

Item PH12.7

City Comments on
Proposed Bill 185 - Cutting Red Tape to Build More Homes Act, 2024,
Provincial Planning Statement 2024, and
New Minister Zoning Order framework



Key Take-Aways

Province's Bill 185 and policy proposals

Six Cents on the Dollar

- Proposed legislative changes returns \$144M of \$2.3B removed by Bill 23.
- The Province committed to making the City whole, but this has not been confirmed or received.

Unintended Consequences

- Reduced growth-funding results in deferred capital investment or tax impacts with potential implications for City service levels, the supply of housing, and the longer-term attractiveness of Toronto as a place to invest and live.

Recurring Changes Creates Uncertainty

- Reducing land use certainty for development industry, stakeholders and municipalities with changing practices and policies.

Rolling Back Smart Growth

- Eliminating Growth Plan reduces the role of intensification and increases the role of greenfield development across the region.

Overview

April 10, 2024, the Province released legislative and policy changes with a 30-day window to provide comments:

Cutting Red Tape to Build More Homes Act, 2024 (Bill 185)

- A total of 17 Acts were included, including Planning Act, City of Toronto Act, Development Charges Act and others

Proposed Provincial Planning Statement 2024 (PPS 2024)

- Combines PPS 2020 and portions of Growth Plan 2020 (Growth Plan to be repealed)
- The PPS 2024 represents a revised version of the PPS 2023

Proposed new Minister's Zoning Order Framework

Report Recommendations

City Council

- endorse the Key Recommendations (Attachment 1)
- endorse specific comments/recommendations:
 - PPS 2024 (Attachment 2)
 - Bill 185 (Attachment 3)
 - Development Charges Act (Attachment 4)
- authorize staff to submit comments on any associated regulations and report to Council on the implications to the City

Thematic Staff Comments

Given the overlapping themes between proposed legislative and policy changes, report organizes staff analysis and comments into five headings:

1. Housing and Development Approvals
2. Economic Development and Employment Lands
3. Infrastructure and Development Charges
4. Regional Planning and the Environment
5. Implementation

Proposed Planning-Related Changes

(Planning Act, COTA, PPS)

Proposed Changes that City staff support include:

- eliminates application fee refunds introduced by Bill 109
- replacing the Community Infrastructure and Housing Accelerator with a new MZO framework

Proposed Changes that City staff do not support include:

- limiting third party appeals to the Ontario Land Tribunal
- exempting post-secondary institutions and affiliated institutions from approvals
- eliminating Municipal Comprehensive Reviews
- permitting sensitive land uses (i.e. residential) on lands intended to serve as a buffer to prevent adverse effects
- enabling green field development by weakening or deleting Intensification Targets, Density Targets, and test for allowing Settlement Area Boundary Expansions
- repealing A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2020

Development Charges



Development Charges Act - Summary

- Bill 185 changes to the DCA primarily reverse some, but not all, of the previous Bill 23 changes, and include:
 - Reinstating studies as an eligible cost
 - Repealing the 5-year phase-in
 - Reducing the time limit on DC freeze from 2 years to 18 months
- In addition, Affordable and Attainable Unit exemptions are proclaimed into force on **June 1, 2024**.

Bills 23 and 185 - Potential Impacts

- Bill 185 changes are estimated to reduce Bill 23 impacts (estimated previously at **\$2.3 billion over 10 years**) by approximately **\$144 million over a 10-year period** (about 6% of the total).

Estimated 10-year Impacts (\$ millions)	Bill 23	Bill 185	Bill 23 balance
Development Charges	(\$2,017)	\$144	(\$1,873)
<i>Remove Housing Services</i>	(\$1,270)	n/a	(\$1,270)
<i>Remove Studies Costs*</i>	(\$9)	\$9	-
<i>Other, including 5-year phase-in**</i>	(\$738)	\$135	(\$603)
Parkland Dedication	(\$300.0+)	n/a	(\$300+)
Total Estimated 10 Year Impacts***	(\$2,300+)	\$144	(\$2,173+)

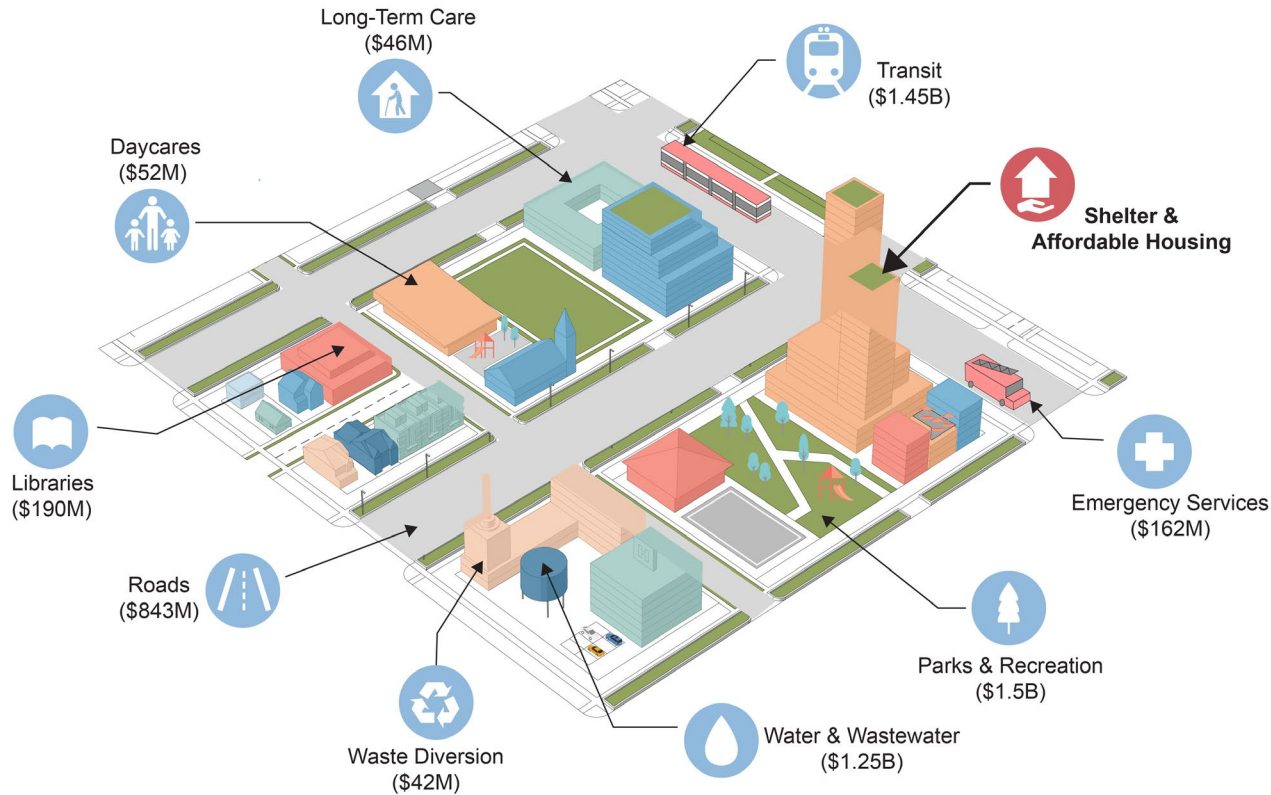
* Excludes estimates of studies costs embedded within each DC service.

** Includes rental discount, additional exemptions, 5-year phase-in, interest rate cap, potential removal of land costs for some services, extended historic service level cap

*** Community Benefits Charge impacts not show and are more minimal

DC Funded Services

\$5.7 billion in the City's 10-year capital budget and plan



Examples

- Lillian Smith Library (\$15M)
- Don Mills Recreation Centre (\$165M)
- Mount Dennis Child Care Centre (\$4.6M)
- Long-Term Care Home in Scarborough (\$46M)
- Subway Capacity Enhancements (\$655M)
- New Subway Cars and Streetcars (\$141M)
- Police Division 54/55 (\$41M)
- Multi-Function Ambulance Station 2 (\$35M)
- Flemington Park New Fire Station (\$9M)
- Broadview Road Extension (\$140M)
- Organic Waste Processing Facility (\$29M)
- Ashbridge Bay Wastewater Treatment Plan (\$338M)
- Linear water & sewer infrastructure (\$662M)

Potential Implications

- Growth funding tools are based on the principle that **growth pays for growth**
- When growth does not pay for growth
 - Growth projects compete with infrastructure renewal
 - Shortfall must be funded by other sources
 - Growth-related capital investments must be deferred
- Potential implications
 - Service levels may decline as the City grows
 - Unintended consequence of slowing the supply of housing, if services are not in place
 - May affect taxes and fiscal sustainability of growth
 - May affect longer-term competitiveness and attractiveness of Toronto as a place to invest and live

DCA – Key Recommendations

- While staff support the changes, additional recommendations support fiscal sustainability of growth, and include:
 - The Province make the City whole
 - Housing DC service be added back
 - Repeal phase-in for all permits issued after Bill 185 comes into effect
 - Reinstate concurrent calculation and collection of DCs
 - The Province provide direct incentives instead of discounts and exemptions to municipal growth funding tools

Thank you

