for the taxpayers and in part place more of the burden of supporting new growth on the tax base. Projects planned to support current and future growth will be delayed or at risk of being cancelled as the City will not have the financial tools to pay for these capital projects.

While a number of the proposed or forthcoming changes are supported in principle, other proposed changes will negatively impact the City's ability to provide the required infrastructure to support the growth desired. Approving developments which cannot be supported by infrastructure such as the ability to provide water and sanitary services for example, will result in a paper exercise of approvals. Further there is nothing in the legislation aside from financial relief in terms of reduced municipal charges that will necessarily ensure construction of the housing desired or drive the development of truly affordable housing options.

One direct way the City ensures a high quality of life is planning, funding, and securing the components of, and access to complete communities that are designed sustainably and inclusively. Complete communities offer and support opportunities for people of all ages and abilities to conveniently access most of the necessities for daily living, including an appropriate mix of jobs, local stores, and services, a full range of housing, active transportation options, community services, and local parks.

As a world renowned immigrant reception City, we need to plan for an equitable, inclusive, and affordable city that can offer pathways to prosperity, especially in light of the Federal government's announcement of 500,000 new immigrants per year arriving in Canada by 2025. Toronto will continue to grow, but **how we grow** is of fundamental concern to the City and has shaped our analysis of the proposed Bill 23 - *More Homes, Built Faster Act, 2022*. The Province and the Federal governments also benefit from growth from the creation of jobs, increased income taxes and excise taxes. It is imperative that solutions be found in collaboration, cooperation and innovation between all parties.

This submission provides a comprehensive overview to the City's comments and recommended revisions to Bill 23, outlined in detail in **Attachment 1** and organized into eleven key impacts (*hyperlinked to each detailed section*):

1. [Reduces Municipal Revenues Needed to Fund Growth-Related Infrastructure](#)
2. [Diminishes Housing Affordability and Rental Housing Replacement Protection](#)
3. [Erodes Sustainable and Resilient Development Practices](#)
4. [Overrides Council's Decisions on Official Plan Matters](#)
5. [Decreases Parkland Amount and Quality of Land that the City can Secure](#)
6. [Threatens the City's Ability to Protect Cultural Heritage Resources](#)
7. [Jeopardizes the Health of the Natural Heritage System](#)
8. [Requires the Upzoning of Neighbourhoods and Lands around Transit Stations](#)
9. [Introduces Further Changes to the Development Review Process](#)
10. [Limits Appeals to the Ontario Land Tribunal and Toronto Local Appeal Body](#)
11. [Other Legislative and Policy Matters](#)

Attachment 2 lists the ERO numbers to which this submission is applicable. The City is open, willing, and available to meet with Provincial staff to co-operatively discuss how we can meet the goals of facilitating the development of more homes faster – through Bill 23 – while at the same time ensuring Toronto continues to offer a high quality of life. We look forward to a continued and constructive dialogue to advance the much needed solutions to these urban challenges.

1. Reduces Municipal Revenues Needed to Fund Growth-Related Infrastructure

Municipal development charges, community benefit charges and parkland dedication fees are used to help pay for a portion of the cost of growth-related infrastructure. This supports the principle that **growth pays for growth** and ensures that existing taxpayers are not required to subsidize the infrastructure and servicing needed to support new residents or businesses. These growth funding tools are a critical municipal revenue source to ensure that the City can create **complete communities**, where people want to live, work and play, as it continues to grow.

While the City supports the Province's goal to increase housing supply, a number of proposals through Bill 23 make significant changes to the *Development Charges Act* and *Planning Act* that shift the cost of growth onto municipalities and property taxpayers and will have a dramatic impact on the City.

These include but are not limited to:

Proposed change	Preliminary annual impact
Reducing development charges by	
<ul style="list-style-type: none"> Removing housing as a development charge service 	\$130M
<ul style="list-style-type: none"> Retroactively phasing-in development charge rates over a 5-year period 	\$50M*
<ul style="list-style-type: none"> Discounting rates for purpose-built rental units 	\$11M+
<ul style="list-style-type: none"> Introducing exemptions for affordable ownership and rental housing, "attainable" housing, non-profit housing and inclusionary zoning units (impact unknown as provincial regulations and bulletins are pending but could be significant) Capping interest rates applicable to mandatory early development charge determination dates and development charge instalment payments (impact unknown but could be significant with over 250,000 units potentially impacted) Extending historic service level caps from 10 to 15 years (full impact to be quantified; \$4M annual impact for parks and recreation service only) Removing growth studies and land acquisition as eligible capital costs (Over \$600M costs in the 2022 DC Background Study potentially impacted pending provincial regulation) 	\$30-\$80M+

Proposed change	Preliminary annual impact
Total development charge impact	\$200M+
Reducing parkland dedication by	
<ul style="list-style-type: none"> Capping the alternative parkland dedication rate 	\$15M
<ul style="list-style-type: none"> Requiring the crediting of encumbered parkland Introducing new statutory exemptions Introducing mandatory early parkland determination dates 	\$15-\$20M+
Total parkland impact	\$30M+
Total Bill 23 impacts	\$230M+

Note: *average over 5 years

Based on our preliminary analysis, the City will lose at least **\$230 million** annually in development charge and parkland revenues – a reduction of over 20% in growth funding revenues – and the City’s development charges rates will be reduced to levels below our previous (2018) development charge bylaw. The preliminary analysis only partially accounts for the impacts of Bill 23 as tight timelines and information that is yet to be provided through pending Provincial regulations or bulletins means that the City is unable to estimate revenue losses from substantial elements such as the ineligibility of land costs for development charge services which is to be prescribed some of the new exemptions which are pending provincial bulletins and information, the cap in development charge freeze interest rates, and the extension of the development charge service standard cap from 10 to 15 years.

This significant potential revenue loss comes at a time when Toronto has real challenges with an **\$815M** budget shortfall as a result of the COVID-19 pandemic and significant project cost escalation, with no additional capacity to issue debt, and when our residents are struggling with higher inflation and borrowing costs. The revenue loss would dramatically impact Toronto's finances and would be unaffordable for existing taxpayers to fully fund.

As a result, the City would have no choice but to postpone or not proceed with numerous capital projects. In the absence of the Province offsetting lost funding, these revenue losses limit our ability to advance the necessary infrastructure to support new housing and has the effect of limiting housing supply. Examples of projects that would be at risk include (figures represent currently planned levels of development charges funding):

- TTC Line 1 & 2 Capacity Enhancements, Yonge/Bloor Capacity Improvements; & Subway Automatic Train Controls – \$2 Billion
- Community Centres, Arenas, Pools, Outdoor Recreational Centres and Park Development – \$1.5 Billion
- 40,000 affordable housing units – \$1.2 Billion
- New and Enhanced Sewer Infrastructure – \$350 Million

- Ashbridges Bay Wastewater Treatment Plants – \$200 Million

Under the existing legislated regime, growth already does not fully pay for growth. Legislated development charge caps, exemptions and exclusions are estimated to shift more than \$100M annually onto existing residents. Bill 197 changes, introduced in 2019 to replace section 37 density bonusing with a community benefits charge capped at 4% of land value, results in a loss of about \$50-70 million annually despite assurances from the Minister of Municipal Affairs and Housing that the changes would maintain municipal revenues. Taking into consideration the statutory and Council adopted incentives, over 40% of growth-related project costs are already being subsidized by property taxes and user fees and the proposed changes will further exacerbate the challenges with delivering the growth-related services needed.

A number of other key concerns of the bill include the following:

- Limits the tools available to support homelessness and the most vulnerable through the removal of the housing development charge service. This impacts the City's ability to provide affordable housing, invest in shelters, meet the affordable rental approved target outlined in the HousingTO 2020-2030 Plan and continue to deliver Open Door, Housing Now and Multi-Unit Residential Acquisition programs
- Retroactively layers a 5-year development charge rate phase-in on top of Council's adopted 2-year phase-in that was developed in consultation with the [development industry](#) and rental and inclusionary zoning incentives on top of Council's adopted policy to continue rates at current levels
- Results in less parkland and poorer quality parkland given the permitted increase in encumbered parkland and the ability of applicants to identify park parcels.

Furthermore, there is no evidence to suggest the municipal development charges and other fees impact housing affordability and supply. Development charges are typically factored into the price that developers offer on land when contemplating a development opportunity, particularly when the municipal costs are well known and stated. Facing these known costs, developers offer less for development sites to factor in these costs. As a result, development charges or fees act to reduce land values. House prices are set by broader market factors and developers will sell housing at the price that the market will bear. In addition, other factors such as investor interest, market demand/absorption rates, interest rates, supply chain and availability of skilled labour influence the timelines for when a development advances from the paper exercise of planning approvals to construction.

On the contrary, securing development charges and other contributions is a way of facilitating new development and increasing the City's capacity to support significant new development by ensuring new public amenities and infrastructure are delivered to support the increase in new residents and employees.

Bill 23 as currently drafted will have the unintended effect of slowing the supply of housing, lowering City service levels, such that the City cannot provide new services to support growth,

shifting costs to existing taxpayers that cannot be sustained given the significant amount of growth and reducing the appeal of Toronto and Ontario as a place to live, work and invest.

For the reasons discussed above and detailed in the Attachment, the City recommends that:

- There be no discounts or reductions to municipal growth funding tools. Discounts to growth funding tools are not the appropriate mechanism to ensure delivery of housing supply. Instead, it would be more effective for provincial incentives to be provided directly to developers or homeowners through targeted grants, rebates or other financial incentive programs;
- Development charge phase-in should remain a municipal decision and should not apply retroactively to adopted bylaws; Toronto's bylaw already has a two-year phase-in.
- Housing is a critical development charge service that services the most vulnerable and should remain eligible;
- Growth studies and land costs are essential and directly relate to the delivery of growth-related infrastructure and should remain development charge eligible; and
- The development charge freeze interest rate should at a minimum reflect capital cost inflation.

The Province should pause consideration of Bill 23 until at least January 31, 2023 to assess short and long term financial and quality of life impacts and allow for further consultation on alternative proposals and outcomes.

2. Diminishes Housing Affordability and Rental Housing Replacement Protection

The proposed Bill would decrease the percentage (capped at 5%) and affordability period (25 years versus 99 years) the City could secure under Inclusionary Zoning, while also increasing secured prices and rents so that they no longer respond to household income. The City's Inclusionary Zoning framework is in effect and while the Minister could have referred the matter to the OLT, the Minister elected not to do so nor was any concern raised upon Council's adoption or thru the process of consultation with the Province. The proposed changes directly impact the City's ability to deliver the HousingTO 2020-2030 Plan targets, including securing affordable homes in perpetuity. Attachment 1 provides a number of recommended revisions to Bill 23 and future Regulations that could address some of the City's concerns.

As part of accelerating the approval of new housing supply, it is important to ensure new supply does not result in the loss of existing affordable and attainable rental housing stock. Toronto's rental demolition by-law has been in force since 2007 and the Official Plan rental replacement policy has been in effect since 2006. Together these policies and practices have been successful in preventing a net loss of thousands of affordable and mid-range rental units through demolitions and conversions, while continuing to support the renewal of existing rental housing stock. Over the last 5 years, the City's rental replacement policy framework has secured the replacement of almost 2,200 private market existing rental units across the City of Toronto. The City is requesting focused consultations as part of the development of any Minister's regulations

to ensure the City can continue to require replacement rental and support impacted tenants as it has successfully done for the past 15 years

3. Erodes Sustainable and Resilient Development Practices

Bill 23 would remove the City's ability to secure and require exterior design elements, including sustainable design from the Site Plan approval process. The Toronto Green Standard currently requires applicants to incorporate sustainable design elements to address a number of climate change and mitigation efforts, including, but not limited to: urban heat island impacts; energy efficiency; reduction of greenhouse gas emissions, deterrence of bird collisions through glass treatments; and others.

The review of exterior materials through the Site Plan approval process factor in both quality and longevity, which contributes to sustainable design. The potential impacts could result in the City's inability to address climate change, biodiversity loss and the TransformTO Net Zero Strategy targets. The review of exterior design also enables the City to review and secure contextually appropriate exterior design elements, features and materials that contribute to built form that is well-designed and creates a 'sense of place'. The amendments would also prevent the City's ability to secure sustainable design and other matters of public interest in the public land adjoining the site. Attachment 1 provides a recommended revision to Bill 23 that could address some of the City's concerns.

4. Overrides Council's Decisions on Official Plan Matters

Bill 23 provides the Minister of Municipal Affairs and Housing the authority to amend the Official Plan on the basis that the City's policies would negatively impact a matter of provincial interest. Previously, the Planning Act provided an iterative process between the City and Ministry with a possible Tribunal hearing. The potential impact would remove Council's ability to determine and interpret how the matters of provincial interest apply within the city's boundaries. Attachment 1 provides a recommended revision to Bill 23 that could address some of the City's concerns.

5. Decreases Parkland Amount and Quality that the City can Secure

Bill 23 would accelerate the decline in parkland provision per person and compromise the City's ability to provide sufficient and high-quality parkland and recreation projects serving both growing and equity-deserving communities where gaps exist. The potential impacts will result in less parkland per development (over 33% less parkland on large sites greater than one hectare); poorer quality parkland (given the 100% parkland dedication credit for encumbered parkland and privately-owned publicly-accessible spaces and an applicant's ability to identify park parcels); less revenue for investment in parks and recreational facilities (estimated minimum 15% reduction in revenue); and less Council and public discretion regarding the provision of suitable parkland (developers/applicants now have appeal rights if Council refuses proposed parkland dedication). Instituting site-area-based caps on parkland dedication – with

no correlation between growth, the number of new residents and the quantity of new parkland – will aggravate the under-provision of parkland, especially in high-density areas where Provincial policy encourages growth. Attachment 1 provides recommended revisions to Bill 23 that could address some of the City's concerns.

6. Threatens the City's Ability to Protect Cultural Heritage Resources

Bill 23 introduces a number of changes to the *Ontario Heritage Act* that would limit the City's ability to honour and protect existing and future properties on the Heritage Register. Bill 23 would compel unnecessary designations, reduce the heritage register to a finite, time-limited, and largely development driven pre-designation tool and will leave thousands of heritage properties vulnerable to demolition whether the lands are currently being developed or not. Attachment 1 provides a number of recommended revisions to Bill 23 that could address some of the City's concerns.

7. Jeopardizes the Health of the Natural Heritage System

Bill 23 would severely weaken the Toronto and Region Conservation Authority's (TRCA) regulatory authority and land use planning decisions by eliminating their ability to review, comment on, and impose conditions on the conservation of land within their jurisdiction. The proposed Bill will also limit the type of municipal programs or services the TRCA can provide. The potential impact would be a downloading of some TRCA responsibilities to the City to cover the land conservation services. Attachment 1 provides a number of recommended revisions to Bill 23 that could address some of the City's concerns.

8. Requires the Updated Zoning of Neighbourhoods and Lands around Transit Stations

Bill 23 would put in place Province-wide as-of-right permissions for up to three residential units (in different configurations) per lot in Neighbourhoods; these units would be exempt from development charges, community benefits charges, and parkland requirements, and have minimal parking requirements. The new requirement for three-units in one dwelling would allow triplexes as-of-right, which Toronto's existing Zoning By-law does not reflect citywide. As for additional units within accessory structures, there is no new significant impact to the City, as Council has already adopted these permissions, in particular: secondary suites (in 2000), laneway suites (in 2018), and garden suites (in 2022). The City is also advancing its work to go beyond these minimum permissions, including multi-plex buildings and others through the Expanding Housing Options in Neighbourhoods initiative, to be considered by Council in 2023.

9. Introduces Further Changes to the Development Review Process

Bill 23 would exempt developments with ten or fewer units from the Site Plan control, which amounts to approximately 2% of development applications and would remove the City's ability

to ensure proposed development is appropriate for the site. The proposed change to Site Plan approval threshold results in negligible impact.

10. Limits Appeals to the Ontario Land Tribunal (OLT) and Toronto Local Appeal Body (TLAB)

Bill 23 would retroactively limit third-party appeals, so that only the applicant, the City, and certain public bodies would have the ability to appeal land use decisions to the OLT and TLAB. Existing appeals where no hearing date has been scheduled (by October 25, 2022) are proposed to be dismissed.

The City anticipates public opposition as the amendment may be seen as removing the “community” from the planning process and proposed transition as being unfair given that there is an anticipation of an appeal being heard. For minor variance appeals to the TLAB, third party appeals and third-party participation in appeal hearings are important for abutting residents who may argue that they have very real and tangible impacts from the Committee of Adjustment decision.

Regards,

Tracey Cook
Interim City Manager

Gregg Lintern, MCIP, RPP
Chief Planner and Executive Director,
City Planning

Heather Taylor
Chief Financial Officer & Treasurer

Attachment 1

City of Toronto Staff Comments on Proposed Bill 23 – More Homes Built Faster Act, 2022 Submitted to the Standing Committee on Heritage, Infrastructure and Cultural Policy November 17, 2022

1. Reduces Municipal Revenues Needed to Fund Growth-Related Infrastructure

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6172</p> <p>Eliminate Housing as an eligible Development Charge (DC) service</p>	<p>Significant financial impact, estimated at \$130 million annually, for funds needed to support affordable housing and new shelter services</p> <p>Impacts the City's ability to deliver affordable housing, provide new shelters and meet the target of 40,000 affordable rental unit approvals by 2030, as outlined in the HousingTO Plan</p>	<p>Do not support</p> <p>If approved, recommended revision: Allow housing to remain as an eligible DC service as it supports the most vulnerable</p>
<p>ERO 019-6172</p> <p>Mandatory 5-year phase-in of development charge increase</p> <p>Five year phase in of DC rate increases, beginning with a 20% reduction in the first year, with the reduction decreasing by 5% each year until year five when the full new rate applies.</p> <p>This is proposed to apply to all new DC by-laws passed since June 1, 2022.</p>	<p>Retroactively imposes a 5 year mandatory phase-in on top of Council adopted two year phase-in.</p> <p>Phase-in is of the DC rates, not the increase in rates.</p> <p>Changes result in DC bylaw rates that are lower than the previous (2018) DC bylaw despite capital cost inflationary pressures. Also the City did not index rates in Nov 2022, which would have been a 17% increase.</p> <p>Council does not have the opportunity to update policies without a lengthy process of completing a new DC Background Study once the Bill as drafted receives Royal Assent</p> <p>Significant financial impact estimated at \$265M on funding for capital investments needed for growth, on top</p>	<p>Do not support</p> <p>Phase-in should not be applied retroactively and should remain a municipal decision</p> <p>If approved, recommended revision: Financial incentives to reduce DC should be provided in the form of grants or rebates, instead of arbitrary reductions in DC rates</p> <p>Municipal Councils should have the opportunity to update adopted phase-in policies to consider any provincial phase-in</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>of the Council approved phase-in estimated to cost about \$450M</p> <p>No mechanism to ensure cost savings are passed forward to the consumer</p>	
<p>ERO 019-6172</p> <p>DC discount for rental development</p>	<p>Layers in a rental discount on top of the Council adopted incentive for market rental, which retroactively also applies to development subject to the DC freeze.</p> <p>Discount is 25% for 3 bedroom units, 20% for 2 bedroom and 15% for all other units.</p> <p>Discounts embedded in DCA legislation is inflexible and difficult to adjust should the level of incentive need to be changed in future.</p> <p>There does not seem to have duration agreements.</p> <p>In absence of any rent controls or eligibility restrictions, the contribution to affordability is limited.</p>	<p>Do not support</p> <p>Toronto has already adopted a discount for rental housing. Financial incentives should not be applied retroactively on top of Council approved incentives</p> <p>If approved, recommended revision: Support in principle a financial incentive for rental through a grant or rebate program that is targeted and includes a mechanism to ensure the incentive is repaid if the unit is converted to ownership.</p> <p>Consideration be given to targeted incentives for specific rental levels (e.g. 150% of average market for a minimum number of years).</p>
<p>ERO 019-6172</p> <p>Cap on DC interest for DC Freeze and Instalment Payments</p>	<p>Proposed a cap to DC freeze and instalment interest at prime + 1%</p> <p>DC freeze interest cap</p> <ul style="list-style-type: none"> - DC freeze interest is intended to assist with increases in capital costs – prime +1% below capital cost inflation (currently at 15% or more) and financially unsustainable. - A significant number of units (250,000 units with site plan approval since January 2020) are potentially impacted. 	<p>Do not support</p> <p>The DC interest rate cap has a potential significant financial impact particularly for the DC freeze and increases the risk associated with DC collections for instalment payments.</p> <p>If approved, recommended revisions: Remove DCA provisions that freeze DC rates at site plan and reinstate</p>

Bill 23 Proposal	Issue	Staff Comments
	<ul style="list-style-type: none"> - Proposed cap significantly reduces the City's interest rate (of 15% capped such that the total DC does not exceed the DCs payable at permit) with potential significant financial impacts <p>DC instalment interest</p> <ul style="list-style-type: none"> - Proposed cap is below the City's unsecured risk-adjusted interest rate of prime + 3%. - The higher unsecured rate is because there is no mechanism to ensure collection of the DC instalments. DCs added to property tax do not have priority lien status. There is no authority to register DC agreements on title to land. - The cap reduces likelihood that developers will provide financial security to secure the lower interest rate at the City's cost of capital + 0.5% <p>DC freeze and instalments increase the complexity of administering development charges and complicates capital planning, as revenues are difficult to forecast.</p>	<p>the concurrent determination and payment of DCs at permit issuance</p> <p>OR</p> <p>Provide authority to register DC agreements on title to land to ensure collection and mitigate risk</p> <p>In order to mitigate collection risk, provide authority for DCs added to the property tax roll to be priority lien to ensure collection</p> <p>OR</p> <p>Establish maximum DC freeze interest rate to be at least the annual change in the non-residential building construction price index</p> <p>Consistent with Council policy, establish the maximum DC instalment interest to prime + 3% where no financial security is provided and the cost of capital + 0.5% where financial security is provided</p> <p>Maintain the setting of maximum interest rates in regulation instead of DCA legislation, to allow for more flexibility to adjust rates with economic conditions.</p>
<p>ERO 019-6172</p> <p>Exemptions for DC, Parkland and Community Benefits Charge (CBC) Exemptions for Affordable Housing, Attainable Housing, Non-profit Housing, Inclusionary Zoning units.</p>	<p>Proposed exemptions for affordable housing, attainable residential units, non-profit housing and IZ residential units are of great concern for a number of reasons.</p> <p>Definitions</p> <p>Proposed definitions of affordable units are not consistent with the PPS, which</p>	<p>Do Not Support</p> <p>Financial incentives should be provided as a grant, tax credit, rebate or other direct funding that is more targeted and flexible than GFT reductions</p> <p>Policies should ensure the repayment of incentives should</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>has an income based definition of affordability, as reflected in the Council-adopted IZ framework and OPA 558.</p> <p>The IZ framework, including definitions of affordability, was adopted by Council on November 2021 and was not appealed by the Minister although there was opportunity to do so.</p> <p>OPA 558 redefined affordability in conformity with the PPS and was also not appealed by the Minister, although there was opportunity to do so.</p> <p>For affordable rental housing, monthly rental costs would be set at 80% of the average market rent (AMR) for rental units, which would change the monthly rents from those set in the Council-adopted income based definition resulting in:</p> <ul style="list-style-type: none"> - Higher rents for studio (\$980 vs. \$854) and one-bedroom units (\$1,156 vs. \$1,146). - Lower rents for two-bedroom (\$1,362 vs. \$1,703) and three-bedroom units (\$1,562 vs. \$1,953). - an affordable rent definition tied to average market rent may become less affordable over time, as rents have historically risen faster than incomes <p>Financial impact is unknown but could be significant as the impacts depend on uptake and certain information is to be provided through Provincial Bulletin.</p> <p><u>Affordable housing exemptions</u> includes both a rental and ownership stream</p> <ul style="list-style-type: none"> - Affordable rental is exempt when applied to rent that is no more than 80% of AMR, as determined by a Provincial Bulletin, and where the 	<p>units no longer meet intended objectives.</p> <p>Incentives should be designed to ensure consumers benefit from government funding.</p> <p>The cost of financial incentives to municipalities should be offset by the provincial and federal governments to support the City in delivering complete, inclusive and equitable communities</p> <p>Municipalities should be able to update recently adopted bylaw policies without updates to a DC background study, to coordinate financial incentive policies with provincial Bill 23 changes.</p> <p>If approved, recommended revisions:</p> <p>The Province consult with municipalities on definitions and design of financial incentives and alternatives or options to achieve desired objectives.</p> <p>The definition of affordable rent should be based on the lower of 80% of AMR and indicator incomes for different unit types. This approach would align with Federal direction tying affordable housing programs to incomes, and would ensure that affordable units are secured as below market units that will remain affordable to essential workers over the long-term.</p> <p>The definition of affordable ownership housing should be based on published housing incomes. This approach would ensure that ownership housing is affordable and</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>tenant is dealing at arm's length. The affordability must be maintained for a period of 25 years.</p> <ul style="list-style-type: none"> - The definition of affordable rental is higher than the City's definition and results in a financial impact. - The 25-year affordable rental period is too short. The City's policy provides an affordability period of between 40 and up to 99 years - Affordable ownership applies where the price of the unit is no greater than the average purchase price, as determined by a Provincial Bulletin. - Ownership is more complex and design of incentives requires further consideration. - Unclear how the Province intends to calculate the average purchase price - In Toronto, 48% of households are renters and the vast majority do not earn enough to afford Bill 23's proposed new affordable ownership prices. Households would need to earn an estimated \$156,000/year to afford an affordable 1-bedroom unit and \$197,000/year for an affordable 2-bedroom unit (based on 10% down payment, and an interest rate of 6.49%, being the 5-year conventional mortgage rate as reported by the Bank of Canada on November 2, 2022 - The City currently provides a DC deferral for affordable ownership units that are repaid when the unit is sold. Proposed changes to exempt affordable ownership units will have financial implications that are unknown and subject to future take-up. <p><u>Attainable residential units exemptions</u> A new category of "attainable housing", which will be defined in a future Regulation, is proposed with the stated</p>	<p>available to moderate income households.</p> <p>The above approaches would also align with the current definitions for affordability in the PPS.</p> <p>There be a requirement that a non-profit development include a minimum amount of affordable housing.</p> <p>Clarify the definition of attainable housing and create a connection to the cost of housing. Attainable Housing prices should be secured for a specified term, similar to affordable housing</p> <p>Ensure any incentives for attainable housing equally apply to purpose-built rental housing in order to avoid unintended consequences of prioritizing ownership housing over new purpose-built rental housing</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>intention to develop a new "attainable" ownership units.</p> <p>Despite the intent, the concept of attainability is not tied to housing prices, but instead to development classes will be determined by the Province. In absence of attainable housing exemptions being tied to market prices which are for a specified term, the creation of housing that is attainable by the general populace would be questionable.</p> <p><u>Non-profit housing units</u> The legislation defines non-profit housing but does not provide any requirement to maintain ownership as non-profit or to repay the incentive should the unit be sold.</p> <p>There is no requirement to provide units at affordable levels or for cost savings through financial incentives to be passed forward to consumers in the form of lower prices.</p> <p><u>Inclusionary zoning unit exemptions</u> The proposal layers an exemption of IZ units on top of Council adopted policy to freeze DC rates for IZ <u>projects</u> at Aug 15/22 levels.</p> <p>The City already has a range of policies that provide incentives to affordable rental housing that provide deeper affordability levels and longer affordability periods.</p> <p>Expanding these exemptions for IZ and affordable homeownership units could have:</p> <ul style="list-style-type: none"> - a very significant financial impact for the City - For affordable homeownership units, there are no clear 	

Bill 23 Proposal	Issue	Staff Comments
	<p>mechanisms to ensure that units are not sold at market value after the initial purchase</p> <p>The proposed incentives for IZ affordable ownership units would be mandated for housing affordable to households earning approximately \$116,000 to \$208,000 a year, which does not support those most in need of affordable housing.</p>	
<p>ERO 019-6172</p> <p>Remove growth studies and land for certain services as eligible capital costs</p>	<p>Growth studies and land costs for services to be defined in regulation would be removed as potential DC eligible capital costs. Changes take effect upon the adoption of a new DC bylaw and could have significant financial implications</p> <p><u>Growth-studies</u> The purpose of growth-related studies, including DC background studies, environmental assessments, servicing master plans, and local area planning studies, are directly attributable to growth and should remain part of the DCA. Estimated impact of \$50M over 10 years</p> <p><u>Land costs</u> Acquisition of land is a growth-related cost and should be eligible for recovery through DCs. The cost of is changes is unknown as it is yet to be prescribed, but could be significant.</p>	<p>Do not support</p> <p>Removal of DC chargeable items will reduce the ability to fund capital works. Without an alternative funding source, these costs could fall on existing taxpayers or delay the delivery of infrastructure.</p> <p>If approved, recommended revision: Growth studies and land costs should remain DC eligible costs</p>
<p>ERO 019-6172</p> <p>Extend Historic Service level cap from 10 to 15 years</p>	<p>Extends the historic service level cap from 10 to 15 years which puts a downward pressure on calculated DC rates</p>	<p>Do not support</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>No rationale for changing the cap from 10 to 15 years</p> <p>Planning for growth should be forward looking not based historic service level caps</p> <p>For parks and recreation DC service only, the impact is estimated at \$40M over 10 years</p>	<p>DCs should be based on planned level of service, rather than capped base on historic level of services</p> <p>If approved, recommended revision: Provide for forward looking planned level of service for all DC services</p>
<p>ERO 019-6172</p> <p>Extend the timeline to update DC bylaws from 5 to 10 years</p>	<p>Propose changes extend the maximum life of DC bylaws from 5 to 10 years.</p> <p>Municipalities can update the bylaws sooner if local conditions require</p> <p>No financial impact</p>	<p>Support</p>
<p>ERO 019-6172</p> <p>DC Allocation & Spending Requirements</p>	<p>Requires municipalities to allocate or spend 60% of the balance in the DC reserve funds that was available at the beginning of the year.</p> <p>The definition of allocate is not specified</p> <p>Most of the City's DC reserve funds are committed to capital projects.</p>	<p>Support in principle</p> <p>Municipalities would be required to spend or allocate at least 60 per cent of the funds that are in their DC reserves for certain priority services (i.e., water, wastewater, and roads).</p> <p>This is expected to have administrative impacts but no impacts to rates or revenues.</p>
<p>ERO 019-6172</p> <p>CBC Land Value Limitations</p>	<p>CBC only applies to land value of new development.</p>	<p>Support</p>

Bill 23 Proposal	Issue	Staff Comments
	Maximum CBC payable to be based only on the value of land proposed for new development, not the entire parcel that may have existing development	The City's CBC by-law recognizes existing GFA, the phasing of development as well as expanded exemptions and exclusions for affordable housing

2. Diminishes Housing Affordability and Rental Housing Replacement Protection

Bill 23 Proposal	Issue	Staff Comments
ERO 019-6173 Amendments to Inclusionary Zoning Regulation	<p>Toronto's IZ Official Plan policy and Zoning By-law, including income-based definitions of affordable housing, were adopted by Council on November 9, 10 and 12, 2021 and were not appealed by the Minister although there was an opportunity to do so.</p> <p>The proposed regulatory changes would require the City to amend its in force Inclusionary Zoning policy, further delaying the implementation of IZ and the delivery of affordable housing.</p>	<p>Do not support</p> <p>If approved, recommended revision:</p> <ul style="list-style-type: none"> - Remove the Planning Act requirements that limit implementation of IZ to Protected Major Transit Station Areas allowing for predictable and clear affordable housing requirements across the City - Amend the transition provisions in O.Reg 232/18 to enable earlier implementation of IZ in new developments, such as removing the ability for an owner to file an unnecessary Draft Plan of Subdivision application prior to City Council approval of IZ policies <p>Please also see recommended revisions above on the definitions of affordable housing and further revisions below re: 5% cap and 25 year affordability period</p>
ERO 019-6173 Sets an upper limit of 5% of the total number of units in a development that can be required to be affordable as part of Inclusionary Zoning.	A 5% cap would result in fewer affordable units than Toronto's in-force IZ policy requires (5-10% of the residential gross floor area in a development depending on where the	<p>Do not support</p> <p>If approved, recommended revision:</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>development is located in the city and whether the developer elects to secure affordable rental units or affordable ownership units).</p> <p>A flat 5% fails to reflect the varying market conditions across the city and by tenures.</p> <p>The value a developer would receive from selling an affordable ownership unit is greater than the market value of providing an affordable rental unit, meaning developers will likely only choose to secure affordable ownership units. Taken together, the proposed 5% cap and affordable ownership definition would result in fewer affordable units being built that meet the needs of low and moderate income individuals and families and directly impact the City's ability to deliver the HousingTO 2020-2030 Plan targets.</p>	<p>If a maximum unit set aside will be set through provincial regulation it should:</p> <ul style="list-style-type: none"> - be prepared in consultation with municipalities - informed by a financial impact assessment to ensure affordable units are not left on the table; - respect existing Council-adopted IZ policies by establishing a higher cap of 25%; or incorporate a separate and higher cap if a developer chooses to secure affordable ownership units rather than affordable rental units. This would ensure a range of affordable rental and ownership opportunities are being secured through IZ <p><i>Planning Act</i> should be amended to permit municipalities to require IZ affordable units to be secured as a specific tenure.</p> <p>Regulatory requirements should permit municipalities to exceed the cap:</p> <ul style="list-style-type: none"> - after two years of IZ implementation, provided an assessment report has been completed that demonstrates higher requirements would continue to support development viability; and if offsite affordable housing units are proposed.
<p>ERO 019-6173</p> <p>Proposes a maximum 25 year period over which the IZ units would be required to remain affordable</p>	<p>A 25-year affordability period is not long enough to ensure a sustainable stock of affordable units and would be inconsistent with best practices from</p>	<p>Do not support</p> <p>If approved, recommended revision:</p> <p>Any provincial regulatory direction on affordability periods should</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>other jurisdictions across North America who have IZ policies in place.</p> <p>Long-term affordability period is consistent with other City housing programs, such as the Open Door Affordable Housing Program which has secured 40 to 99 year affordability periods since 2019 and the Housing Now program, which secures affordable housing for 99 years. In 2022 alone, over half of the 1,278 new affordable units secured through Section 37 had an affordability period of 40 years to 99 years.</p>	<p>prioritize the objective of securing affordable housing over the long term. A 40 to 99 year affordability period would be consistent with the City's policy and program implementation practices and would ensure the housing crisis is not passed on to future generations.</p>
<p>Proposal: 22-MMAH017</p> <p>Minister to be given the authority to enact regulations related to the replacement of rental housing when it is proposed to be demolished or converted as part of a proposed development</p>	<p>Regulation details have not been released. Any dilution of existing protections would limit the City's ability to maintain the existing rental housing stock, resulting in increased rate of eviction, housing instability for renters and increased demand for homeless services.</p> <p>Dilution of existing protections would incentivize the purchase/demolition of existing rental units, putting vulnerable populations at risk.</p> <p>Dilution of existing protections would reduce protection for renters and threaten the City's ability to maintain an appropriate supply of rental units.</p> <p>Toronto's rental replacement protections have been in place since 2006 and have successfully prevented a net loss of thousands of rental units through demolitions and rental conversions while ensuring impacted tenants are provided with assistance to</p>	<p>Do not support</p> <p>Recommend: Focused consultations with municipalities as part of the development of Minister's regulations to ensure municipalities can continue to require replacement rental housing and support impacted tenants.</p>

Bill 23 Proposal	Issue	Staff Comments
	help lessen the hardship of having to move from their homes.	

3. Erodes Sustainable and Resilient Development Practices

Bill 23 Proposal	Issue	Staff Comments
ERO 019-6163 Removes ability through City of Toronto Act to secure sustainable and exterior design elements through site plan control including mandatory components reflected in the Toronto Green Standard (TGS) Removes ability to secure certain exterior design features and elements from the scope of Site Plan approval.	Over 3000 new developments have met the Toronto Green Standard, resulting in 169,000T CO2e of avoided emissions annually. The TGS is on track to avoid a total of 5.4 MT cumulative emissions by 2050 – the removal of these elements means that this opportunity will be lost. TGS requires applicants to incorporate sustainable performance measures that address exterior building and site matters including urban heat island impacts; greenhouse gas emissions and energy efficiency; deterrence of bird collisions; restoration and enhancement of the natural heritage system and urban forest; and light pollution through shielded exterior lighting. The exclusion of certain exterior design features and elements of developments from the Site Plan approval process may have a negative impact on securing: animated building facades, sustainable, durable and high-quality materials, and design features and materials in keeping with context and character areas.	Do not support If approved, recommend: City of Toronto Act s.114(5)2.iv be revised to read: <u>matters relating to sustainable design, health, safety, accessibility or the protection of adjoining lands</u> , but only to the extent that it is a matter of exterior design, if an official plan and a by-law passed under subsection (2) that both contain provisions relating to such matters are in effect. City of Toronto Act s.114(6)1.1 should be revised to read: Exterior design, except to the extent that it is a matter relating to exterior access to a building that will contain affordable housing units or to any part of such a building <u>or as permitted pursuant to subsection (5) 2. iv</u>
ERO 019-6163 Increases the threshold for applying Site Plan Control to developments containing fewer than 10 residential units	No significant implications for the City	Support

4. Overrides Council's Decisions on Official Plan Matters

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6163</p> <p>Section 23 of the Planning Act enables the Minister to amend official plans where the plan is likely to adversely affect a matter of provincial interest. Bill 23 proposes to eliminate procedural steps to which the Minister's power to make orders is subject to and to remove the possibility of the Minister requesting that the Tribunal hold a hearing on a proposed amendment</p>	<p>The Minister of Municipal Affairs and Housing would have the authority to amend the City's Official Plan on the basis that the City's policies would negatively impact a matter of provincial interest without any procedural requirements.</p> <p>The Strong Mayors, Building Homes Act, 2022 provides executive powers to the Mayor that can only be exercised with respect to matters related to provincial priorities.</p>	<p>Do not support</p> <p>The <i>Planning Act</i> lists matters of Provincial interest, which are wide ranging from the orderly development of safe and healthy communities to the adequate provision of employment opportunities and a full range of housing, including affordable housing.</p> <p>If approved, recommended revision:</p> <p>That an Order issued by the Minister related to matters of Provincial interest within the City's Official Plan should be referred back to City Council before coming into effect. If the matter does indeed negatively impact a matter of provincial interest, the Mayor could use his/her veto abilities.</p>

5. Decreases Parkland Amount and Quality that the City can Secure

Bill 23	Issue	Staff Comments
<p>ERO 019-6163</p> <p>Significantly reduces parkland dedication caps. The maximum amount of land that can be conveyed or paid in lieu is capped at 10% of the land or its value for sites under 5 ha, and 15 % for sites greater than 5 ha. Maximum alternative dedication rate reduced to 1 ha/600 units for land and</p>	<p>Site-area-based caps lead to an under-provision of parkland, especially in high-density areas where provincial policy encourages growth. There is no correlation between growth, the number of new residents and the quantity of new parkland (a 5 storey development and a 50 storey development will typically provide the same area of new parkland).</p>	<p>Do not support</p> <p>Lowered caps will result in a reduction of parkland as well as revenue for parks and recreation purposes.</p> <p>Recommend:</p> <p>Revisit the alternative parkland dedication rate per unit maximums without establishing a standard site-based cap to enable geographically-</p>

Bill 23	Issue	Staff Comments
1 ha/1000 units for cash in lieu	<p>Sites less than five hectares are capped at 10% parkland dedication, a 33% reduction in parkland from projects between 1 and 5 hectares.</p> <p>Sites greater than five hectares are capped at 15% parkland dedication, a 25% reduction in parkland from projects greater than 5 hectares.</p>	tailored approaches to parks planning across the province.
<p>ERO 019-6172</p> <p>Provides for conveyance of encumbered / stratified parks and privately-owned publically-accessible spaces (POPS) to be eligible for parkland credits.</p>	<p>The nature of the conveyance (fee simple transfer/easement/lease) and whether a park is encumbered, stratified or poorly situated will be at the discretion of developers and will be financially valued as equivalent to unencumbered parkland.</p> <p>Encumbered parks are more expensive to maintain and harder to program. For example, where a private parking garage is situated under parkland, the park likely must be replaced every 20 years to accommodate repairs to private infrastructure. These costs are not captured in the financial valuation of encumbered parkland and would place further strain on the municipality's operating capital budget.</p> <p>Encumbrances may prohibit types of construction within the park. Infrastructure in or under parks limits opportunities to build certain amenities or facilities due to, for example, weight restrictions, and compromises the ability to plant large canopy shade trees which support the urban forest due to, for example, insufficient soil depth.</p> <p>The private ownership, maintenance structure, and restrictions on public use and programming of POPS make it different in nature from public parkland.</p>	<p>Do not support</p> <p>Recommend: Allow the City to refuse to accept the conveyance and rather opt to accept cash-in-lieu of parkland where parkland is determined to be undesirable for any reason.</p> <p>Allow the City to require the owners of encumbrances in/on/beneath parkland to enter into an agreement with the City that outlines the condition that the land should be in for the property to be used for park or other public recreational purposes. This could include the encumbrance's owner's ongoing obligation regarding maintenance, replacement, and park reinstatement (e.g. in the case of where underground infrastructure is located in the land and its maintenance/repair would require removal of park facilities) costs, responsibilities and related indemnification provisions.</p> <p>Allow the City to have discretion regarding the financial credit given to encumbered and/or stratified parkland dedication. Full/equivalent value does not recognize the compromised condition of</p>

Bill 23	Issue	Staff Comments
		<p>encumbered parkland from a market value perspective.</p> <p>Enable the crediting of POPS as a component of parkland dedication calculation while allowing the City to have discretion over their approval.</p>
<p>ERO 019-6172</p> <p>Enables developers to have complete discretion to identify suitable parkland dedication.</p> <p>Enables municipality to appeal to the Tribunal if there is a disagreement.</p>	<p>Providing developers the discretion to identify suitable parkland dedication and the ability to appeal a municipality's refusal of unsatisfactory parkland risk the City receiving low-quality and undesirable parkland and will compromise the City's ability to support complete communities with adequate and programmable parkland.</p> <p>The expanded appeal rights risk increased administrative costs arising from lengthy appeals which may also delay housing.</p>	<p>Do not support</p> <p>Recommend: Establish through regulation minimum criteria for the suitability of lands or interest in lands to qualify for parkland dedication including environmental condition suitable for sensitive land uses, accessible topography, located above top-of-bank, minimum soil depth, and other considerations that must be met to enable the lands to function safely and to be programmed for parks and recreation purposes.</p>
<p>ERO 019-6163</p> <p>Exemption for all existing units parkland dedication will apply to new units only (i.e., no dedication can be imposed for existing units)</p>	<p>A statutory parkland dedication exemption for all existing units on a parcel of land immediately before the proposed development would not generate net new parkland, even if the development proposal increases demand</p> <ul style="list-style-type: none"> - E.g. If an applicant proposes to demolish a post-war apartment building with 100 units constructed at a time prior to parkland dedication legislation, the proposed development's parkland dedication will exempt those 100 units. 	<p>Do not Support</p> <p>Recommend: Establish a reasonable historic date (e.g. 1990) or duration (e.g. 30 years) after which existing units would qualify for the exemption. Long-existing units may have been constructed prior to the establishment of parkland dedication legislation. Securing parkland for these units would support the delivery of complete communities.</p>
<p>ERO 019-6172</p> <p>Proposes to require that a municipality spend or</p>	<p>Incentivizes use of existing parkland reserve funds.</p>	<p>Support in principle</p>

Bill 23	Issue	Staff Comments
allocate at least 60 per cent of the funds that are in their parkland reserves.	Municipalities would be required to spend or allocate at least 60 per cent of the funds that are in their parkland reserves at the start of each year.	The City presently exceeds this standard in its budgeting and supports. However, the requirement may not be suitable for municipalities with lower reserves that plan for investments beyond a 10-year horizon.

6. Threatens the City's Ability to Protect Cultural Heritage Resources

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6196</p> <p>All listed properties on the Heritage Register to be Designated or Removed within 2 years.</p> <p>Heritage registers to be reviewed and a decision made whether listed properties are to be designated, and if not, removed from the register</p> <p>Properties removed from the Register are prohibited from being added again for 5 years</p>	<p>The City has 3,973 properties on the heritage register that are listed, not designated. The proposed Bill compels unnecessary designations, reduces the heritage register to a finite, time-limited, and largely development driven pre-designation tool and will leave thousands of heritage properties vulnerable to demolition whether the lands are currently being developed or not.</p> <p>Will force unnecessary designations and the over-regulation of properties not subject to redevelopment and trigger a large number of OLT appeals.</p> <p>At present, listed properties on the heritage register represent 50 years of conservation work and community history in villages, towns and cities across Ontario. Not only will this record of our past disappear from public view, the inability to continue to build the register over time will disadvantage equity deserving groups and Indigenous nations who are currently under-represented.</p> <p>With no benefit to listing, a Register that includes only Part IV and Part V designated properties will not allow</p>	<p>Do not support</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>landholders to know in advance that there is a public interest in their property until a listing or designation decision is made by Council.</p> <p>The proposed provisions focus exclusively on Part IV designations and ignore that Part V designations may instead be adopted for a broader area encompassing properties that are not individually designated. If a Part V designation is appealed, it does not come into force until disposed of by the Tribunal. In such a circumstance, municipalities risk the expiry of listings pending resolution of Part V appeals, in which case many properties would be put at unnecessary risk.</p>	
<p>ERO 019-6196</p> <p>Limiting City's Ability to State Intention to Designate following a prescribed event</p> <p>Municipalities will not be permitted to issue a notice of intention to designate a property under Part IV of the <i>Ontario Heritage Act</i> unless the property is already on the heritage register when the current 90 day requirement for <i>Planning Act</i> applications is triggered</p>	<p>Limits the City's ability to state its intention to designate a property within 90-days of a development application unless it is already listed on the heritage register</p> <ul style="list-style-type: none"> - This proposal combined with the mandatory 2-year sunset clause on listing, and the 5-year waiting period for subsequent re-listing, removes any benefit to the City of adding listed properties to the public Register. <p>Listings must be kept up to date with anticipated developments. However, the 2-year expiration would allow developers to wait out the expiration of the listing which is contrary to both the objective of heritage conservation and building homes faster.</p> <p>Will hinder open and transparent information sharing between the City, property owners and land developers.</p>	<p>Do not support</p> <p>To ensure early and timely review, the City of Toronto is integrating heritage evaluation requirements into pre-application consultation.</p>
<p>ERO 019-6196</p>		

Bill 23 Proposal	Issue	Staff Comments
<p>Changes to O. Reg. 9/06 evaluation criteria for Listing and Designation and thresholds</p>	<p>Limits the City's ability to honour and protect existing and future properties on the Heritage Register.</p> <p>Requiring designated properties to satisfy more criteria to determine heritage value will disadvantage and limit heritage recognition for equity deserving groups and inclusive histories (eg. race, class, gender, sexuality etc.).</p> <p>Excludes Indigenous places that don't meet colonial measures of heritage value.</p> <p>The Ontario Heritage Act was created to protect community value(s). Potential regulatory change in the application of 9/06 should not occur without robust community consultation and consideration of unintended consequences and equity.</p>	<p>Do not support in the absence of additional information</p> <p>Additional guidance on listing heritage properties is potentially supportable, subject to consultation on the criteria to be prescribed.</p> <p>If additional criteria are to be prescribed; recommend:</p> <p>That the regulation on designation criteria be made available for consultation to ensure that the evaluation and determination is consistent with standard heritage evaluation practice and ensures that Indigenous heritage is not inadvertently excluded from prescribing criteria.</p> <p>That transition be established for the application of any such criteria.</p> <p>That the use of criteria should not exclusively relate to understanding heritage value of a property but remains inclusive of the heritage value of a community.</p> <p>That the use of criteria does not favour architectural/design value.</p> <p>That the regulation on criteria be made available for consultation to ensure that the evaluation and determination is consistent with standard heritage evaluation practice and ensures that indigenous heritage is not inadvertently excluded from prescribing criteria.</p> <p>That transition be established for the application of any such criteria.</p>
<p>ERO 019-6196</p>		

Bill 23 Proposal	Issue	Staff Comments
<p>A process is proposed which will allow Heritage Conservation District Plans to be amended or repealed</p>	<p>Unclear what the implications of the establishment of new legislative provisions for amending an HCD might be on in-force HCD Plans, with respect to appeal rights or if amendments would place existing HCDs at risk.</p> <p>Additional guidance on criteria for the establishment of HCDs could be a helpful tool to focus the evaluation and determination of whether, in addition to meeting the requirements for the contents of the plan, the district designation meets prescribed criteria and will help to identify and understand what is of cultural heritage value and interest within a plan area.</p>	<p>Do not support, in the absence of additional information</p> <p>If approved, recommend: Clarification if an appeal process is contemplated; if so, the appeal process should be incorporated into the legislation (not in a regulation) and reflect the scope of any such appeal relates to the amending by-law consistent with s. 30.1 and 31 of the OHA.</p> <p>That the regulation on criteria be made available for consultation to ensure that the evaluation and determination is consistent with standard heritage evaluation practice and ensures that indigenous heritage is not inadvertently excluded from prescribing criteria.</p> <p>That transition be established for the application of any such criteria.</p>
<p>ERO 019-6196</p> <p>Heritage Requirements for Provincial Priority Projects</p>	<p>The Minister may review determinations of cultural heritage value or interest. Lieutenant Governor in Council may give compliance exemptions with heritage standards or guidelines, if they think it could advance one of the following provincial priorities: Transit, Housing, Health and Long-term Care, Other infrastructure, such other priorities.</p>	<p>Do not support in the absence of additional information</p> <p>In any future legislative or regulatory proposals, the Province should continue to ensure and demonstrate excellence in heritage conservation of provincially-owned properties as originally contemplated by the intent of Part III.1 and only utilize exemptions as an absolute last resort within a process that is open and transparent to the public.</p> <p>If approved, recommend: That the Province exempt the application of proposed subsections (14) to (18), if retained applying to</p>

Bill 23 Proposal	Issue	Staff Comments
		<p>the properties subject to s. 25.2 of the Act. The Provincial Standards and Guidelines were established to ensure that decisions about provincial heritage properties will be made in an open, accountable way, and will consider the views of interested persons and communities. Provincial agencies currently use municipal heritage registers to determine local cultural heritage value or interest and to identify communities of interest early in the identification and evaluation process and, later, in disposal processes. Register listings are routinely used as the basis of consultation with municipal heritage staff and heritage committees to protect the public interest.</p> <p>That criteria be added to identify the nature of the terms and conditions that may be imposed when the Minister approves a project.</p>

7. Jeopardizes the Health of the Natural Heritage System

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6141</p> <p>Narrowing the Scope of Conservation Authority role in review of development. Restrictions are proposed on what conservation authorities are able to review and comment on.</p>	<p>Changes to the <i>Conservation Authority (CA) Act</i> would limit the development review-related services from the TRCA that the City relies upon (and is outlined in our 2001 Memorandum of Understanding).</p> <p>Will prohibit the TRCA from reviewing and commenting on Natural Heritage Impact Statements. Will result in a loss of the TRCA's expertise from development review and hinder the City's ability to implement natural heritage policies of the Official Plan.</p>	<p>Do not support</p> <p>Recommend: Add to the end of proposed 21.1.1 & 21.1.2 of <i>CA Act</i>: "<u>...except where there is a Memorandum of Understanding between the municipality and the conservation authority.</u>"</p> <p>Limit the scope of "prescribed Acts" to a schedule attached to the <i>CA Act</i> to avoid unintended consequences (e.g., where the conservation</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>Given the inextricable links between the natural environment, and natural hazards and climate change, the expertise of conservation authority technical staff is essential to the municipality's decision making in these areas.</p>	<p>authority is acting for the municipality on an environmental assessment).</p> <p>This recommendation supports the TRCA's position and is consistent with the TRCA proposed revision.</p>
<p>ERO 019-6141</p> <p>Removal of "pollution" and "conservation of land" as: 1) tests for the issuance of a conservation authority permit; and 2) areas where conditions can be placed on permits</p>	<p>Conservation authorities would no longer be able to withhold a permit or attach conditions based on "conservation of land" and "pollution".</p> <p>Would result in a loss of a core element of the TRCA's mandate, as the "conservation of land", has been interpreted to consider the ecological function of the region's natural heritage system. A systems-thinking approach to natural heritage protection is linked to reducing natural hazards.</p> <p>While "pollution" has been replaced with "unstable soil and bedrock", it is not clear if this will include the impacts of sedimentation, which is often considered through this provision.</p>	<p>Do not support</p> <p>Recommend: In both 28.1(1)(a) & 28.0.1(6) of CA Act: retain "conservation of land" as part of the test to be applied in a permit decision. This is consistent with TRCA proposed revision.</p> <p>Replace references to "pollution" with "sedimentation" (or clarify interpretation of "unstable soil and bedrock).</p> <p>This is consistent with TRCA proposed revision.</p>
<p>ERO 019-6141</p> <p>Planning Act approval exempting from CA Act permit</p>	<p>Permits will not be required within regulated areas (including wetlands) for activity that is part of a development authorized under the <i>Planning Act</i></p> <p>The expertise of conservation authorities in the areas of wetland and watercourse protection is essential to protect Toronto's natural heritage and water resource systems, which play a critical role in addressing climate change and building resilience to the shocks and stresses of a changing climate.</p>	<p>Do not support in the absence of additional information</p> <p>This change may remove the TRCA's ability to prohibit or regulate development authorized under the <i>Planning Act</i> in areas that could interfere with the hydrologic function of a wetland, with hazardous lands, or with watercourses (subject to a forthcoming regulation).</p> <p>Changes could result in development encroaching upon and</p>

Bill 23 Proposal	Issue	Staff Comments
		<p>placing strain on the many natural function of wetlands, as well as hazardous lands and watercourses.</p> <p>More information related to the conditions that will be set out in the regulation is required in order to evaluate the impact of this change.</p> <p>Recommend: Add the following to the new clause of section 28 (4.1) of the <i>CA Act</i>: “(a) the activity is part of development authorized under the <i>Planning Act</i> provided the conservation authority is provided sufficient opportunity to review, comment on and recommend conditions of approval to the approval authority for the development”</p> <p>This is consistent with TRCA proposed revision.</p>
<p>ERO 019-6141</p> <p>Freeze Conservation Authority Fees</p>	<p>Would enable the Minister to freeze fees that conservation authorities can charge to current levels.</p>	<p>Do not support in the absence of additional information</p> <p>Could result in a reduction of capacity and services available.</p> <p>This supports TRCA comments.</p>
<p>ERO 019-6141</p> <p>Disposal of conservation authority lands for housing Amend regulation to require CA land inventories to identify lands that could support housing development (Mandatory Programs and Services regulation).</p>	<p>Would make legislative amendments to streamline processes for CAs to dispose (sell, easements, lease) of CA owned land originally purchased using provincial funding.</p>	<p>Do not support in the absence of additional information</p> <p>A review of the appropriate land use designations should be coordinated with municipalities for any land identified by conservation authorities, should they be disposed of for housing.</p>

8. Requires the Updated Zoning of Neighbourhoods and Lands around Transit Stations

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6197</p> <p>Allows the development of three residential units per lot (in different configurations) with no minimum unit sizes and without amendments to the zoning by-law.</p> <p>Allows three units to be exempt from DC, CBCs and parkland dedication.</p>	<p>The new requirement for three-units in one dwelling would allow triplexes as-of-right, which Toronto's existing Zoning By-law does not reflect citywide.</p> <p>As for additional units within accessory structures, there are no new significant impacts to the City as Toronto already has had permissions in effect since 2000 for secondary suites, 2018 for laneway suites, and 2022 garden suites.</p> <p>City exempts these units from the 3 Growth Funding Tools of DCs, CBCs and parkland dedication.</p> <p>City is unable to regulate minimum floor area of these as-of-right units from appeal.</p>	<p>Support</p> <p>Provision would result in no significant impact for the City.</p> <p>The City is also advancing policy work to go beyond these minimum permissions, including multi-plex buildings (4 units) and others through the Expanding Housing Options in Neighbourhoods initiative, to be considered by Council in 2023.</p> <p>The legislation should be strengthened to explicitly shield Official Plan policies or Zoning By-laws related to multi-plex permissions from appeals.</p>
<p>ERO 019-6163</p> <p>Zoning by-laws are to be amended within one year of a PMTSA/MTSA being approved to include minimum heights and densities.</p> <p>Proposed legislation would exempt implementing zoning by-laws adopted within one year of a PMTSA/MTSA being approved which include minimum heights and density targets from appeal.</p>	<p>Municipalities will be required to update zoning to include minimum heights and densities within approved Major Transit Station Areas (MTSA) and Protected MTSA's within one year of MTSA/PMTSA being approved. This will have work program and financial impacts on the City.</p> <p>In light of the extensive number of MTSA/PMTSAs within Toronto this will place a strain on resources to undertake this exercise if the City is to be able to benefit from the non-appeal provision within one year of the approval by the Minister of a MTSA/PMTSAs.</p>	<p>Support in principle</p> <p>MTSAs and PMTSAs are intended to optimize transit infrastructure with minimum density targets for people and jobs per hectare. Council has adopted 100+ MTSAs/PMTSAs, which are awaiting Ministerial approval, after which the City can undertake the necessary work to update applicable Zoning By-laws.</p>

9. Introduces Further Changes to the Development Review Process

Bill 23 Proposal	Issue	Staff Comments
ERO 019-6163 Exemptions from Site Plan Approval - Developments of up to 10 residential units will be exempted from site plan control	Developments up to 10 residential units would no longer be subject to the technical review, but instead undergo Building Permit review, subject to meeting Zoning By-law provisions i.e., be "as-of-right"	Support in principle <ul style="list-style-type: none"> - Concerned that changes could remove a municipality's ability to ensure proposed development is appropriate for the site - Notwithstanding the impacts are currently being reviewed part of operationalizing legislative changes to the development review process through Bill 109. - The City is currently transforming and streamlining the development review process to ensure that the scope of Site Plan review adheres to the scope outlined in the Planning Act, including the reduced review timelines.
ERO 019-6163 Eliminates requirement for Public Meetings for applications for approval of a draft plan of subdivision.	Notwithstanding that Public meetings no longer will be required for applications for approval of a draft plan of subdivision it is anticipated that there would continue to be a public notice posted and an opportunity for the public to be involved when the principle for development is being established through the subdivision process and rezoning process.	Support
ERO 019-6163 Legislation would enable Land Lease Communities for longer leases (up to 49 years) for all Land Lease Community homes (except in the Greenbelt Area) without a land division approval where the land is	The intent is to provide more attainable home ownership options for first time home buyers, workers and seniors (particularly in the outer ring and rural communities). No impact on the City	Support

subject to an in effect site plan control by law, and it has received site plan approval.		
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10. Limits Appeals to the Ontario Land Tribunal and Toronto Local Appeal Body

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6163</p> <p>Legislation proposes to limit third party appeals</p> <p>No one other than the applicant, the municipality, certain public bodies, and the Minister will be allowed to appeal municipal decisions to the Tribunal.</p> <p>Applies to all Planning Act decisions.</p>	<p>The proposal would limit third party appeals for Official Plan Amendments, Zoning By-Law amendments, consents and minor variances and only permit appeals by applicants, public bodies, and certain utilities</p> <p>City-initiated amendments to the Official Plan and/or Zoning By-law have the potential to increase density permissions and help expedite the development review process, given the engagement and due diligence work that is undertaken. These Council adopted amendments should remain sheltered from appeals.</p> <p>While there may be public opposition as the amendment may be seen as removing the “community” from the planning process and proposed transition and retroactive date as being unfair given that there was an anticipation of an existing appeal being heard. However, participants have the opportunity to depute at the Statutory Public Meetings for official plan, zoning by-law and at the Committee of Adjustment hearings on variances and consents.</p> <p>For minor variance appeals to the TLAB, third party appeals and third-party participation in appeal hearings are</p>	<p>Support in part</p> <p>If approved, recommend:</p> <p>Require that appeals by specified persons and public bodies not be in an effort to further their owner real estate/land development interests.</p> <p>The transition and retroactive date of October 25, 2022 be amended to the date the law receives Royal Assent.</p> <p>Third party appeals to the TLAB for minor variances and consents should continue to be in place.</p>

Bill 23 Proposal	Issue	Staff Comments
	important for abutting residents who may argue that they have very real and tangible impacts from the Committee of Adjustment decision.	
<p>Proposal: 22-MAG011</p> <p>Introduces Service Standards for Tribunal</p>	<p>The Attorney General will have the power to make regulations setting service standards with respect to timing of scheduling hearings and making decisions.</p>	<p>Support in principle based on the content of Minister's Regulation</p> <p>The proposed change would amend the Ontario Land Tribunal Act, 2021 to enable service standards to be established in regulation.</p> <p>The City would be supportive if the service standards resulted in faster but still well considered OLT decisions.</p>
<p>Proposal: 22-MAG011</p> <p>Enables the establishment of criteria for prioritizing hearings by the Ontario Land Tribunal.</p>	<p>Regulations can be made to establish priorities for the scheduling of certain matters. Depending on the criteria established this may assist in advancing developments which contain affordable or rental units.</p> <p>It is intended that the Lieutenant Governor in Council be given the authority to make regulations establishing criteria for the prioritization of cases, e.g., cases with greatest potential for housing creation and in particular, affordable housing.</p> <p>Concerned that some cases may languish as newer cases are heard before "less important" cases.</p>	<p>Support in principle based on the content of LGIC's Regulation</p>
<p>Proposal: 22-MAG011</p> <p>Introduces increased authority to the Tribunal to dismiss appeals for undue delay.</p>	<p>The proposal would broaden the OLT's power to dismiss an appeal, even after a hearing in certain circumstances, due to unreasonable delay.</p>	<p>Support</p>

Bill 23 Proposal	Issue	Staff Comments
<p>Proposal: 22-MAG011</p> <p>Introduces increased powers to order costs against a party who loses a hearing at the Tribunal.</p>	<p>The proposal would broaden the OLT's power to order an unsuccessful party to pay a successful party's costs to help reduce abuse of the appeal system.</p> <p>Concern that the province is proposing to use the threat of costs being imposed as a punitive measures intended to deter future participation in hearings.</p> <p>Awarding costs to a successful party may result in significant costs awards against municipalities, the costs of which would ultimately be borne by the taxpayers.</p>	<p>Do not Support</p>

11. Other Legislative and Policy Matters

Bill 23 Proposal	Issue	Staff Comments
<p>ERO 019-6177</p> <p>PPS & Growth Plan Consultation will be held (60 day ERO posting) on housing focused policy review of A Place to Grow: Growth Plan for the Greater Golden Horseshoe ("APTG") and the Provincial Policy Statement ("PPS").</p> <p>Would seek feedback on six themes (residential land supply attainable housing supply, growth allocation, environment and natural resources, infrastructure, and streamlining processes)</p>	<p>Support the concept of a focused policy review of A Place to Grow: Growth Plan for the Greater Golden Horseshoe ("APTG") and the Provincial Policy Statement ("PPS") that would seek feedback on six themes (residential land supply attainable housing supply, growth allocation, environment and natural resources, infrastructure, and streamlining processes) and the general concept of intensification in built-up areas and the importance of housing within built-up areas.</p> <p>Concern residential intensification should not override other goals and objectives but be achieved in tandem. Residential intensification needs to be balanced with other key objectives including municipal capacity to support intensification and other key objectives such as access to employment and the</p>	<p>Support in principle</p> <p>If approved, recommend: That the new policy instrument incorporate the existing Growth Plan policies of A Place to Grow: Growth Plan for the Greater Golden Horseshoe regarding population and employment forecasts including Schedule 3, and regarding MTSAs.</p>

Bill 23 Proposal	Issue	Staff Comments
	<p>development of more complete communities.</p> <p>Intensification must take into account other objectives, particularly in built up areas, to ensure the creation of complete sustainable communities.</p>	
<p>ERO 019-6171</p> <p>Housing Target Minister's Letter assigns a target of 285,000 units to Toronto and direct municipalities to create a "housing pledge" to implement municipal housing targets.</p>	<p>Toronto would see a total of 285,000 next units, an increase of 115% or about 150,000 more units over 10 years over current City projections.</p> <p>The housing pledges would not be a land use planning exercise but would outline actions municipalities will take to meet their targets over next 10 years as well as a vehicle for identifying policy proposals to increase housing and infrastructure needs.</p> <p>Province requires the pledges to be received by March 1, 2023. Support the general concept that would direct municipalities to create a "housing pledge" to implement municipal housing targets.</p> <p>The City of Toronto's Housing 2020-2030 Action Plan includes a target of approving 40,000 new affordable rental homes by 2030, including 18,000 supportive homes.</p> <p>Toronto has taken proactive actions to provide fee waivers through the Open Door Affordable Housing Program since 2015. This program has been successful in securing between 40 to 99 year affordability periods ensuring long-term affordability and that the housing crisis is not just passed on to future generations.</p>	<p>Support in principle</p> <p>If proposal advances recommends: Clarity be provided on the housing targets (i.e. targeting approved or built units) and whether they would include targets for affordable housing.</p> <p>Funding for affordable housing targets should be allocated to the City in order to achieve any targets set by the Province.</p>

Bill 23 Proposal	Issue	Staff Comments
	In addition the City has been working to implement policies targeted at increasing housing and infrastructure need to achieve any targets set by the Province.	
<p>Proposal: 22-MMAH018</p> <p>Rent-to-Own Arrangements The Province is interested in exploring the role that the "rent-to-own" home financing model may have in supporting housing attainability in the province</p>	<p>The City will provide comments once draft policies have been drafted</p>	<p>Support</p> <p>If approved, recommend: The Province consult on this important topic with municipalities.</p> <p>Ensure vulnerable residents in the City seeking affordable home ownership options are not exposed to predatory companies providing rent-to-own options.</p>
<p>Municipal Planning Information Reporting</p> <p>The Province is considering a requirement that municipalities report on planning information in order to provide the province with empirical evidence to support policy and program decisions.</p>	<p>Would provide a baseline against which to track outcomes (measure success), and would facilitate monitoring of trends and patterns over time.</p> <p>The City currently provides planning information reports through the:</p> <ul style="list-style-type: none"> - Toronto Employment Surveys; and - Development Pipeline bulletins which provides an overview of where and how the City is growing; 	<p>Support</p>
<p>Proposal: 22-MMAH019</p> <p>Building Code Change for Missing Middle Focused consultation to reduce costs for certain Missing Middle building types as part of the planned Next Edition Building Code consultation</p>	<p>The province is proposing focused consultation to identify broader Building and Fire Code changes to improve the economic viability and reduce barriers of Missing Middle housing without compromising fire safety to determine scope of future Expert Task Force.</p> <p>The City welcomes this work and looks forward to the findings.</p>	<p>Support</p>

Attachment 2

List of ERO Numbers to which Toronto Comments Apply:

1. **ERO [019-6141](#)**: Legislative and regulatory proposals affecting conservation authorities to support the Housing Supply Action Plan 3.0 (comments by November 24, 2022)
2. **ERO [019-6163](#)**: Proposed Planning Act and City of Toronto Act Changes (Schedules 9 and 1 of Bill 23 - the proposed More Homes Built Faster Act, 2022) (comments by November 24, 2022)
3. **ERO [019-6171](#)**: 2031 Municipal Housing Targets
4. **ERO [019-6172](#)**: Proposed Planning Act and Development Charges Act, 1997 Changes: Providing Greater Cost Certainty for Municipal Development-related Charges (comments by November 24, 2022)
5. **ERO [019-6173](#)**: Proposed Amendment to O. Reg 232/18: Inclusionary Zoning (comments by December 9, 2022)
6. **ERO [019-6177](#)**: Review of A Place to Grow and Provincial Policy Statement (comments by December 30, 2022)
7. **ERO [019-6196](#)**: Proposed Changes to the Ontario Heritage Act and its regulations: Bill 23 (Schedule 6) - the Proposed More Homes Built Faster Act, 2022 (comments by November 24, 2022)
8. **ERO [019-6197](#)**: Proposed Changes to Ontario Regulation 299/19: Additional Residential Units (comments by December 9, 2022)
9. **Proposal: [22-MAG011](#)**: Proposed Amendments to the Ontario Land Tribunal Act, 2021 (comments by November 25, 2022)
10. **Proposal: [22-MMAH017](#)**: Seeking Feedback on Municipal Rental Replacement By-Laws (comments by November 24, 2022)
11. **Proposal: [22-MMAH018](#)**: Seeking Input on Rent-to-Own Arrangements (comments by December 9, 2022)
12. **Proposal: [22-MMAH019](#)**: General Proposed Changes for the Next Edition of Ontario's Building Code (Phase 3 - Fall 2022 Consultation)