May 28, 2019

ALL MUNICIPALITIES IN ONTARIO:

Subject: New Business Item 7.3
Proposed Bill 108 (More Homes, More Choice Act, 2019) and the Proposed Housing Supply Action Plan

City Council on May 14 and 15, 2019, adopted the attached Item as amended, and among other things, has adopted the following Resolution, and has joined municipalities from across the Greater Toronto and Hamilton Area, where similar motions are being moved in their respective Councils, in opposing Bill 108 in its current form:

WHEREAS the legislation that abolished the Ontario Municipal Board and replaced it with the Local Planning Appeal Tribunal received unanimous – all party support; and

WHEREAS All parties recognized that local governments should have the authority to uphold their provincially approved Official Plans; to uphold their community driven planning; and

WHEREAS Bill 108 will once again allow an unelected, unaccountable body make decisions on how our communities evolve and grow; and

WHEREAS On August 21, 2018 Minister Clark once again signed the Memorandum of Understanding with the Association of Municipalities of Ontario and entered into “...a legally binding agreement recognizing Ontario Municipalities as a mature, accountable order of government”; and

WHEREAS This Memorandum of Understanding is “enshrined in law as part of the Municipal Act”. And recognizes that as “...public policy issues are complex and thus require coordinated responses...the Province endorses the principle of regular consultation between Ontario and municipalities in relation to matters of mutual interest”; and
WHEREAS By signing this agreement, the Province made 
"...a commitment to cooperating with its municipal governments in considering new legislation or regulations that will have a municipal impact"; and


Now Therefore Be it Hereby Resolved That the City of Toronto oppose Bill 108 which in its current state will have negative consequences on community building and proper planning; and

Be it Further Resolved That the City of Toronto call upon the Government of Ontario to halt the legislative advancement of Bill 108 to enable fulsome consultation with Municipalities to ensure that its objectives for sound decision making for housing growth that meets local needs will be reasonably achieved; and

Be It Further Resolved That a copy of this Motion be sent to the Honourable Doug Ford, Premier of Ontario, The Honourable Christine Elliott, Deputy Premier, the Honourable Steve Clark, Minister of Municipal Affairs, the Honourable Andrea Horwath, Leader of the New Democratic Party, and all MPPs in the Province of Ontario; and

Be It Further Resolved That a copy of this Motion be sent to the Association of Municipalities of Ontario and all Ontario municipalities for their consideration.

for City Clerk

M. Toft/sb

Attachment

c. City Manager
City Council Decision
City Council on May 14 and 15, 2019, adopted the following:

1. City Council request the Province to extend the June 1, 2019 timeline on the Environmental Registry of Ontario for comments on proposed Bill 108 to provide additional time for municipalities to comment on the proposed legislation.

2. City Council request the Province to consult with the City prior to issuing any draft regulations associated with proposed Bill 108, before the coming into force of the proposed Bill, such that the City can fully understand and be able to analyze the impact of the proposed Bill changes comprehensively, including the cumulative financial impacts to municipalities.

3. City Council request the Province to enshrine revenue neutrality in the proposed legislation and if not, create a municipal compensation fund to support municipalities whose revenues decline under the proposed community benefit charge regime.

4. City Council request the Province to provide compensation to the City of Toronto for the increased number of appeals and litigation if the proposed legislative changes to the Local Planning Appeal Tribunal process proposed in Bill 108 are implemented.

5. City Council request the Province to provide a transparent and thorough stakeholder consultation process in the development of all regulations associated with proposed Bill 108.

6. City Council request the Province to hold fulsome standing committee meetings to enable stakeholders to make both deputations and submissions on the proposed regulations.

7. City Council direct the Chief Financial Officer and Treasurer to report back through the 2020 Budget process on any necessary curtailment of growth-related or other capital expenditures resulting from the enactment of proposed Bill 108.

8. City Council request the General Manager, Transportation Services, in consultation with the City Solicitor, to report back to the June 18 and 19, 2019 City Council meeting on the legal implications of denying all road occupancy permits for development sites and forcing developers to build onsite.

9. City Council direct the City Manager to report to the July 4, 2019 meeting of the Executive
Committee with respect to potential impacts on capital plans and projects as a result of the Ontario Government's proposed changes announced as part of their Ontario Housing Supply Action Plan.

10. City Council direct the Chief Planner and Executive Director, City Planning and the Chief Financial Officer and Treasurer to report to the Executive Committee subsequent to the issuance of the regulations under Bill 108 with an analysis of the financial, planning and governance impacts to the City of Toronto.

11. City Council direct the City Manager and appropriate staff, in consultation with the Chief Executive Officer, Toronto Transit Commission, to report back to the Executive Committee on how changes to the Development Charges Act, 1997 will impact the Toronto Transit Commission's 2019 – 2028 Capital Budget and Plan and 15-Year Capital Investment Plan, if Bill 108 is enacted.

12. City Council request the Chief Planner and Executive Director, City Planning, in consultation with the Chief Financial Officer and Treasurer, to report to the Planning and Housing Committee on the feasibility of including a comprehensive list of soft and hard infrastructure costs (such as child care centres, sewer construction, sidewalk construction) in the Financial Impact Section of all final planning reports.

13. In the event that Bill 108 receives Royal Assent, City Council request the Chief Planner and Executive Director, City Planning to report to the first available Planning and Housing Committee meeting outlining any area of the City that may require a holding provision until all regulations, transitional measures and funding uncertainties related to Bill 108 are resolved.

14. City Council authorize the City Manager, the Chief Financial Officer and Treasurer and other City Officials, as appropriate, to provide input to the Province on Bill 108 on policy and financial matters and any associated regulations.

15. City Council direct the Chief Planner and Executive Director, City Planning to convey to the Ontario Minister of Municipal Affairs and Housing the City's opposition to the proposed changes to the Local Planning Appeal Tribunal process that will, in reality, restore the former Ontario Municipal Board processes and, in so doing, reduce input and direction from residents of the City of Toronto and Toronto City Council with respect to development applications within the City.

16. City Council direct the City Manager to seek assurances from the Ontario Government that the province will not, in its regulations associated with their proposals, implement any changes that will negatively impact the City through reduced or deferred development charges, elimination or reduction of Section 37 funding tools, park dedication levies or any other financial mechanisms associated with the planning and development process.

17. City Council forward the report (May 14, 2019) from the City Manager and the Chief Planner and Executive Director, City Planning to the Ontario Minister of Municipal Affairs and Housing and the Attorney General for their consideration.

18. City Council adopt the following Resolution, and join municipalities from across the Greater Toronto and Hamilton Area, where similar motions are being moved in their respective Councils, in opposing Bill 108 in its current form:

WHEREAS the legislation that abolished the Ontario Municipal Board and replaced it
with the Local Planning Appeal Tribunal received unanimous – all party support; and

WHEREAS All parties recognized that local governments should have the authority to uphold their provincially approved Official Plans; to uphold their community driven planning; and

WHEREAS Bill 108 will once again allow an unelected, unaccountable body make decisions on how our communities evolve and grow; and

WHEREAS On August 21, 2018 Minister Clark once again signed the Memorandum of Understanding with the Association of Municipalities of Ontario and entered into “...a legally binding agreement recognizing Ontario Municipalities as a mature, accountable order of government”; and

WHEREAS This Memorandum of Understanding is “enshrined in law as part of the Municipal Act”. And recognizes that as “...public policy issues are complex and thus require coordinated responses...the Province endorses the principle of regular consultation between Ontario and municipalities in relation to matters of mutual interest”; and

WHEREAS By signing this agreement, the Province made “...a commitment to cooperating with its municipal governments in considering new legislation or regulations that will have a municipal impact”; and


Now Therefore Be it Hereby Resolved That the City of Toronto oppose Bill 108 which in its current state will have negative consequences on community building and proper planning; and

Be it Further Resolved That the City of Toronto call upon the Government of Ontario to halt the legislative advancement of Bill 108 to enable fulsome consultation with Municipalities to ensure that its objectives for sound decision making for housing growth that meets local needs will be reasonably achieved; and

Be It Further Resolved That a copy of this Motion be sent to the Honourable Doug Ford, Premier of Ontario, The Honourable Christine Elliott, Deputy Premier, the Honourable Steve Clark, Minister of Municipal Affairs, the Honourable Andrea Horwath, Leader of the New Democratic Party, and all MPPs in the Province of Ontario; and

Be It Further Resolved That a copy of this Motion be sent to the Association of Municipalities of Ontario and all Ontario municipalities for their consideration.

19. City Council forward City Council's decision on this Item to the provincial government and other representatives named in the Resolution in Part 18 above.

20. City Council forward its decision on this Item to the Large Urban Mayors' Caucus of Ontario.
21. City Council request the Chief Planner and Executive Director, City Planning to send a copy of the report (May 14, 2019) from the City Manager and Chief Planner and Executive Director, City Planning to all residents' associations and all residents who have been involved in development applications, with a letter from the Chief Planner and Executive Director, City Planning.

22. City Council direct the City Manager and the Chief Planner and Executive Director, City Planning and appropriate staff to develop an online resource and public guide to communicate the impacts of Bill 108 to the residents of Toronto in a clear and accessible format.

23. City Council request the Minister of Municipal Affairs and Housing to approve the submitted Official Plan Amendment 405, the Yonge-Eglinton Secondary Plan, adopted by City Council in July 2018 and subsequently forwarded to the Ministry of Municipal Affairs and Housing for a decision, on or before the June 6, 2019 deadline.

Planning Act Recommendations

24. City Council request the Province to reconsider the timelines established for review of Planning Act applications before an appeal is permitted to the Tribunal and to return to the timelines that were in effect under Bill 139, the Building Better Communities and Conserving Watersheds Act, 2017.

25. City Council request the Province to permit municipalities to utilize the inclusionary zoning provisions of the Planning Act in broader situations than the proposed protected major transit station and development permit system areas.

26. City Council request the Province to retain the existing Planning Act grounds for appeals of Zoning By-laws and Official Plan Amendments to only include testing for consistency with provincial policy statements, conformity with provincial plans and (for Zoning By-laws) conformity with the Official Plan and to incorporate other legislative measures that would provide for more deference to the decision-making powers of municipal councils.

27. City Council request the Province to revise the name of the proposed "Community Benefits Charge By-law" to the “Community Facilities Charge By-law” to better recognize that community facilities are necessary infrastructure needed to support development pursuant to the Growth Plan.

28. City Council request the Province to provide the later of four years or the expiry of the current Development Charges By-law from the date of enactment of the regulation that sets out any prescribed requirements for the community benefit charges before a municipality must adopt a Community Benefits Charge By-law.

29. City Council request the Province to allow municipalities to calculate the Community Benefits Charge based on per unit charges and without a cap to account for construction of facilities that are not related to land values.

30. City Council request the Province to add the following provisions to Section 37 of the Planning Act as 37(6.1) and (6.2) in Schedule 12 to Bill 108:

   a) 6.1 Where an owner of land elects to provide an in-kind facility, service or matter because of development or redevelopment in the area to which a community benefits
charges by-law applies, the municipality may require the owner to enter into one or more agreements with the municipality dealing with the facility, service or matter.

b) 6.2 Any agreement entered into under subsection (6.1) may be registered against the land to which it applies and the municipality is entitled to enforce the provisions thereof against the owner and, subject to the provisions of the Registry Act and the Lands Titles Act, any and all subsequent owners of the land.

31. City Council request the Province to delete subsections 37(15), (16), (17) (18) and (19) and add new subsection 37(15) to the Planning Act that reads:

If the municipality disputes the value of the land identified in the appraisal referred to in clause 13(b), the municipality shall request that a person selected by the owner from the list referred to in subsection 37(18) prepare an appraisal of the value of the land as of the valuation date.

32. City Council request the Province to amend subsection 37(20) of the Planning Act to also require the owner to immediately provide any additional payment to the municipality where the appraisal established in 37(15) is more than the initial appraisal provided by the municipality.

33. City Council request the Province address effective transition by amending subsection 37.1 (3) of the Planning Act so that it reads:

On or after the applicable date described in subsection (5), the following rules apply if, before that date, an application (complete or incomplete) under Section 34 of the Planning Act has been received by the local municipality for the site or the Local Planning Appeal Tribunal has made a decision to approve a by-law described in the repealed subsection 37 (1). Where an application is withdrawn by the owner and a new application is submitted within three years of the effective date, the Planning Act, as it read the day before the effective date, will apply.

34. City Council request the Province to permit annual indexing of the rates based on a blend of property value and construction cost inflation and calculated using public, third-party data if property values continue to be proposed to be used for the purposes of establishing the rate.

35. City Council request the Province to clarify Section 37 provisions in Bill 108 to:

a. enable a municipality to have a city-wide Community Benefit Charge By-law or area-specific By-laws provided only one Community Benefit By-law applies in any given area;

b. recognize that maximum specified caps may differ in any given area within a municipality based on an analysis of local area needs and the anticipated amount, type and location of development as set out in the respective community benefit strategy; and

c. ensure that maximum specified rates as set out in any regulation will be established in consultation with municipalities with regular updates (e.g. no less than every five years) to the maximum specified rate contained within any regulation.

36. City Council request the Province to include a transition provision that specifies that the repeal of any provisions in the Planning Act which set out an alternative parkland dedication requirement will only occur once a municipality has enacted a Community Benefit Charge By-law(s).
37. City Council request the Province to amend Section 42 of the Planning Act to provide additional predictability and transparency between Sections 37 and 42, and to support the achievement of complete communities in accordance with Amendment 1 of the Growth Plan, 2017 as follows:

a. enable municipalities to secure the conveyance of land for park purposes as a condition of the development or redevelopment of land along with the ability to secure a community benefits (facilities) charge in accordance with Section 37 of the Planning Act;

b. clarify that where a municipality secures the conveyance of land for park purposes as a condition of development or redevelopment, the community benefits (facilities) charge will not include a payment in lieu of parkland for the site;

c. revise for residential development the maximum conveyance of land for park purposes to be based on a maximum percent of the development site as determined through a community benefits (facilities) charge strategy and as established by By-law as opposed to 5 percent of the land currently proposed in Bill 108; and

d. allow municipalities to set different maximum rates for the conveyance of land for park purposes for residential development based on building type(s) and intensity of development to ensure equitable contributions between different types of residential development and to support parkland need generated by the development.

38. City Council request the Province to amend proposed Bill 108 to allow municipalities to require both the community benefits (facilities) charge and/or the provision of in-kind facilities and the conveyance of land for park purposes in plans of subdivision to achieve complete communities with additional amendments to section 51.1 as per the requested amendments to Section 42 of the Planning Act reflected in Part 37 above.

Development Charges Act Recommendations

39. City Council request the Province to delete provisions to delay development charges payment obligations and so preserve the concurrent calculation and payment of development charges.

40. City Council request the Province to not repeal the parkland and community infrastructure component of the Development Charges Act, 1997 in advance of the completion of the Community Benefit Charge Strategy and Community Benefit Charge By-law.

41. City Council request the Province to amend Subsection 2(4) of the Development Charges Act, 1997 to add "parks and recreation, and paramedic services" as growth related capital infrastructure.

42. City Council request the Province to amend Subsection 32(1) of the Development Charges Act, 1997 so that it reads:

If a development charge or any part of it remains unpaid after it is payable, the amount unpaid including any interest payable in respect of it in accordance with this Act shall be added to the tax roll and shall be collected in the same manner as taxes and given priority lien status.
43. City Council request the Province to amend Subsection 26.1(2) of the Development Charges Act, 1997 dealing with when a charge is payable, to provide definitions for the types of developments listed.

44. City Council request the Province to delete Subsection 26.1(2) 4. of the Development Charges Act, 1997.

45. City Council request the Province to ensure that the prescribed amount of time referred to in Subsection 26.2(5), (a) and (b) of the Development Charges Act, 1997 be set at no longer than two years.

46. City Council request the Province to amend the Development Charges Act, 1997 by adding the following provisions to permit the entering into and registration of agreements entered into pursuant to Section 27(1) of the Act:

   27(4) Any agreement entered into under subsection (1) may be registered against the land to which it applies and the municipality is entitled to enforce the provisions thereof against the owner and, subject to the provisions of the Registry Act and the Lands Titles Act, any and all subsequent owners of the land.

Ontario Heritage Act Recommendations

47. City Council request the Province that if the objection process is to be maintained as currently proposed in Bill 108, a time limit be included within which a person may object, by adding to the end of Subsection 27(7) of the Ontario Heritage Act, "within 30 days of the notice referred to in Subsection (5)."

48. City Council request the Province to amend Section 27 of the Ontario Heritage Act, to provide for a more efficient process for listings to allow an owner to object to a listing at a statutory public meeting before Council makes any decision, and in turn to make proposed Subsection 27(9) (Restriction on demolition, etc.) applicable from the date that notice is given respecting the proposed listing.

49. City Council request the Province to amend Section 29 of the Ontario Heritage Act, to provide for a more efficient process as follows:

   a. allow an owner to object to a notice of intention to designate at a statutory public meeting before Council makes any decision respecting designation;

   b. only permit an owner to appeal a notice of intention to designate to the Tribunal, or alternatively only permit an individual who has made an objection at a statutory public meeting to appeal a notice of intention to designate to the Tribunal;

   c. make the decision of Council to state its intention to designate appealable, rather than the By-law itself and delete the time limit for Designation By-laws to be passed; alternatively, extend the time period to pass a Designation By-law to one year; and

   d. if the opportunity to object to the Council's decision remains in the Act, then extend time periods for reconsideration of an intention to designate by Council to 180 days, allow for Council's decision to be appealed, and remove the timeframe within which a Designation By-law must be passed.
50. City Council request the Province to amend Part IV of the Ontario Heritage Act to provide clarity on the relationship between the individual heritage values and attributes of properties within the Heritage Conservation Districts and the values and attributes of the District, particularly as it pertains to alterations.

51. City Council request the Province to amend the Ontario Heritage Act Subsections 33(5) and 34(4.1) to change the headings to "Notice of Incomplete Application" and to add the words "that the application is incomplete" after the words "notify the applicant" for clarification.

52. City Council request the Province to amend the Ontario Heritage Act to extend time periods for consideration of alteration from 90 days to 180 days by deleting "90" and replacing it with "180" in Subsections 33(7)1 and 34(4.3)1; and/or make amendments to the Planning Act to state that where an application to alter or demolish is made under Sections 33 or 34 of the Ontario Heritage Act that the timelines in the Ontario Heritage Act prevail to the extent of any conflict for the purposes of the date an appeal may be made under the Planning Act regarding a Planning Act application.

53. City Council request the Province to make the decision of Council to state its intention to designate appealable, rather than the By-law itself, and extend the time period to pass a Designation By-law to one year.

Growth Plan Recommendations

54. City Council request the Province to revise Proposed Amendment 1 of the Growth Plan, 2017, policies and mapping to recognize and include additional Provincially Significant Employment Zones in the City of Toronto, including the City's major office parks.

55. City Council support the inclusion of Official Plan Amendment 231 as a matter in process that should be transitioned and therefore not subject to a "A Place to Grow" provincial Plan and request that the Province modify Ontario Regulation 311/06 to add any decision made by Toronto City Council on the day before enactment of the proposed Amendment 1 to the Growth Plan, 2017, but are currently under appeal at the Local Planning Appeal Tribunal.

City Council Decision Advice and Other Information

Summary
On May 2, 2019, the Minister of Municipal Affairs and Housing announced the Province’s Housing Supply Action Plan and introduced Bill 108 (More Homes, More Choices Act) in the Legislature. The Bill proposes to amend 13 statutes. The Provincial commenting period on the proposed changes closes on June 1, 2019. The following report has been prepared by the City Planning Division in consultation with the Corporate Finance Division, Legal Services, Parks, Forestry and Recreation and other divisional partners impacted by the proposed Bill 108 amendments discussed in this report.

This report highlights the proposed changes to the Planning Act, Local Planning Appeal Tribunal Act, 2017, Ontario Heritage Act and the Development Charges Act, 1997 and provides preliminary comments on their impact on municipal land use planning, the development approval process, heritage conservation and on funding for community facilities and infrastructure.
The report also summarizes the Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019, which replaces the 2017 Growth Plan and which comes into effect on May 16, 2019. The associated 2019 Growth Plan transitional matters regulation (Ontario Regulation 311/06) is open for comment until May 31, 2019. This report also comments on this proposed regulation.

Despite the absence of implementation details, the proposed changes to legislation in Bill 108 signal that there will be significant impacts on: the City's finances; the ability to secure parkland; the capacity to provide community facilities; and on the evaluation of development applications that would afford appropriate opportunities for public consultation and conservation of heritage resources.

Bill 108 contains limited evidence that its central objectives, making it easier to bring housing to market and accelerating local planning decisions, will be achieved. Currently over 30,000 residential units in 100 projects proposed within Toronto are awaiting Local Planning Appeal Tribunal (LPAT) outcomes. Significantly shortening statutory review timelines; reducing opportunities for collaborative decision-making at the front-end of the municipal review process; expanding the scope of reasons to appeal development applications to the LPAT; and introducing a completely new process for determining community benefit (facilities) contributions could result in increased appeals and an even greater proportion of the housing pipeline projects being held up as part of the LPAT process.

In addition, Bill 108 undermines the City's ability to ensure that "growth pays for growth" through substantive amendments to Sections 37 and 42 of the Planning Act, and the Development Charges Act. Combined, these tools account for a large proportion of the City's 10-year capital plan which supports critical infrastructure investments, including:
- 12 child-care centres with a cumulative 583 spaces;
- 21 Toronto Public Library expansion and renovation projects;
- 106 new or expanded parks; and
- 17 community recreation centres, 5 pools, 4 arenas and over 200 playground improvement projects.

With 140,441 approved but unbuilt residential units and an additional 167,309 units currently under review (representing an estimated 540,000 people who could be housed), the need to plan for Toronto's long-term liveability and manage the impacts of growth, is of paramount importance.

By diverging from the long-held approach of growth paying for growth, future developments could result in a negative financial impact on the City. If this were to occur, the net outcome would be that existing residents and businesses, who make up the City's tax base, would in effect be partially subsidizing new development. Alternatively, the current service level standards would need to be adjusted to reflect this new fiscal environment. In spite of these changes, it is unlikely that they will positively impact housing affordability as Bill 108 does not provide for any mechanisms to ensure that reduced development costs are passed through to future home buyers and renters.

The full impact of many of the proposed Bill 108 amendments will be assessed when implementation details, to be outlined in provincial regulations associated with the Bill, become available. The Province has not issued any information as to the timing or content of these regulations. City staff will continue to assess the impacts of the proposed legislation and provide additional comments to Council when the regulations have been released.

**Background Information (City Council)**
Attachment to motion 1a by Councillor Josh Matlow (Part 18 of City Council decision) (http://www.toronto.ca/legdocs/mmis/2019/cc/bgrd/backgroundfile-133309.pdf)