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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



EXPLANATORY NOTE

*This Explanatory Note was written as a reader's aid to Bill 23 and does not form part of the law.
Bill 23 has been enacted as Chapter 21 of the Statutes of Ontario, 2022.*

SCHEDULE 1 CITY OF TORONTO ACT, 2006

The Schedule amends section 111 of the *City of Toronto Act, 2006* to give the Minister the authority to make regulations imposing limits and conditions on the powers of the City to prohibit and regulate the demolition and conversion of residential rental properties under that section.

The Schedule also makes various amendments to section 114 of the *City of Toronto Act, 2006*. New subsections (1.2) and (1.3) are added to qualify the definition of “development” in subsection 114 (1). Amendments to subsection (6) and new subsection (6.1) limit the extent to which exterior design may be addressed through site plan control. Related amendments are also included.

SCHEDULE 2 CONSERVATION AUTHORITIES ACT

The Schedule repeals and re-enacts subsections 21 (2) and (3) of the *Conservation Authorities Act* so that a disposition of land in respect of which the Minister has made a grant under section 39 requires authorities to provide a notice of the proposed disposition to the Minister instead of requiring the Minister's approval. Authorities will also be required to conduct public consultations before disposing of lands that meet certain criteria. Sections 21.1.1 and 21.1.2 of the Act are also amended to provide that authorities may not provide a program or service related to reviewing and commenting on certain matters under prescribed Acts. A new section 21.3 is added to the Act authorizing the Minister to direct an authority not to change the fees it charges for a specified period of time.

The Act is amended to provide that certain prohibitions on activities in the area of jurisdiction of an authority do not apply if the activities are part of development authorized under the *Planning Act* and if other specified conditions are satisfied.

Sections 28.0.1 and 28.1.2 of the Act, which include provisions to require a conservation authority to issue a permission or permit where an order has been made under section 47 of the *Planning Act*, are amended to also apply to orders made under section 34.1 of the *Planning Act*.

Currently, several factors must be considered when making decisions relating to a permission to carry out a development project or a permit to engage in otherwise prohibited activities. The factors include the possible effects on the control of pollution and the conservation of land. The Act is amended to instead require consideration of the effects on the control of unstable soil or bedrock.

Regulation making powers are amended to provide that the Minister may make regulations limiting the types of conditions that may be attached to a permission or permit.

A new prohibition is added to prohibit a person from continuing to carry out a development project if they have not entered into an agreement by the timeline prescribed in the regulations.

Various other related and consequential amendments and corrections are made, and several regulations made under the Act are revoked.

SCHEDULE 3 DEVELOPMENT CHARGES ACT, 1997

The Schedule makes various amendments to the *Development Charges Act, 1997*. Here are some highlights:

1. Subsection 2 (4) is amended to remove housing services as a service in respect of which a development charge may be imposed.
2. New sections 4.1, 4.2 and 4.3 provide, respectively, for exemptions from development charges for the creation of affordable residential units and attainable residential units, for non-profit housing developments and for inclusionary zoning residential units.
3. Changes are made to the method for determining development charges in section 5, including to remove the costs of certain studies from the list of capital costs that are considered in determining a development charge that may be imposed and to require development charges to be reduced from what could otherwise be imposed during the first four years a by-law is in force.
4. Currently, subsection 9 (1) provides that, unless it expires or is repealed earlier, a development charge by-law expires five years after it comes into force. The subsection is amended to extend this period to 10 years.
5. Section 26.2 is amended to provide that development charges in the case of rental housing development are reduced by a percentage based on the number of bedrooms. Transitional matters are provided for, including that the reduction applies

to any part of a development charge payable under an agreement under section 27 that is in respect of a prescribed development and that was entered into before the day the amendments came into force, other than a part of the development charge that is payable under the agreement before the day the development was prescribed.

6. A new section 26.3 is added to provide a maximum interest rate for the purposes of sections 26.1 and 26.2. Complementary amendments are made to sections 26.1 and 26.2.
7. New subsections 35 (2) and (3) are added, which, for certain services, require a municipality to spend or allocate 60 per cent of the monies in the reserve funds required by section 33 annually.

SCHEDULE 4 MUNICIPAL ACT, 2001

The Schedule amends section 99.1 of the *Municipal Act, 2001* to give the Minister the authority to make regulations imposing limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties under that section.

SCHEDULE 5 NEW HOME CONSTRUCTION LICENSING ACT, 2017

The Schedule makes various amendments to the *New Home Construction Licensing Act, 2017*, including the following:

1. Sections 10 and 11, which relate to competency criteria and composition of the regulatory authority's board, are amended to provide for the Minister's powers to be exercised by order instead of by regulation.
2. Section 71 is amended to provide for higher maximum fines for subsequent convictions for offences.
3. Section 76 is replaced with a new section 76, with some changes. The purposes for which an administrative penalty may be imposed are extended to include compliance with the Acts, regulations and by-laws referred to in subsection 76 (1) and the conditions of a licence as well to prevent economic benefit from contraventions. The maximum amount of an administrative penalty is increased to \$50,000. New subsections 76 (15) and (16) allow administrative penalties to be imposed for contraventions that occurred between April 14, 2022 and the day section 76 comes into force.
4. Clause 84 (1) (i), which authorizes regulations specifying the purposes for which the regulatory authority may use funds that it collects as administrative penalties, is replaced with a new clause 84 (1) (i) that extends the authority to funds that the regulatory authority collects as fines.
5. New clause 84 (1) (i.1) authorizes regulations requiring the regulatory authority to establish, maintain and comply with a policy governing payments to adversely affected persons from funds the authority collects as fines and administrative penalties. New subsection 84 (7) allows such a regulation to provide for any aspect of the policy to be subject to the approval of the Minister.

SCHEDULE 6 ONTARIO HERITAGE ACT

The Schedule amends the *Ontario Heritage Act*. Here are some highlights.

Section 25.2 of the Act currently permits the Minister to prepare heritage standards and guidelines for the identification, protection, maintenance, use and disposal of property that is owned by the Crown or occupied by a ministry or prescribed public body and that has cultural heritage value or interest. New subsection 25.2 (3.1) provides that the process for identifying such properties, as set out in the heritage standards and guidelines, may permit the Minister to review determinations made by a ministry or prescribed public body. New subsection 25.2 (7) authorizes the Lieutenant Governor in Council to, by order, exempt the Crown, a ministry or a prescribed public body from having to comply with the heritage standards and guidelines in respect of a particular property, if the Lieutenant Governor in Council is of the opinion that such exemption could potentially advance one or more provincial priorities, as specified.

Section 27 of the Act currently requires the clerk of each municipality to keep a register that lists all property designated under Part IV of the Act and also all property that has not been designated, but that the municipal council believes to be of cultural heritage value or interest. New subsection 27 (1.1) requires the clerk of the municipality to ensure that the information included in the register is accessible to the public on the municipality's website. Subsection 27 (3) is re-enacted to require that non-designated property must meet the criteria for determining whether property is of cultural heritage value or interest, if such criteria are prescribed. Current subsection 27 (13) is re-enacted to provide that, in addition to applying to properties included in the register on and after July 1, 2021, the objection process set out in subsections 27 (7) and (8) apply to non-designated properties that were included in the register as of June 30, 2021. New subsections 27 (14), (15) and (16) specify circumstances that require the removal of non-designated property from the register. New subsection 27 (18) prevents a council from including such non-designated property in the register again for five years.

Currently, subsection 29 (1.2) of the Act provides that, if a prescribed event occurs, a notice of intention to designate a property under that section may not be given after 90 days have elapsed from the prescribed event, subject to such exceptions as may be

prescribed. The subsection is re-enacted to also provide that the municipality may give a notice of intention to designate the property only if the property was included in the register under subsection 27 (3) as of the date of the prescribed event.

Subsection 41 (1) of the Act currently permits a council of a municipality to designate, by by-law, the municipality or any defined area of it as a heritage conservation district, if there is in effect in the municipality an official plan that contains provisions relating to the establishment of a heritage conservation district. The subsection is re-enacted to also require the municipality or defined area or areas to meet criteria for determining whether they are of cultural heritage value or interest, if such criteria are prescribed. New subsections 41 (10.2) and (10.3) require a council of a municipality wishing to amend or repeal a by-law made under the section to do so in accordance with such process as may be prescribed; similar rules are added to section 41.1.

Section 71 of the Act authorizes the Lieutenant Governor in Council to make regulations governing transitional matters to facilitate the implementation of the amendments made in the Schedule.

Other housekeeping amendments are made to the Act.

SCHEDULE 7 ONTARIO LAND TRIBUNAL ACT, 2021

The Schedule amends the *Ontario Land Tribunal Act, 2021*.

Subsection 19 (1) is amended to expand the Tribunal's powers to dismiss a proceeding without a hearing, on the basis that the party who brought the proceeding has contributed to undue delay. Section 19 of the Act is also amended to give the Tribunal the power to dismiss a proceeding entirely, if the Tribunal is of the opinion that a party has failed to comply with a Tribunal order. Section 20 is amended to give the Tribunal the power to order an unsuccessful party to pay a successful party's costs.

The regulation-making authority in section 29 is also amended. The Lieutenant Governor in Council is given authority to make regulations requiring the Tribunal to prioritize the resolution of specified classes of proceedings. The Minister is given authority to make regulations prescribing timelines that would apply to specified steps taken by the Tribunal in specified classes of proceedings. The implications of a failure of the Tribunal to comply with the timelines prescribed by the Minister are addressed, and the Minister is given authority to require the Tribunal to report on its compliance with the timelines.

A consequential amendment is made to subsection 13 (4).

SCHEDULE 8 ONTARIO UNDERGROUND INFRASTRUCTURE NOTIFICATION SYSTEM ACT, 2012

The Schedule amends the *Ontario Underground Infrastructure Notification System Act, 2012*. Here are some highlights:

1. New subsection 2 (4.4) authorizes the Minister to appoint a chair of the board of directors.
2. New section 2.3 authorizes the Minister to appoint an administrator of the Corporation. This section sets out details of this appointment such as the term, powers and duties of the administrator and various rules with respect to liability. New section 2.5 sets out the conditions to be satisfied in order for the Minister to exercise this authority.
3. New section 2.4 sets out that the members of the board of directors of the Corporation cease to hold office during an administrator's tenure, unless otherwise specified. This section sets out the status of the board during an administrator's tenure.
4. New section 2.6 sets out that the Act, the regulations and Minister's orders prevail in the event of a conflict with the memorandum of understanding or the Corporation's by-laws and resolutions.

SCHEDULE 9 PLANNING ACT

The Schedule makes various amendments to the *Planning Act*. Here are some highlights:

1. The concept of parcels of urban residential land is added as well as rules respecting development on such parcels.
2. New subsections 16 (20) and (21) are added to require zoning by-laws to be amended to conform with certain official plan policies within one year of the policies coming into effect.
3. Currently, under subsection 45 (12), a person has the right to appeal a decision of the committee of adjustment if the person has an interest in the matter. Amendments are made to the subsection to add the requirement that the person also be a specified person listed in a new definition in subsection 1 (1). New subsections 45 (12.1) to (12.4) are added to provide transitional rules associated with this change, including its retroactive application. A similar amendment is made to appeal rights under subsections 53 (19) and (27).
4. Currently, subsections 22 (2.1) to (2.1.2) prohibit requests for official plan amendments to be made within two years of a new official plan or secondary plan coming into effect. The subsections are repealed. The prohibitions on applications to amend zoning by-laws in subsections 34 (10.0.0.1) and (10.0.0.2) and in relation to applications for a minor variance in subsections 45 (1.2) to (1.4) are similarly repealed.

5. Currently, section 23 of the Act enables the Minister to amend official plans by order where the plan is likely to adversely affect a matter of provincial interest. This section is re-enacted to, in particular, eliminate certain procedural steps to which the Minister's power to make orders is subject, as well as to remove the possibility of the Minister requesting that the Tribunal hold a hearing on a proposed amendment.
6. A new subsection 34 (19.9) is added to create an exception to subsection 34 (19.5), which prevents certain appeals of zoning by-laws related to protected major transit station areas if more than a year has passed since related official plan policies or amendments thereto came into effect.
7. Currently, subsection 37 (6) permits a municipality that has passed a community benefits charge by-law to allow an owner of land to provide the municipality facilities, services or matters required because of development or redevelopment in the area. A new subsection 37 (7.1) provides that a municipality may require such an owner to enter into an agreement with the municipality that addresses the provision of the facilities, services or matters and new subsection (7.2) requires the agreement to be registered against the land.
8. Currently, subsection 37 (32) of the Act provides that the amount of a community benefits charge payable in any particular case shall not exceed the prescribed percentage of the value of the land as of the valuation date. The subsection is amended to require the amount to be multiplied by a ratio based on floor area.
9. Various amendments are made to section 41 of the Act with respect to site plan control areas. New subsections (1.2) and (1.3) are added to qualify the definition of "development" in section 41. Amendments to subsections (4) and (4.1) provide that exterior design is no longer a matter that is subject to site plan control. Similar changes are made to section 47.
10. Various amendments are made to section 42 of the Act with respect to parkland requirements, including the following:
 - i. Currently subsection 42 (1) provides that a council may require the dedication of land for park or other public recreational purposes as a condition of development or redevelopment and sets out maximum amounts based on the type of development or redevelopment. A new subsection 42 (1.1) is added to establish a maximum amount for development or redevelopment that will include affordable residential units, attainable residential units or residential units required to be affordable pursuant to an inclusionary zoning by-law. Similar changes are made to section 51.1.
 - ii. New subsections 42 (2.1) to (2.4) are added, which set out rules with respect to the timing of the determination of the amount of land for park or other public recreational purposes or payment in lieu that is required to be provided under a by-law under the section. Similar changes are made to section 51.1.
 - iii. Amendments are made in relation to the alternative requirement for parkland conveyances and payments in lieu, including to change the maximum rates and provide a maximum amount of land or value thereof that may be required to be provided. Similar changes are made to section 51.1.
 - iv. New subsections 42 (4.30) to (4.39) are added, which set out a framework for owners of land to identify land to be conveyed to satisfy requirements of a by-law passed under the section. The framework permits owners to appeal to the Tribunal if the municipality refuses to accept the conveyance of the identified land.
 - v. A new subsection 42 (16.1) is added, which requires a municipality to spend or allocate 60 per cent of the monies in the special account required by subsection 42 (15) annually.
11. Amendments to the exceptions to subdivision control and part-lot control under subsections 50 (3) and (5) of the Act are made in connection with land lease community homes. The exception doesn't apply in respect of land if any part of the land is in the Greenbelt Area. A complementary amendment is made to the definition of "parcel of land" in subsection 46 (1).
12. Section 51 is amended by repealing certain provisions respecting public meetings.
13. Section 70.12 is added to give the Minister the power to make regulations governing transitional matters.
14. The Act is amended to provide for two different classes of upper-tier municipalities, those which have planning responsibilities and those which do not. Various amendments are made to provide lower-tier municipalities with planning functions where, for municipal purposes, they form part of an upper-tier municipality without planning responsibilities. A new section 70.13 addresses various transitional matters which may arise where there is a change in the municipality that has planning responsibilities.

SCHEDULE 10

SUPPORTING GROWTH AND HOUSING IN YORK AND DURHAM REGIONS ACT, 2022

The *Supporting Growth and Housing in York and Durham Regions Act, 2022* is enacted. Its purpose is to expedite the planning, development and construction of the proposed York Region sewage works project to expedite the improvement, enlargement and extension of the York Durham Sewage System to convey sewage to the Duffin Creek Water Pollution Control Plant. The Act also expedites the development, construction and operation of the Lake Simcoe phosphorus reduction project for the

capture, conveyance and treatment of drainage from the Holland Marsh to remove phosphorus before discharge into the West Holland River.

Certain orders and approvals under the *Environmental Assessment Act* are terminated, and the projects are exempted from the *Environmental Bill of Rights, 1993*.

Land required for the projects may be designated as project land, in which case certain work cannot be performed without a permit.

The Minister may require removal of obstructions to the projects.

Adjustments to the expropriation process under the *Expropriations Act* are set out, as are rules regarding compensation.

A number of the powers given to the Minister may be delegated to the Regional Municipalities of York or Durham, a lower-tier municipality or the Agency. Rules with regard to utility companies affected by the project are established.

Various provisions of an administrative nature are enacted.