

Bill 97, *Helping Homebuyers, Protecting Tenants Act, 2023*

Submission to the Standing Committee on Heritage, Infrastructure and Cultural Policy

May 10, 2023



Introduction

AMO is pleased to provide comments on Bill 97, *Helping Homebuyers, Protecting Tenants Act, 2023*. While these comments focus primarily on Bill 97, they are informed by and reference the broader suite of legislation, regulations, policies and action undertaken by the province in its effort to build 1.5 million homes by 2031.

Municipalities know that Ontario is in a housing crisis and are doing everything within their power to make housing more accessible to residents.

This includes implementing land use planning changes whose scope and pace are unprecedented, made all the more challenging by uncertainty about key financing and governance questions, and about the timing and nature of what is to come.

It also includes remaining engaged in constructive thinking and debate about what future changes might be needed. We remain motivated only by a desire to support the government in making the best decisions possible in the interests of the public.

Bill 23 made sweeping changes to land use planning, infrastructure financing, and environmental management frameworks, all without a clear sense of the contribution to affordable housing. Bill 97 is not Bill 23. It differs in a number of fundamental ways that AMO is pleased to support, namely:

- 1. A Focus on Renters and Rentals
- 2. Responsiveness to Municipal Feedback, and
- 3. Incremental Enhancements to Provincial Development Tools

Neither Bill 97 nor any complementary government action address the critical question of how municipalities can effectively finance the infrastructure required to support growth in light of Bill 23. AMO remains optimistic that the government will make good on its promise to offset these fiscal impacts and urges timely action as ongoing uncertainty undermines municipalities' ability to support housing targets.

Municipalities know it won't be easy to solve the housing crisis, or related impacts like the homelessness epidemic. We know that to make progress, all levels of government will need to try new approaches, learn from mistakes, and work in true partnership. AMO and its members are committed on all of these fronts, and welcome provincial commitment to do the same.



1. Focus on Renters and Rentals

AMO supports Bill 97's recognition of the importance of the rental housing market and stronger tenant-landlord relationships in making housing more affordable and preventing homelessness. We look forward to future collaboration with the government on additional ways to improve the rental system and affordability for renters.

"Renovictions" and Own-Use Evictions

AMO is pleased to see provisions that strengthen protections against evictions, including those due to renovations and landlord's own use. This is consistent with recommendations from AMO's Housing Blueprint.

The government's commitment to nearly double the number of adjudicators at the Landlord and Tenant Board to reduce active applications and improve client service for applicants is an important complement to this legislative proposal. These investments will have significant positive impacts, and AMO is eager to see their benefits come to light.

Rental Replacement By-laws

Bill 23 amended legislation to provide regulation-making authority to impose limits and to municipal powers to prohibit and regulate the demolition and conversion of residential rental properties. The current proposal makes positive progress towards a regulation.

AMO believes that protecting the stock of rental housing is of critical importance addressing housing affordability and that municipalities should not be able to pass a by-law that results in a reduction of rental housing stock. We believe that more rental units should be encouraged to meet the wide spectrum of housing needs in Ontario.

The creation of a more robust standardized framework for rental replacement by-laws through regulation can help municipalities to better understand and use this important tool that to date has not received widespread uptake. To avoid discouraging municipalities from enacting these by-laws, an administratively streamlined approach will be key, including allowing some flexibility to meet local needs and circumstances.

2. Responsiveness to Municipal Feedback

Bill 97 includes important provisions that reverse changes in previous housing Bills in response to feedback from municipalities and other stakeholders.

Site Plan Control

Allowing site plan control for residential developments of 10 units in certain circumstances will enable rural municipalities in particular to preserve important local character. Clarifications to parking provisions in Bill 23 are also responsive to municipal feedback.



Fee Refunds

Extending by six months the deadline by which municipalities are required to refund development application fees if statutory deadlines are not met responds to both fiscal and implementation challenges highlighted by municipalities.

The inclusion of provisions that allow for the exemption of municipalities from fee refund regimes in the future is also welcome, as it signals an understanding of the challenges created by this regime as a whole. For example, these penalties have given a number of municipalities no choice but to only accept complete applications from proponents as opposed to the more iterative and collaborative approach to planning applications involving back and forth between the proponent and the municipality that has typically been the practice.

AMO would request that the government consider repealing the fee refund regime altogether, or alternatively, that the Bill add in language allowing the refunds to be waived if both parties mutually agree to do so.

Building Code

AMO is aware of concerns in Northern Ontario regarding an increased interest in development on property in unincorporated areas of Ontario. This proposal acknowledges the challenges associated with these developments and starts to put in place the mechanisms to provide greater oversight and accountability in unincorporated territory. For the addition of building inspectors to be effective, however, the province will need to put in place a framework for built form in unincorporated, as currently it would appear that only the parcel fabric is enforceable, posing unique challenges not felt elsewhere and driving the explosion of demand in growth in these areas.

The impact of these creative housing solutions in unincorporated territory are felt most in the municipal jurisdictions directly adjacent to unincorporated territory. Source water protection concerns and demands for emergency services are just two examples of direct impacts. We are pleased to see that this unique situation has garnered the attention of the province.

AMO sees this as an opportunity to look at the broader challenges faced by municipalities with similar developments adjacent to their communities. We encourage the province to consider a broader conversation about Northern housing development, including the ongoing interest in having more crown land available for development within municipal jurisdictions. This could help address the demand for more housing options in Northern Ontario that may be driving the explosion of development in unincorporated territory.

3. Incremental Enhancements to Provincial Development Tools

Bill 97 includes enhancements to provincial capacity to intervene in development. Pervasive or indiscriminate provincial intervention in development risks undermining broader local



planning efforts with implications for financing, timing, and complete communities. However, if used in a way that is highly collaborative with municipal governments and informed by important local context, these tools can help to address specific development challenges in a targeted way.

Provincial Land Development Facilitators

The expansion of the Provincial Land Development Facilitator's capacity and changes that will make agreements legally enforceable can enhance the effectiveness of this office, increase transparency for all parties and contribute to the fair enforcement of agreements.

It remains unclear how the increased profile and powers of the Provincial Land Development Facilitator will be used. AMO will watch with interest and support the implementation of these tools in a way that complements local plans and priorities.

Ministers' Zoning Orders

Bill 97 makes important changes to the Minister's Zoning Order (MZO) tool. If passed, Bill 97 would exempt not just zoning approvals, but all *subsequent* required approvals from needing to comply with Official Plans or provincial policies where an MZO had been issued. While the proposal would seem to have the effect of streamlining development approvals processes and be largely consistent with the effective use of this tool, it is a not insignificant enhancement of Ministerial powers.

Concerns have been raised by a number of stakeholders that this government has issued more MZOs than all other provincial governments in the last 20 years combined. When used too frequently or without the consent of municipal government, MZOs can create significant issues for servicing and long-term capital plans, result in unintended environmental consequences, and contradict community wishes.

AMO believes that MZOs can be useful tools where locally appropriate and in situations of extraordinary urgency. AMO also is optimistic that proposed changes to the Provincial Planning Statement that would streamline processes related to settlement boundary expansion and employment area conversions could reduce the need to rely as heavily on MZOs in the future.

While AMO supports the creation of this power as one more tool in the toolkit to speed up development where appropriate, we encourage the government to use MZOs judiciously and only in collaboration with municipalities, to enhance transparency when it comes to their use, and to closely monitor their collective impact to inform future changes to the land use planning framework as a whole.



Conclusion: Going Forward

AMO appreciates the opportunity to respond to the consultation and associated proposals around Bill 97. As municipalities continue to focus on evolving systems to increase housing supply, we look forward to collaborating with respect to:

Funding for Growth

Bill 23 created a \$1 billion annual gap in funding for municipal infrastructure necessary to support increased housing supply. Municipalities urgently need clarity with respect to how this will be addressed. Ongoing uncertainty regarding how and when municipalities will be "made whole" is resulting in delayed decisions, cancelled projects, and undermining fiscal and capital planning.

Predictable Annual Cycle

AMO commends the government's commitment to meet annually to update the Housing Supply Action Plans with housing partners. An annual evaluation is critical to provide predictability and stability in the cycle of legislative and regulatory change for municipal stakeholders who have re-deployed staff time to adapt to these constant changes which could otherwise be used to work on processing development applications.

Provincial Planning Statement

AMO and its members are actively focused on reviewing the proposed Provincial Planning Statement as the foundation for how Ontario will manage growth. Preliminary review highlights a number of positive changes that can help to streamline the planning and development process, tilt the balance towards housing, and enhance the role of municipal governments in determining how their communities grow. In the context of these shifting and growing responsibilities, sufficient resources and capacity to transition to the new system continue to be key.