

# Bill 23 and more ...



**May 25, 2023**  
**Kevin Eby, RPP, PLE**

# Presentation Overview

- Context
- Bill 23 Overview
- Impacts on Rural / Smaller Municipalities
- Thoughts
- Questions and (hopefully) Answers

# **Housing Shortages and Affordability Issues Need to be Addressed in Ontario**

# Housing Shortage and Affordability Issues

- There is a significant shortfall in affordable units available to meet increasing demand
- Affordability is an issue in both the ownership and rental markets
- Housing to accommodate aging seniors is increasingly in short supply, especially in smaller communities
- Housing options for young and growing families are extremely limited



# How did this Happen?



- Historically low interest rates increased demand for home ownership
- 2016 change in the international student visa program increased demand
- Increased immigration is compensating for Boomers retiring from the labour force
- Labour and supply shortages
- Housing became an attractive investment for Boomers

# How did this Happen?



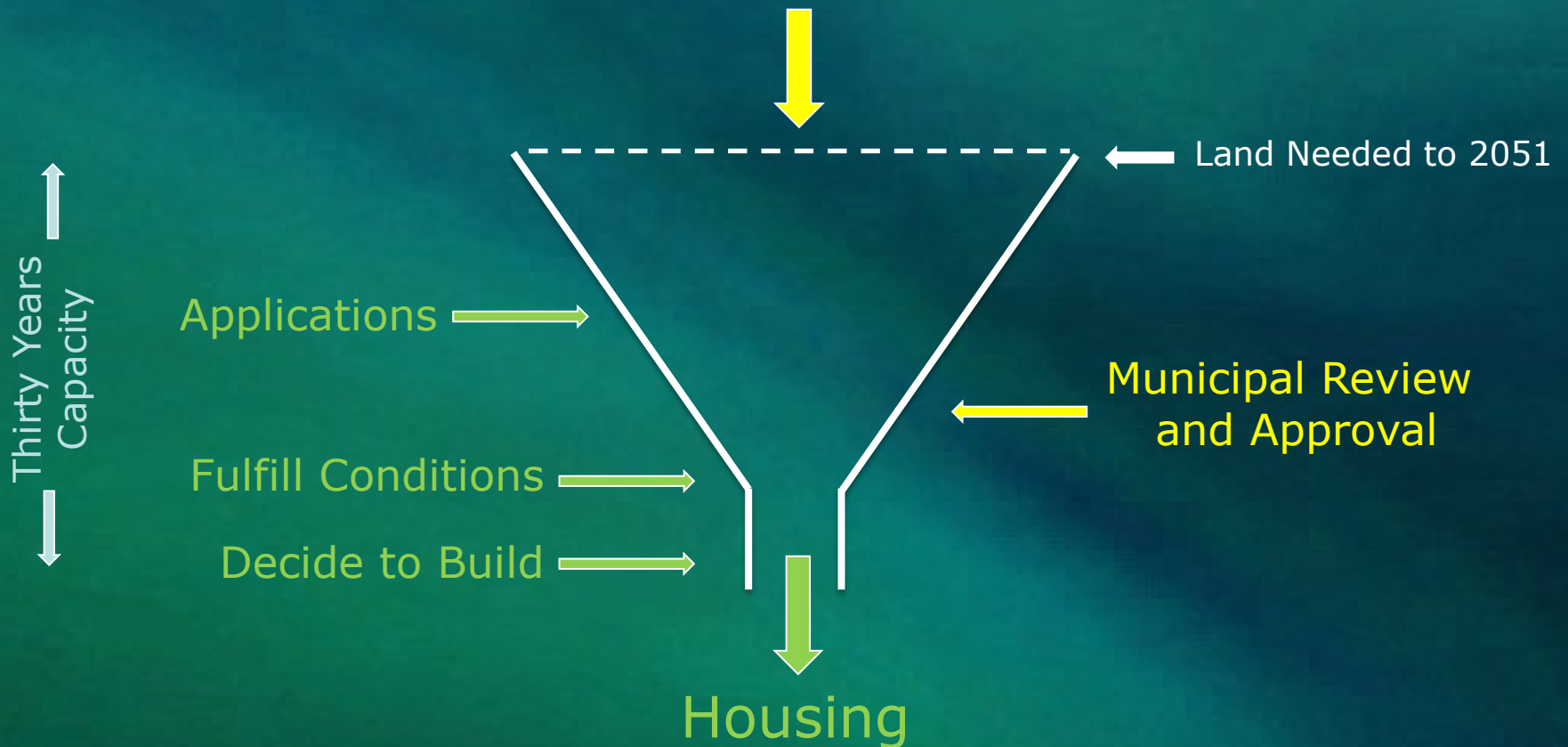
- Pandemic changed the relationship between housing and its occupants
- Some forms of housing are becoming more and more challenging to build profitably
- Tighter urban boundaries mean that some developers may not be able to replenish land supplies, so they are doing it out slower
- The private sector isn't building affordable products

# **The Role of Land in Meeting Housing Needs**

**(The Housing Funnel)**

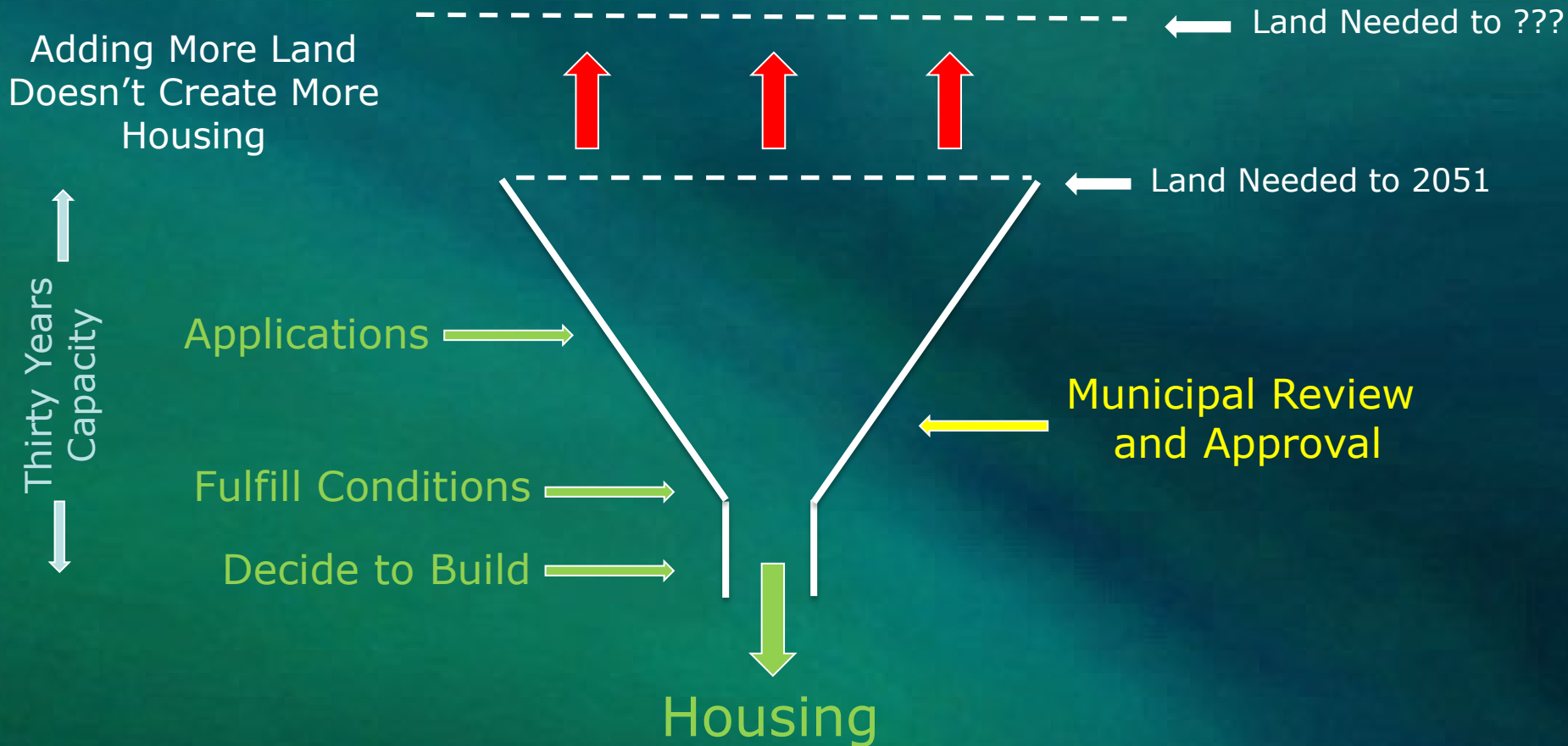
# How the Housing Funnel Works

Municipalities Add Land Needed to Accommodate Growth to the Funnel



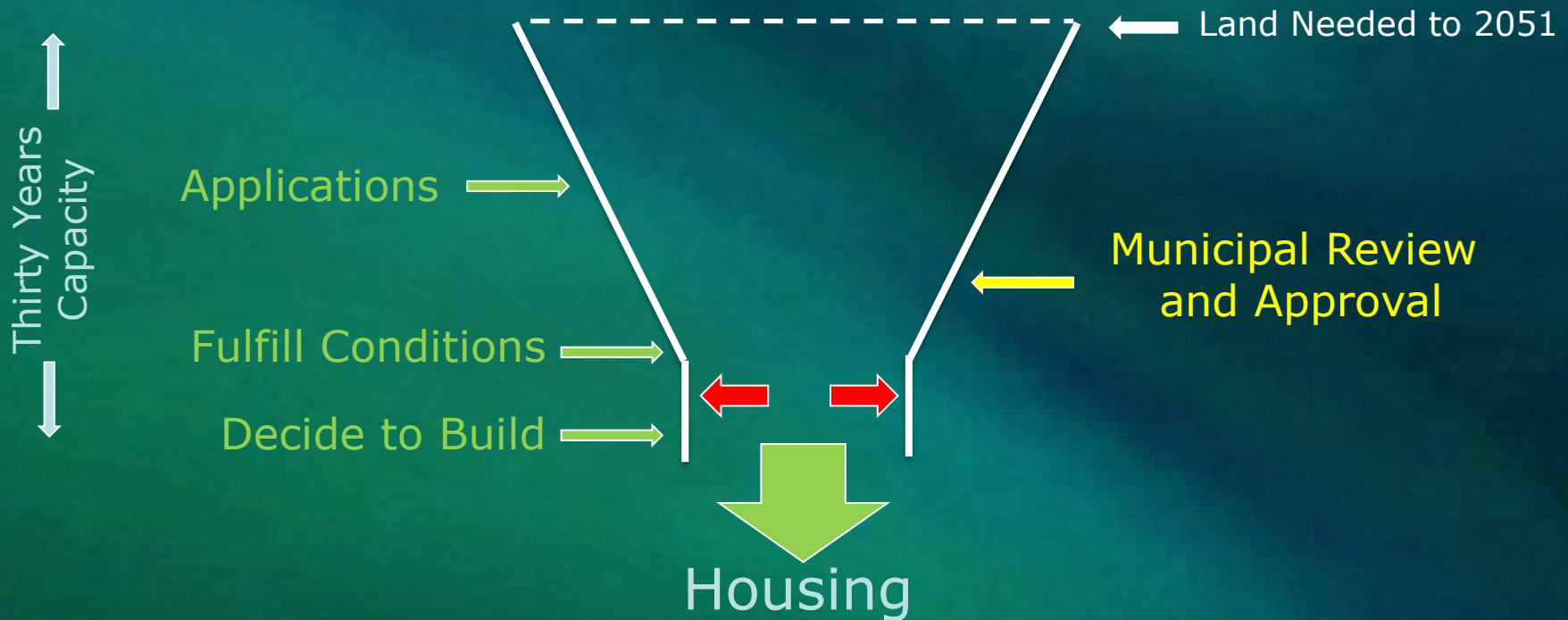


# How the Housing Funnel Works



# How the Housing Funnel Works

To Increase Housing, You Need to Open the Bottom of the Funnel



# Housing Affordability Task Force Report



- Housing Affordability Task Force (HATF) identified a need for 1.5 million new homes in Ontario by 2031
- Provided a series of 55 recommendations to increase housing construction
- Recommendations range from process improvements, and changing regulations regarding where additional housing should be allowed, to provision of incentive programs

# Housing Affordability Task Force Report



- Unfortunately, the HATF Report didn't provide a breakdown as to how the need for 1.5 million housing units was determined or is distributed in terms of types and price points
- This is important, as demand in various segments of the housing market require very different responses

# Housing Affordability Task Force Report



But of special note, the Report stated:

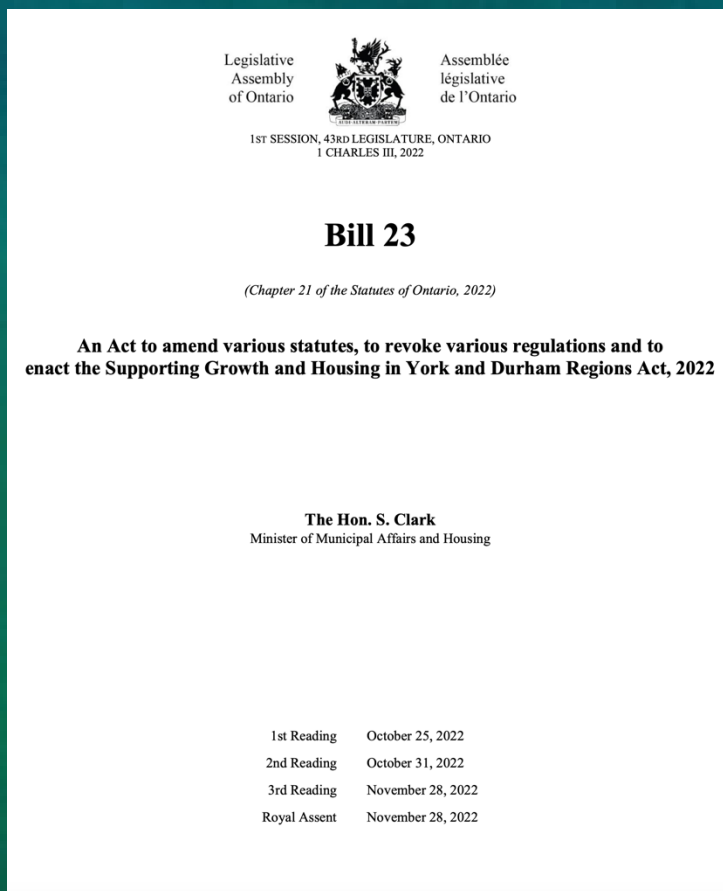
“But a shortage of land isn’t the cause of the problem. Land is available, both inside the existing built-up areas and on undeveloped land outside greenbelts.” [emphasis added]



The Province's response to the AHTF Report included:

- Bill 23 – More Homes Built Faster Act
- Bill 39 – Better Municipal Governance Act
- Addition of thousands of hectares to Urban Areas through OP approval processes
- Removal of 3,000 ha from the Greenbelt for new housing

# Bill 23 Overview



- Bill 23 (as described in its name) is intended to “Build More Homes Faster”
- Amends 10 pieces of legislation to implement extensive changes
- While most of Bill 23 is currently in effect, some parts of the Bill 23 await proclamation
- The Minister has also provided additional clarification / direction on the application of Bill 23 to municipalities

# Bill 23 Key Changes - Responsibilities



## Bill 23

*(Chapter 21 of the Statutes of Ontario, 2022)*

**An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022**

**The Hon. S. Clark**  
Minister of Municipal Affairs and Housing

1st Reading	October 25, 2022
2nd Reading	October 31, 2022
3rd Reading	November 28, 2022
Royal Assent	November 28, 2022

- Withdraws planning responsibilities from seven upper tier municipalities
- Reduces the role of conservation authorities essentially to review of issues related to hazard lands
- Restricts municipal authorities to collect and use certain charges and fees, including:
  - Parkland Dedication
  - Community Benefits Charges
  - Development Charges

# Bill 23 Key Changes – Residential Units



## Bill 23

*(Chapter 21 of the Statutes of Ontario, 2022)*

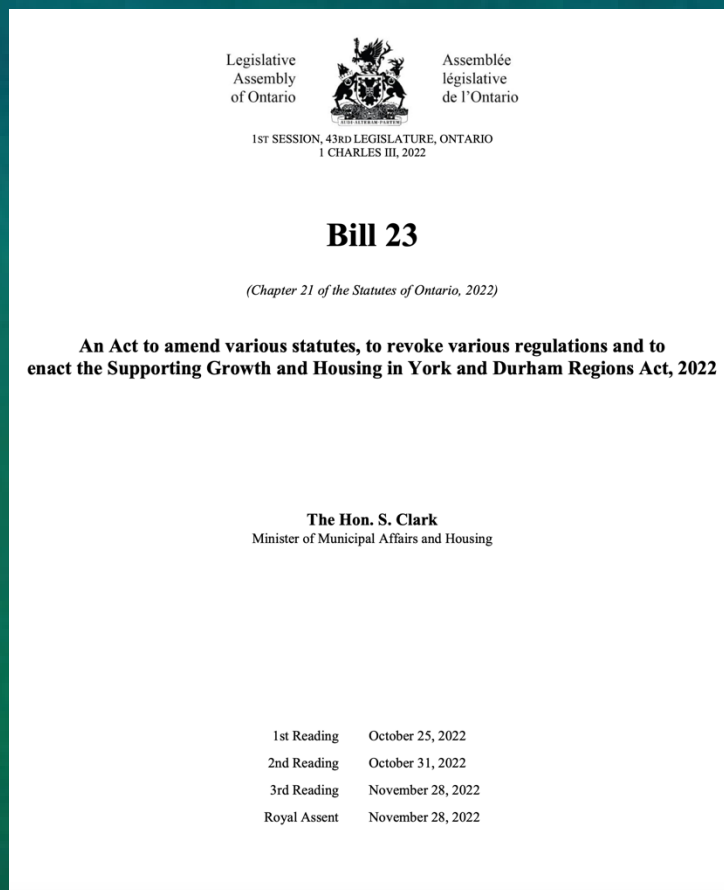
**An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022**

**The Hon. S. Clark**  
Minister of Municipal Affairs and Housing

1st Reading    October 25, 2022  
2nd Reading    October 31, 2022  
3rd Reading    November 28, 2022  
Royal Assent    November 28, 2022

- Allows up to three residential units on single, semi and rowhouse lots located within residentially designated urban lands
- Eliminates site plan approval process for applications proposing less than 10 units
- Redefines "affordable housing" to make it market housing cost-based definition rather than income-based
- "Attainable" housing has yet to be fully defined

# Bill 23 Key Changes - Development Charges



- Development charges waivers are applicable to accessory, affordable, attainable, non-profit, and inclusionary zoning units
- Development charges discounts required for purpose-built rental units
- Creates a phase-in period for introduction of new or revised development charges
- Minister has stated municipalities would be “made whole” ... but no one knows what that means



# Bill 23 Key Changes – Other Notable Changes



## Bill 23

*(Chapter 21 of the Statutes of Ontario, 2022)*

**An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022**

**The Hon. S. Clark**  
Minister of Municipal Affairs and Housing

1st Reading	October 25, 2022
2nd Reading	October 31, 2022
3rd Reading	November 28, 2022
Royal Assent	November 28, 2022

- Mandates the sale of potentially developable conservation authority lands
- Restricts ability to regulate demolition or conversion of rental properties
- Allows immediate amendments to Official Plans and Zoning By-laws
- Eliminates third party appeals on consents and minor variance applications

# Bill 23 Key Changes – Other Notable Changes



## Bill 23

*(Chapter 21 of the Statutes of Ontario, 2022)*

**An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022**

**The Hon. S. Clark**  
Minister of Municipal Affairs and Housing

1st Reading	October 25, 2022
2nd Reading	October 31, 2022
3rd Reading	November 28, 2022
Royal Assent	November 28, 2022

- Restricts municipal use of inclusionary zoning
- Reclassifies wetlands to reduce the impact of having to protect them in the development process
- Changes process to designate heritage buildings and districts to reduce the impact of having to protect them in the development process

# Impacts on Rural / Smaller Municipalities

# Impacts on Rural / Smaller Municipalities

- Development Charges and other fee waivers (parkland and community benefit charges) potentially have serious financial implications for smaller municipalities
- The waiver of site plan control on 10 units or less eliminates it almost entirely within a small community context
  - Eliminates the ability to obtain road widenings where required
  - Forces “creative” use of other by-laws and regulations to achieve good planning results
- Has created significant confusion at the very time we need to be focused on solutions

# Impacts on Rural / Smaller Municipalities

- As-of-right units on lots for singles, semis and row houses will be controversial ... but should result in much needed rental units and housing for seniors
- For example:

<b>Municipality</b>	<b>Percentage Single- and Semi-Detached Units (2021)</b>	<b>Units other than Single- and Semi-Detached Units (2021)</b>	<b>Residents aged 80+ (2021)</b>	<b>Additional Residents Aging to 80+ Between 2021 and 2051*</b>
<b>Grey County</b>	84%	6,815	6,390	43,530
<b>Bruce County</b>	85%	4,600	4,140	31,045

Source: 2021 Census of Canada

\* Includes individuals who may pass on during the 2021 to 2051 time period



# Thoughts

# Thoughts

- There are some very good things in Bill 23, facilitating accessory housing units throughout urban areas being the key one
- There are some questionable things such as the waiver of development charges and other municipal fees without mechanisms to ensure municipalities can afford the costs, or that they are truly passed on to the consumer

# Thoughts

- There are some short-sighted things such as:
  - reclassifying wetlands
  - reducing the role of conservation authorities
  - the potential sale of conservation authority lands
  - restrictions on the use of inclusionary zoning to ensure provision of affordable housing
- There are some things I do not understand at all, such as elimination of upper-tier planning and the Growth Plan for the GGH that will do nothing to deliver more housing

# Thoughts

- With respect to land needs, in addition to the HATF Report saying land shortages were not a problem, two recent studies found:
  - 1) Before the most recent urban expansions there was over 2 million units of unbuilt housing capacity in the GGH alone (Eby, K. – February 2023)
  - 2) 15 municipalities had over 1.5 million units already under construction, subject to approved applications or already in applications under review (RPCO – March 2023)
- These clearly demonstrate that no additional land (especially Greenbelt land) is required to accommodate the 1.5 million new housing units by 2031

# Questions