



The *Planning Statute Law Amendment Act, 2023*

AMO's Submission to the Ministry of Municipal Affairs and Housing on:

ERO 019-7885

December 15, 2023

(Revised Version Date: December 20, 2023)

Executive Summary

AMO appreciates the opportunity to provide comments on Bill 150, the proposed Planning Statute Law Amendment Act, 2023. AMO welcomes the decision to reverse ministry issued decisions; especially those made without the input of affected communities.

We are pleased to see that our recommendation to include immunity provisions to mitigate legal risk for municipalities resulting from this legislation has been included in the proposed legislation. However, we remain concerned about the potential financial impact of this legislation to municipalities, particularly around development charges. AMO continues to call on the province to include transitional provisions that extend the timeline for municipalities to complete development charges by-laws, and to ensure that updates to existing by-laws does not “reset the clock” on the five-year phase in requirement.

Transitional Provisions Related to Development Charges By-laws

Under the *Development Charges Act*, municipalities are required to determine the development charges that may be imposed using a methodology that is based on – among other things – the anticipated amount, type and location of development; the increase in service attributable to this development; and the capital costs necessary to provide the increased level of services. Further, under the Act, development charge by-laws expire 10 years after the day they come into force.

The proposed reversal of ministry issued decisions on official plans will likely result in changes to the amount and location of land available for development in municipalities. This will result in some impacted municipalities needing to revise their planned or existing development charges by-laws to address this new planning landscape.

Transitional Provisions to Extend Existing Development Charge By-laws

Some of the municipalities affected by this legislation have dedicated time and resources to preparing background studies and drafting new by-laws under the existing official plans that will need to be redone to ensure compliance with the *Development Charges Act*. AMO has heard concerns that some municipalities may not be able to complete this work before their existing development charges by-laws expire.

AMO calls on the province to establish transitional provisions that would extend the duration of existing development charges by-laws for affected municipalities to ensure that they do not expire before they can be updated. Further, the cost of redoing any work should be borne by the province.

Transitional Provisions to Retain Progress on Development Charge Phase-in

As you are aware, recent changes to the development charges framework require that development charges by-laws are phased in over a period of five years. Municipalities that have already passed development charge by-laws under this framework are concerned that if they have to pass new by-laws to comply with the *Development Charges Act* this will “reset the clock” on the five-year phase-in and result in lost revenue.

AMO recommends transitional provisions be included in the proposed legislation that would allow the affected municipalities to update their development charges by-law without “resetting the clock” on the five-year phase in. This will help ensure that these municipalities continue to bring in revenue to fund housing-enabling infrastructure needed to meet their housing targets.

More broadly, we strongly recommend that the phase-in be repealed for all municipalities. These significant discounts keep development charges artificially low and force municipalities to absorb changes to the true cost of infrastructure development, such as inflation and new services. In some instances, they create incentive for landowners to delay development to capture anticipated benefits. Repealing the phase-in will better position municipalities to deliver housing-enabling infrastructure and community housing.

Other Land Use Planning Matters

The proposed legislation includes a number of provincial changes that are proposed to be maintained under the legislation in the interest of protecting public health and safety, and to align with existing provincial legislation and regulations. Although the proposed changes to be kept in place are targeted at specific municipalities, AMO would like to highlight that some of these changes are important to ensure are maintained across Ontario’s land use planning framework in any future initiatives explored by the province. We have previously provided comment on these matters in [our August 3, 2023 submission](#) on the “Combined Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe” (ERO #019-6813).

We have previously expressed strong support for the government’s reversal of its unprincipled and unilateral decision-making process to enable development on Greenbelt land. As its own [Housing Affordability Task Force](#) has said that “a shortage of land isn’t the cause of the problem. Land is available, both inside the existing built-up areas and on undeveloped lands outside the greenbelts” (pg. 10). We are pleased that the proposed legislation will retain elements of official plans that ensure that activities such as the extraction or disposal of sand, gravel, or waste that are prohibited under the Greenbelt Plan. Future initiatives taken by the Province should ensure that development does not take place in areas that have not been designated by municipalities. The Province should consider incentives for landowners to instead develop urban lands that have been approved for development but remain undeveloped.

AMO is similarly pleased to see that provincial changes will be retained in official plans to ensure that where a marked or unmarked cemetery or burial place is found, Indigenous communities with a known interest in the area are notified. As we have previously commented, it is critical to incorporate Indigenous perspectives and acknowledge the rights and roles of Indigenous Nations into Ontario's land use planning framework including the Provincial Planning Statement. More collaboration with Indigenous communities is essential to ensure that there is strong collaboration between municipalities and Indigenous communities across the province.

Finally, we are pleased to see that the province is maintaining changes that will prohibit activities surrounding drinking water sources. Municipalities take their responsibility around source water protection very seriously. Although municipalities have legislative and regulatory responsibilities around source water protection, we strongly support provincial efforts to ensure that these rules are reflected in the land use planning framework and official plans.

Conclusion

AMO welcomes the proposed reversal of ministry issued planning decisions; especially those made without the input of affected communities. We commend the government for making efforts to ensure that these changes are made in consultation with municipalities, and that considerations are being made to ensure that no unintended consequences arise from the proposed reversal.

As we have previously indicated, AMO has heard that municipalities have already incurred significant costs as a result of the ministry issued decisions on official plans, and that more costs are likely as a result of the proposed reversal. AMO strongly urges that the province collaborate with municipalities to establish a clear framework that ensures the province is directly responsible for all costs arising as a result of reversing these provincial decisions. AMO would be happy to review and provide comments on any proposed framework.