

# MEMORANDUM

| SUBJECT:  | Bill 185 – Cutting Red Tape to Build More Homes Act, 2024 – Royal Assent |
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| MEMO NO.: | PD-2024-007  |
| DATE:     | June 26, 2024  |
| FROM:     | Bronwyn Parker, Director of Planning Policy                              |
| TO:       | Mayor Lawlor and Members of Council                                      |

## PURPOSE OF THE MEMORANDUM:

The purpose of this memorandum is to provide Council with an update regarding Bill 185, the *Cutting Red Tape to Build More Homes Act, 2024*.

#### **BACKGROUND:**

Bill 185 was first introduced in the Ontario legislature on April 10, 2024, alongside a suite of Environmental Registry of Ontario (ERO) postings, which proposed amendments to numerous pieces of legislation including the *Planning Act* and *Development Charges Act*, among others. Through report <u>PD-2024-034</u>, staff provided Council with an overview of Bill 185, staff comments on the proposed legislative changes and potential impacts to the Town, and identified recommendations where appropriate.

The *Cutting Red Tape to Build More Homes Act* was identified by the Province as necessary legislation in order to "<u>cut red tape</u>", accelerate the development of new housing and speed up government processes. Certain amendments were made to the initial version of Bill 185 through the Standing Committee process. The amended Bill received Royal Assent on June 6, 2024, after a 30-day comment period on the ERO.

This memorandum provides Council with an overview of some of the key changes that were made to Bill 185 through the legislative process.

#### COMMENTS:

Key changes to Bill 185 that are now in force and will have an impact on the Town include the following:

# • Upper-Tier Planning Responsibilities:

Bill 23, the *More Homes Built Faster Act, 2022,* initially introduced the notion that certain upper-tier municipalities, including Halton Region, would ultimately see a change in their planning responsibilities including removal of their role as the approval authority over local Official Plans and Official Plan Amendments. As a result of Royal Assent of Bill 185, this change in planning responsibilities has now been approved, effective July 1, 2024. This means that the Province will now act as the Town's approval authority for certain *Planning Act* matters (such as the Official Plan Review and certain Official Plan Amendments), and that the Town will now assume responsibility for the Regional Official Plan as it pertains to lands within our municipal boundaries.

Town Planning staff have recently met with representatives from the Ministry of Municipal Affairs and Housing to discuss the transition of these roles and responsibilities and anticipate continued discussions over the coming months.

# • Third Party Appeals:

Staff report <u>PD-2022-0050</u> regarding the initial version of Bill 23, first introduced the notion of limiting appeal rights for minor variance and consent applications, only allowing the applicant, the municipality, certain prescribed public bodies and the Minister the opportunity to appeal decisions for these types of applications. Through Bill 185, those limited appeal rights were extended to also include applications for official plans and amendments, zoning by-laws, and zoning by-law amendments. Additionally, only specified persons (such as utility companies) or public bodies who made written or oral submissions would be permitted to appeal.

Through the Standing Committee process, Bill 185 was amended to permit appeals by the "registered owner" of any land to which the official plan or zoning by-law would apply, who made written submissions to the Council or oral submissions at a public meeting before Council approval.

The key component to highlight for Council is that ratepayer groups or neighbourhood associations will not have appeal rights as per the new legislation. While they are still permitted to seek party status should an appeal be registered, they will not have the right to act as an appellant for these matters.

# • Settlement Area Boundary Expansions:

As Council may recall via report PD-2024-034, one of the most significant concerns with Bill 185 was the proposed change regarding new permissions for privately initiated settlement area boundary expansions, outside of the Greenbelt Area. Bill 185 proposed allowing applicants to appeal a municipality's refusal or failure to make a decision on a privately requested Official Plan or Zoning By-law Amendment that would change the boundary of an "area of settlement", outside of the Greenbelt Area, within 120 days of submission of the application. Staff's concerns with this proposal focused primarily on impacts to the stability of the Town's urban boundary and to our ability to advance other important planning priorities. In essence, staff was of the view that the broadening of permissions regarding settlement area boundaries would lead to ongoing litigation and significant impacts on the Town's financial and staffing resources.

Staff had recommended that the need for urban boundary expansions would best be assessed as part of the Town's upcoming Official Plan Review process, where the Province will now be the approval authority. In line with the recently approved Terms of Reference for the Official Plan Review, this process will include a growth forecast and accompanying land needs assessment to ensure that sufficient land has been designated within the Town's 2051 urban boundaries to accommodate future population and employment growth.

Upon Royal Assent, Bill 185 solidified this new settlement area boundary expansion process, permitting applications for individual expansions to be submitted, in addition to permitting the applicants to appeal a refusal or non-decision of an application for settlement area boundary expansion.

# • Reduced Parking Minimums:

The Bill 185 changes to the *Planning Act* which proposed restrictions on local Official Plans and Zoning By-laws from containing minimum parking requirements within GO train and bus station locations have been confirmed. The now in force legislation restricts municipalities from implementing such parameters within these key growth areas.

It is staff's understanding that the provision of parking within these areas will presumably be market based and at the discretion of landowners through the development approval process.

#### • Additional Residential Units (ARUs):

Bill 185 proposed changes to the *Planning Act* that would no longer permit municipalities to restrict through their Zoning By-laws, any parameters that may be seen as barriers to the creation and construction of Additional Residential Units (ARUs). These included provisions related to maximum lot coverage, building height and maximum number of bedrooms.

A new section (49.3) has been added to the *Planning Act* through Bill 185 that solidifies these parameters. In short, municipalities are not permitted to restrict the creation or construction of ARUs. As Council may recall, through Bill 23 the Province has stipulated that up to three units are permitted as of right on a fully serviced residential lot, Province-wide.

#### • Development Application Fee Refunds:

As Council will recall, Bill 185 proposed removing the fee refund provisions from the *Planning Act* which were originally established in 2022 through Bill 109, the *More Homes for Everyone Act.* Bill 109 required municipalities to refund all, or a portion of,

application fees for Zoning By-law Amendment or Site Plan applications if decisions were not made by the municipality with identified statutory timeframes. The fee refund provisions established through Bill 109 had the potential to result in substantial financial implications to the Town and ultimately led to a more complex application review process.

Staff are pleased to report that Bill 185 has removed the Bill 109 fee refund requirements entirely, and note that the Town will continue to review development applications in an expeditious manner.

## • Pre-Consultation Process:

Bill 185 proposed changes to the *Planning Act* which would remove the ability of municipalities to require mandatory pre-consultation processes prior to the submission of a development application. As identified in report PD-2024-034, this change would make the pre-consultation process voluntary, at the discretion of the applicant, and allow an applicant to challenge the complete application requirements before the OLT at any time (i.e. before even filing an application or required fee).

Staff had significant concerns with this proposed change, noting that pre-consultation is a critical component of the development review process. It ensures that municipalities have an opportunity to offer initial feedback on a preliminary development concept before an applicant files the formal application and is used to establish what materials a municipality will require to properly evaluate the merits of any formal proposal.

With Royal Assent of Bill 185, municipalities are no longer permitted to have mandatory pre-consultation processes. Instead, the *Planning Act* now permits applicants the choice of whether or not they wish to seek pre-consultation.

While the Town expects most applicants to continue to see the benefit of going through a voluntary pre-consultation process, for those that choose to forgo the process it could lead to delays in the development review process and potentially a greater number of OLT hearings.

# • Exempting Community Service Facilities from Planning Act Requirements

A new section (62.0.3) has been added to the *Planning Act* which gives the Minister the ability to make regulations that would exempt certain "community service facilities" from specific requirements of the *Planning Act*. These "community service facilities" potentially include schools, hospitals and long-term care homes.

As of the date of writing of this report, the regulations that would provide for these exemptions and would identify which requirements of the *Planning Act* are included in the exemptions have not yet been released. This new regulation-making power, if utilized, is intended to provide a new expedited approval process for these proposed "community service facilities".

Staff will advise Council at such time as the regulations are released and will continue to keep Council informed if the Minister decides to act upon these new powers.

#### CONCLUSION:

Bill 185, the *Cutting Red Tape to Build More Homes Act, 2024* was first introduced on April 10, 2024, and proposed amendments to numerous pieces of legislation including the *Planning Act.* It was identified by the Province to accelerate the development of new housing and speed up government approval processes. Certain amendments were made to the initially proposed Bill 185 through the Standing Committee process. The amended Bill received Royal Assent on June 6, 2024, after a 30-day comment period and is now in force and effect.

Staff will continue to keep Council informed should any related regulations regarding further implementation of the bill be released in the coming months.

Reviewed and approved by,

Bronwyn Parker, Director of Planning Policy

John Linhardt, Commissioner of Planning & Development

Chris Mills, Chief Administrative Officer