

AMO's Submission to Consultations Related to The More Homes Built Faster Plan

AMO Submission to the Ministry of Municipal Affairs and Housing and Ministry of Natural Resources and Forestry on:

> ERO 019-6177 ERO 019-2927 ERO 019-6161

December 22, 2022



Preamble

The Association of Municipalities of Ontario (AMO) is a non-profit, non-partisan association that represents municipal governments across Ontario. Together with our members, we address common challenges facing our residents and provide advice to the government about solutions to them. AMO has been actively involved in housing and homelessness advocacy for years, as Ontario's 444 municipal governments are responsible for building strong, complete communities, of which housing – both home ownership and rentals – is a key component.

Housing affordability and building supply is a challenge all Ontarians share. There is much that can be done collectively by working together to increase housing supply, diversify the mix and increase affordability. Solving the housing crisis will require an all-of-government approach by all three orders of government and the development industry.

Introduction

AMO appreciates the opportunity to provide comments on the remaining 2022 consultations related to Bill 23 – *More Homes Built Faster Act, 2022,* and the latest Housing Supply Action Plan: More Homes Built Faster. This submission complements prior comments made on <u>November 24</u>, <u>December 2</u>, and <u>December 9</u>.

Since 2018, the province has introduced three Housing Supply Action Plans and passed several omnibus-style bills to address housing supply. These changes, combined with the introduction and extension of strong mayors this year, have forced municipal governments to adapt quickly, despite having some key dates and details outstanding.

The province has created a generational shift in planning and seems to place the onus directly on municipal governments to build housing faster. At the same time, many of the key tools that municipalities had to recover costs associated with growth and responsibly manage livability and environmental considerations have been removed. The unintended consequences of these changes cannot be understated and have been documented by many municipal governments and environmental groups through individual comments. AMO encourages the government to review these submissions carefully.

AMO wants to help solve housing supply and affordability crisis in Ontario, as our members see the impacts of housing affordability and homelessness every day. We are doing our part but need the province to engage with municipal governments in a meaningful way going forward. In particular, the successful implementation of Bill 109 and Bill 23 is a priority for the sector, as it is critical to the success of the province's goal to build 1.5 million homes by 2031.

In 2023, AMO will be looking for clarity and certainty on the new rules, and a renewed focus on how the entire system can be improved, including the province itself and the development industry. We all need to work together to build housing for all Ontarians. In the meantime, please find attached AMO's comments on ERO 019-6177, ERO 019-2927, and ERO 019-6161.

Review of A Place to Grow: Growth Plan for the Greater Golden Horseshoe and Provincial Policy Statement (ERO 019-6177)

AMO appreciates the province's effort to undertake a housing-focused review and consider integrating the "A Place to Grow: Growth Plan for the Greater Golden Horseshoe" (Growth Plan) and the Provincial Policy Statement (PPS). At this time, AMO is providing high-level comments as it is difficult to fully evaluate the potential impacts of these proposed changes until the details of what a consolidated document would look like are known.

AMO is supportive of reducing duplication, removing potentially conflicting policy directions, and providing clarity on matters of provincial interest. AMO is, however, concerned that sweeping changes to the land use planning policy system could cause significant and unintended consequences.

A strong and effective planning policy framework is the foundation of effective decision-making at the municipal level. We are concerned that a single province-wide policy framework may not be able to provide sufficient direction on coordinated, fiscally sustainable growth and the appropriate protection of resources across significantly different local contexts. Inclusive and meaningful consultation with municipalities across the province will be critical to achieving this balance.

The recent pace and scale of changes to Provincial planning legislation and policy has made it difficult for municipalities, regardless of size, tier, or geography to manage. Substantially revising provincial direction will impact all Greater Golden Horseshoe (GGH) upper-tier, single-tier, and most lower-tier municipalities who have completed or are in the process of completing a Municipal Comprehensive Review (MCR), with significant potential for delays. An alternative approach could be to make precise and targeted changes that support our shared goal of building more homes faster, without further exacerbating uncertainty.

In the meantime, consideration must be given to what data would be used, how it would be sourced, and how long-term population forecasts would be established and monitored for single, upper- and lower-tier municipalities in a consolidated provincial planning policy instrument. For example, the application of a standardized provincial Land Needs Assessment (LNA) / Provincial Projection Methodology Guidelines (PPMG) methodology for all Ontario municipalities should be explored. The LNA Guidelines were updated in 2020, and currently apply to GGH municipalities, while all other Ontario municipalities rely on the 1995 PPMG for simplified guidance regarding the technical approach to growth forecasts and urban land need assessments.

Similar concerns would apply to the Residential Intensification Targets, Minimum Density Requirements, Rural Settlement Areas, and Employment Area Conversion policies currently contained in the Growth Plan and PPS.

That is why AMO strongly encourages the province to read individual submissions from municipalities who have provided specific input on the questions asked in the ERO posting. A comprehensive and meaningful consultation process with municipalities and other stakeholders should be conducted in 2023 to discuss in more detail what the core elements and other proposals will mean on the ground. The process of integrating these documents must be coordinated and measured, as otherwise the level of detail and direction provided in these documents could be eliminated in the short-term, at the expense of good planning in the long-term.

Proposed Updates to the Regulation of Development for the Protection of People of People and Property from Natural Hazards in Ontario (ERO 019-2927)

The Ministry of Natural Resources and Forestry has proposed a regulation that outlines how conservation authorities (CAs) permit development and other activities for impacts to natural hazards and public safety. It would also make a single provincial regulation for all 36 CAs.

While the full extent of changes proposed are unclear until a draft regulation is presented, AMO is generally supportive of many of the proposed changes including exemptions for low-risk activities, complete application requirements, service delivery standards, pre-consultation requirements, and public engagement on mapping and policy updates.

However, AMO does not support the proposal that would exempt development authorized under the *Planning Act* from requiring a permit under the *Conservation Authorities Act* in municipalities and that a regulation should not be created to use this exemption tool. Finally, AMO has concerns with the proposed removal of the "conservation of land" and "pollution" as tests for regulatory approvals.

While this proposal seems minor when taken in isolation, it is part of a more cumulative impact given the changes now in effect in Bill 23 – *More Homes Built Faster Act, 2022*, and the over 10 regulatory and environmental postings that have negative impacts on the environment.

To support the development of this regulation, AMO strongly encourages the province to reinstate the *Conservation Authorities Act* (CA Act) Working Group (CAWG) with representation from local municipalities, CAs, provincial agencies, and developers to support the development of a new regulation and supporting documents. As a part member of the CAWG, AMO felt to be invaluable and a model of what can happen when all stakeholders come to the table to find a common solution.

For example, the CAWG could be used to support this regulation in the following ways:

- Further refining the list of exemptions and develop tools that would enable CAs and applicants to quickly confirm if a proposal meets exemption criteria (e.g., checklists and/or risk matrix).
- Assisting the Ministry in its updating of the Provincial technical guides to provide guidance on how to incorporate climate change considerations into flood event standards. The province's own flood strategy identified significant and major deficiencies in the existing flood standards used within both the Provincial Policy Statement (PPS) and the *CA Act*. A review of these standards is critical given the increasing risks to municipalities, people and property resulting from changing weather patterns and more extreme storm events.
- Working with the province to clarify how natural hazard requirements will be flagged and imposed through permit-related conditions on development applications. In other words, streamlining requirements and conditions that are imposed on CA permits and finding greater consistency, without downloading responsibilities to municipalities for development applications.
- Informing the Ministry about how the language (through the PPS update) on how natural hazards should be considered through *Planning Act* requirements can be improved, and how CAs and municipalities should integrate information into municipal planning documents to achieve this.



AMO agrees that Ontario is in a housing affordability and supply crisis and know we have a role to play. As the province moves into implementing Bill 23 and potentially this and other proposals, AMO believes that the reinstatement of the CAWG is essential to ensure that new homes are built where it makes sense to build them, and not where they could create unnecessary risks to property, human health, and the environment.

Conserving Ontario's Natural Heritage (ERO 019-6161)

The Ministry of Natural Resources and Forestry is consulting on a province-wide offsetting policy and has prepared a discussion paper seeking feedback on how Ontario could offset wetlands, woodlands, and other natural wildlife habitat impacted by development. The proposed offsetting principles include: Net Gain, Avoidance First, Informed, Transparency and Accountability, and Limits to Offsets.

The protection and restoration of wetlands and associated natural heritage systems and watersheds are critical to addressing the impacts of climate change and to building naturally resilient landscapes. It is a cost-effective strategy for protecting downstream properties from flooding and erosion hazards.

In AMO's view, the proposal fails to acknowledge the challenges, complexity, and cost of managing and implementing the recreation of ecosystems. An offsetting policy could set precedents for the removal of wetlands, woodlands, and wildlife habitat, irrespective of significance and accelerate the loss of natural heritage, biodiversity, and essential carbon sinks and sequestration that are necessary to achieve Ontario's critical greenhouse gas reduction goals.

A critical first step is for the Ministry of Natural Resources and Forestry to provide further clarity regarding the respective decision-making roles of municipalities and CAs. Current uncertainty and confusion could hamper the CAs' ability to protect functions as they related to natural hazard management. AMO also recommends that a reinstated *Conservation Authorities Act* (CA Act) Working Group (CAWG) be used to help develop offsetting criteria for wetlands, in particular, to ensure that hazard risks due to flooding and erosion are considered. Other stakeholders with technical expertise in woodlands and other natural wildlife habitat must also be consulted.

AMO urges the province to implement a system that enables the management of natural heritage in a way that reflects geographic as opposed to electoral boundaries and supports integrated, holistic decision-making supported by sufficient capacity and expertise. A regime with unclear expectations and accountabilities regarding how Ontario's natural heritage will be protected and managed will ultimately lead to higher uncertainty and risk for municipalities, developers, and residents – undermining the province's goal of building 1.5 million homes by 2031.

Conclusion

On behalf of municipal governments across Ontario, thank you for your consideration of the comments provided in this final submission on the More Homes for Everyone Plan. As we head into 2023, AMO strongly encourages the province to work with municipalities in a meaningful way to help ensure there is a coordinated and effective effort by all parties to not only reach its housing



supply goal of building 1.5 million homes by 2031, but work on developing solutions across the entire housing continuum.