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**Subject:** Bill 185: Cutting Red Tape to Build More Homes Act, 2024

**Staff Report No.** DS-037-24

**Commission:** Development Services Commission  
Finance Services Commission

**Date:** June 26, 2024

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**Recommendation:**

- 1) That Council receive Report No. DS-037-24 for information; and
- 2) That Council approve the elimination of the phase-in period for development charge rates and implement the full 100% rate effective July 1, 2024, in accordance with Bill 185, which received royal assent on June 6, 2024; and
- 3) That staff be authorized to do everything to give effect to the resolution.

**1. Purpose:**

The purpose of this Report is to inform Council of the legislative, regulatory and policy changes approved through Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*, and the impacts to the Town.

To seek approval to eliminate the phase-in of development charge rates, thereby enabling the Town to charge the full rate effective July 1, 2024.

**2. Executive Summary:**

The *Cutting Red Tape to Build More Homes Act, 2024* (Bill 185) received royal assent from the Province of Ontario on June 6, 2024. Bill 185 was introduced as part of the Province's Spring 2024 Red Tape Reduction Package with the stated aim to speed up government processes and build 1.5 million homes by 2031. The omnibus legislation introduced changes to fifteen different Acts, including the *Planning Act*, *Development Charges Act* and the *Municipal Act*. These changes are largely in response to feedback on issues preventing or delaying the development of housing, including changes that were brought forward under Bill 23, the *More Homes Built Faster Act, 2022*.

Key changes include: removal of upper-tier planning responsibilities, further changes to appeal rights, eliminating the requirement for pre-consultation, expediting approvals for

priority projects, eliminating parking minimums in certain areas, reducing barriers to building additional residential units, and creating a new “use it or lose it” policy for water and wastewater servicing.

### **3. Background:**

On April 10, 2024 the Province introduced another installment of proposed legislative, regulatory and policy changes to support its commitment to cut red tape, speed up government processes and build at least 1.5 million homes by 2031. Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* proposed amendments to fifteen different Acts, including the *Planning Act*, *Development Charges Act* and the *Municipal Act*. On June 6, 2024, Bill 185 was given royal assent. The legislation builds on previous changes such as Bill 162, *Get it Done Act, 2024*, and Bill 23, *More Homes Built Faster Act, 2022*.

As part of Bill 185 and the broader Spring 2024 Red Tape Reduction Package, the Ministry of Municipal Affairs and Housing introduced a suite of initiatives to:

- Build homes cheaper and faster;
- Prioritize infrastructure for housing projects that are ready to go;
- Improve consultation processes and provide greater certainty once a decision is made; and
- Build more types of homes for more people.

### **4. Analysis and Options:**

Changes to legislation, regulations and policy through Bill 185 are summarized below, including the impacts to the Town of Whitchurch-Stouffville.

#### **4.1 Changes to the Planning Act & Municipal Act**

##### **A. Removal of Regional Planning Responsibilities**

As part of Bill 23, the Province introduced the concept of ‘upper-tier municipalities without planning authorities’ to the *Planning Act*. Under Bill 185, the Region of Halton, the Region of Peel and the Region of York will become ‘upper-tier municipalities without planning responsibilities’ on July 1, 2024. These upper-tier municipalities will not have approval authority over lower-tier’s planning decisions, nor will they maintain a separate governing upper-tier Official Plan. This will remove Regional Council’s approval authority role under the *Planning Act*, making local municipalities the approval authority for most *Planning Act* applications and the Province, the approval authority for local municipal Official Plans and amendments (unless otherwise exempt).

#### **Impacts on the Town**

York Region will no longer have approval authority over the Town’s planning decisions with respect to the Town’s Official Plan and Zoning By-law Amendments and other planning applications. The Town will have greater autonomy over municipal planning

decisions, but there will still be a need to closely coordinate planning and implementation of Regional infrastructure and services.

## **B. Limiting of third-party appeal rights for Official Plan and Zoning By-Law amendments**

Bill 23 introduced into the *Planning Act* the definition of a 'specified person' which includes public bodies such as: Ontario Power Generation Inc., Hydro One Inc., operators of railway lines, and telecommunication infrastructure providers. Bill 23 restricted the third party appeals rights for decisions regarding minor variances and consent applications. This eliminated appeals by third-party landowners, ratepayers and other members of the public.

Bill 185 expanded the definition of 'specified person' to include NAV Canada, airport operators, aggregate and environmental compliance permit holders with sites within 300 metres and the owners of any such sites.

Bill 185 further limits the number of eligible third parties that may appeal an official plan or zoning by-law amendment application. The statutory revision will only allow the following to have these appeal rights: the applicant, specified person (e.g. Hydro One, natural gas or electric utility), public body, registered owner, or Minister. These changes to third-party appeal rights will be retroactive, meaning a third-party appeal by a person who is not the applicant, Minister, approval authority, a public body or a 'specified person' will lose their appeal right even if notice of the appeal has been provided, unless a merit hearing was scheduled on the matter, with the Ontario Land Tribunal (OLT) before April 10, 2024.

### **Impacts on the Town**

Limiting third party appeals eliminates the opportunity for affected members of public to raise their concerns to an appeal body. This could reduce the number of appeals which often affect the timely delivery of projects and creates unnecessary roadblocks causing time and monetary losses to the Town. The further removal of appeal rights represents a shift in public participation throughout the planning process and will place greater emphasis on the need to participate in public consultation.

## **C. Elimination of Parking Standards in Protected Major Transit Station Areas**

Bill 185 prohibits municipalities from setting parking minimums in Protected Major Transit Station Areas (PMTSAs). This removes the requirement to have a minimum amount of vehicular parking spaces for developments in a PMTSA or other areas identified in Official Plans around higher-order transit areas that require a minimum number of residents and jobs per hectare to be consistent with the Provincial policies. The Province anticipates removal of parking minimum requirements will expedite the development of housing in areas with existing or planned higher-order transit stations. Developers can decide the parking requirements in PMTSAs based on market demand for parking.

Existing Official Plan policies and zoning by-laws that require vehicular parking in the PMTSA areas will also be of no effect, which will have significant implications for municipalities that currently require parking minimums in the subject areas.

Municipalities establish parking requirements for developments to address parking demand for residents, visitors, workers and/or customers based on parking analysis and traffic impact studies. Without minimum parking standards, developers may choose not to provide parking onsite, thereby increasing the demand for transit, active transportation facilities and the use of public streets or other parking areas to satisfy parking needs where alternative transportation modes are not sufficient.

### **Impacts on the Town**

The Town has two PMTSAs, which include the Old Elm GO Station and the Stouffville GO Station. The Town will need to consider how alternative transportation and parking needs can be accommodated in these areas. Since there are limited options for alternative transportation methods in Town, the elimination of minimum parking requirements could exacerbate parking deficiencies and further strain on-street parking.

### **D. New Appeal Rights for Settlement Area Expansion Applications**

The in-force legislation amends the *Planning Act* to allow an applicant to appeal a refusal or non-decision on a privately initiated application to expand an existing settlement area boundary, as long as the proposed boundary expansion does not include any lands within the Greenbelt area. Municipalities will be required to decide on settlement area boundary expansions, outside of the Greenbelt and Oak Ridges Moraine Conservation Plan Area, within 120 days after the day of the request is received. The draft 2024 Provincial Planning Statement, also includes new criteria for the assessment of proposals for settlement area boundary expansions.

Under the previous policy framework, settlement area boundary expansions could only be undertaken through a Municipal Comprehensive Review (MCR) by the upper-tier municipality. However, with the changes through Bill 185 and the Proposed Provincial Planning Statement, 2024, privately initiated settlement area expansions can now be considered outside of that process.

Municipalities undertake comprehensive planning processes such as an MCR or Official Plan Review to determine the amount of growth needed to accommodate population and employment forecasts to the planning horizon. Identifying settlement boundary expansions that are appropriate in a logical manner, allow for the orderly planning of infrastructure, programs and amenities to support new communities. Introduced changes may result in piecemeal settlement area boundary expansions.

### **Impacts on the Town**

The proposed change is not anticipated to have a significant impact on the Town, as all of the Town's remaining 'whitebelt lands' (i.e., lands outside of the Greenbelt Area), have

already been designated for settlement area expansion through the York Region Official Plan and the Town's adopted New Official Plan.

### **E. Pre-consultation applications and Fee Refunds**

In July 2023, Planning Application fee refund requirements were implemented under the *Planning Act* through Bill 109. Municipalities were obligated to refund Planning application fees if the municipality failed to make a decision on Official Plan Amendments, Zoning By-law Amendments and Site Plan applications within a specified timeframe (*120 days for combined Official Plan and Zoning By-law Amendment applications, 90 days for Zoning By-law Amendment applications, and 60 days for Site Plan Approval Applications*).

The Town modified its planning applications processes to meet the prescribed timelines by implementing the Collaborative Application Pre-consultation Process, to avoid giving refunds. The CAPP allowed staff to ensure that through a front ended detailed pre-consultation process, the requirements to submit a complete planning application were established and the quality of submission materials was evaluated, to assist with meeting prescribed timelines.

Bill 185 removes the municipal authority's ability to require pre-consultation for Official Plan Amendment, Zoning By-law Amendment, Draft Plan of Subdivision and Site Plan approval Applications. Municipalities no longer have the authority to pass a by-law that requires applicants to pre-consult prior to submitting the above noted applications, but applicants may still request pre-consultation on a voluntary basis. Staff will continue to examine if the Town's Official Plan policy to require pre-consultation will continue to be in effect and provide staff the ability to conduct pre-consultation.

Bill 185 also repeals the fee refund. Application fees will not need to be refunded by municipalities as previously implemented through Bill 109. However, the prescribed timelines remain in effect for rights to appeal: 60 days after receipt of a Site Plan Application, 90 days after receipt of a Zoning By-Law Amendment Application and 120 days after receipt of an Official Plan Amendment Application. The previous refund rules apply to any application received before the changes in Bill 185 come into effect.

Currently the *Planning Act* requires the municipality to deem the application complete or incomplete once the municipality receives the planning applications and the associated fees. If the municipality deems an application incomplete, the applicant has 30 days to appeal to the OLT to determine whether the application requirements are reasonable and whether the submission should be considered complete. Bill 185 will permit disputes with respect to completeness of applications, at any time after consultation with the approval authority, before submission of the formal application, or after having paid an application fee.

### **Impacts on the Town**

The CAPP intended to scope complete application requirements for a development proposal and identify potential issues early in the development application process.

Making pre-consultation discretionary will introduce uncertainties for the applicant as they may not be able to make a fully informed submission which could cause delays in processing and review. It is unclear how development proponents will know what materials to submit with an application. Staff will be working on process changes to streamline the application processing requirements and required timelines in light of the removal of the pre-consultation requirement. Staff will report back to Council in the Fall with more details on an updated process.

The Town will no longer be required to refund application fees for failing to render a decision on applications, within the prescribed timelines. The repeal of fee refund requirements should lead to more opportunities to work with the proponents to achieve decisions on applications. However the applicant would have the right to appeal if decisions on applications are not rendered within the prescribed timelines. Staff will strive to maintain development application processing efficiencies created as part of the Town's response to Bill 109 and meet the prescribed timelines.

#### **F. Exempt Post-Secondary Institutions from Planning Act Requirements**

Bill 185 exempts publicly assisted universities, as well as colleges and universities federated or affiliated with a publicly assisted university from being subject to the requirements of the *Planning Act* such as rezonings and site plan applications except in lands that are within the Greenbelt Area. The Province's stated intent is to speed up approvals and avoid planning applications and fees/barriers to building higher-density student residences.

#### **Impacts on the Town**

There are no current publicly assisted universities or colleges in Town but any future projects would not be subject to planning processes. This could result in the Town not being able to review and comment on public health and safety concerns, transportation and servicing requirements and other technical requirements. This will also result in a potential loss of application fees for the Town.

#### **G. Expedited Approval Process for Community Service Facilities**

Bill 185 added a new section to the *Planning Act* to authorize regulations that would expedite approval of community service facilities that meet prescribed requirements. Community service facilities that are exempt include schools, hospitals and long-term care homes that support the creation of complete communities.

#### **Impacts on the Town**

More information is required to determine potential impacts. However, expedited approvals may compromise the review and commenting process on applications. The Town has several Long-Term Care developments and schools in the pipeline, which could be subject to this proposed amendment.

## H. Investment Attraction

Amendments to the *Municipal Act* will allow the Province to make regulations authorizing a municipality to grant assistance, directly or indirectly to a specified manufacturing business or other industrial or commercial enterprise if the Province considers it necessary or desirable in the provincial interest to attract investment in Ontario and may exempt such enterprise from levy, charge or fee required under the *Development Charges Act* or *Building Code Act*.

### Impacts on the Town

According to the description provided in the Ontario Regulatory Registry, if the regulation-making authority is created and used, and if a municipality provides this assistance to a business:

- The municipality may forgo some revenue that it may otherwise have collected from the business. Depending on the assistance provided, the municipality may be required to raise this forgone revenue from other sources.
- There could also be many benefits to the local community and the province, including direct and indirect job creation and increased tax assessment.
- There may be some increased administrative costs for municipalities to track the assistance that is provided.

While the Province may establish the regulation to address its investment interests, the responsibility to provide the incentive would be at a municipal level which could increase competition between municipalities to attract businesses and favour those with resources or capacity to provide incentives.

## I. Lapsing of Subdivision and Site Plan Approvals and Servicing Allocations – “Use it or Lose it” Provisions

An issue in many municipalities is that there are many development projects that are approved but not moving forward with building permits in a timely manner. To address this issue, Bill 185 expands the existing municipal authority to attach lapsing provisions for approved site plans and draft plans of subdivision, with the time period being no less than three years unless otherwise set out in regulation to incentivize projects with approvals to advance to construction. This type of “use it or lose it” tool would be new for site plan approvals and the change for draft plan of subdivision approvals is that it is now mandatory. Bill 185 also specifies that draft plan of subdivisions approved on or before March 27, 1995, lapse on the third anniversary of the day the relevant provision of Bill 185 takes effect.

Additionally, the Bill introduced a new municipal servicing management tool that would authorize municipalities to statutorily adopt policies by by-law to establish how water and sewage servicing of an approved development is managed and that servicing allocation can be withdrawn. It enables municipalities to allocate and reallocate servicing capacity to other projects if approved development has not proceeded after a specified timeframe

and servicing is needed elsewhere in the servicing areas where developments are ready to proceed with construction. Should municipalities adopt a by-law, it would not be appealable to the Ontario Land Tribunal.

### **Impacts on the Town**

Proposed lapsing provisions could speed up building permit applications, and 'free-up' unused servicing capacity that has been allocated. In December 2023 Council approved the Redistribution Policy for Servicing Allocation that outlines the timing and expiry for the allocation of water and wastewater servicing capacity through the Town's planning application review and approval process. The Town may now choose to formalize its current process by way of a by-law which would fall under the authority of the *Municipal Act*.

### **J. Community Infrastructure Housing Accelerators / Minister's Zoning Order Framework**

Bill 185 repeals all of the provisions related to the Community Infrastructure and Housing Accelerator (CIHA) tool that was added to the *Planning Act* via Bill 23. Instead, a new Minister's Zoning Order (MZO) framework would provide clarity on how MZO requests from municipalities will be received and considered. The Province has provided new requirements on its website regarding MZOs in the event a municipality may wish to request that the Minister issue a MZO to address a planning matter.

### **Impacts on the Town**

There are no direct impacts to the Town, but this may provide greater clarity and flexibility for the Town to consider an MZO to facilitate development.

### **K. Additional Residential Units**

Bill 185 authorizes regulations establishing requirements and standards with respect to any additional residential unit (ARU) in a detached house, semi-detached house or rowhouse, a residential unit in a building or structure ancillary to such a house, a parcel of land where such residential units are located or a building or structure within which such residential units are located. This provision would widen the scope of the Minister's ability to regulate not only a second or third residential unit but any ARUs in a house, as well as the land on which such ARUs are located and the building or structure within which such ARUs are located.

### **Impacts on the Town**

Staff are working through the Additional Residential Units Zoning By-law Update as required by Bill 23 to allow up to 3 dwelling units on a parcel of residential land within settlement areas with full municipal services (i.e., municipal water and sewer). Staff anticipate that future updates to the by-law may be required if future regulations are introduced for ARUs.



## **4.2 Development Charges Act**

Several changes were incorporated into the *Development Charges Act* that repeal legislative changes introduced by Bill 23 and 108.

### **A. Reinstate Studies as an Eligible Capital Cost for Development Charges**

In 2022, Bill 23 removed the cost of studies as an eligible capital cost that municipalities could recover through Development Charges (DCs). Bill 185 will reverse the deletion and reinstate the cost of studies as an eligible DC capital cost. Municipalities that passed a new D.C. by-law between November 28, 2022 and June 6, 2024 are allowed to amend their D.C. by-law to include eligible study costs without preparing a D.C. background study or undertaking the statutory public process. As such, the Town will have six months from the date of Royal Assent (i.e., until December 6, 2024) to make an amendment under this streamlined process.

This is a positive change as it will provide a much-needed funding source for growth studies for municipalities.

### **B. Repeal the Mandatory Five-Year Phase-In of Development Charge Rates**

The mandatory phase-in of DC rates over five years for DC by-laws passed on or after January 1, 2022 introduced under Bill 23, has been repealed under Bill 185. For municipalities that passed DC By-laws on or after November 28, 2022 that incorporated the phase-in of DC rates, they are permitted to amend their DC By-laws through a time-limited streamlined process, with no requirement to redo the background study.

A municipality choosing to amend its DC By-law for this purpose will have six months to pass an amending by-law. Afterwards it would still need to give notice of the DC By-law amendment.

On December 6, 2023 Council approved By-laws 2023-146-FI through to 2023-152-FI, which impose DCs as outlined in the *Development Charges Act*, effective January 1, 2024 and included the mandatory phase-in of DC rates. The Town can amend the DC By-laws and remove the phase-in requirement within six months after Bill 185 received royal assent (ie. by December 6, 2024).

### **C. Streamlined Process for Extending DC By-laws**

The requirement to update and replace a DC By-law from at least once every 5 years to at least once every 10 years was amended under Bill 23. Under Bill 185 municipalities can extend the existing by-laws using a streamlined process without having to prepare a new background study and undertake most of the procedural requirements associated with passing a new or amended DC By-law, but not change the DC rates. Municipalities seeking to update DC rates would be subject to the regular DC by-law process.

**D. Reduce the time limit of the DC Freeze**

Bill 185 reduces the timeframe of the DC freeze period from two years to 18 months in order to encourage developers to proceed quickly to obtain a building permit and get shovels in the ground. Bill 185 does not include provisions for addressing this change through the streamlined amendment process. As such, to enact this change in a municipal D.C. By-law, an amendment will be required, including the preparation of a background study and following the statutory public process.

**4.3 Other Regulatory Changes**

As part of Ontario's latest Red Tape Reduction package, additional regulatory changes were proposed to support legislative changes under Bill 185. Staff anticipate these regulations will take effect at a later date and will continue to monitor the status.

**A. Public Notice Requirements (ERO 019-8370)**

The proposed regulatory changes modernize public notice requirements for *Planning Act* Applications, Community Benefits Charge By-laws and *Development Charges Act* initiatives by allowing municipalities to provide notice on a municipal website if a local newspaper (print) is not available.

**Impacts on the Town**

Presently, as there is no longer a local newspaper for the Town, public notices are included in the monthly local On the Road (OTR) community news, as well as posted to the Town's website. Staff may continue to provide notice using these avenues, however the changes will provide greater flexibility for months where the OTR issue is not printed. Additionally, it will provide greater flexibility as staff will not be constrained by OTR content deadlines required weeks in advance of a notice being published.

**B. Municipal Planning Data Reporting (ERO 019-8368)**

The Ministry has expanded the list of municipalities with provincially assigned housing targets (which includes the Town of Whitchurch-Stouffville). If the Ministry proceeds, the regulation will apply to 50 municipalities across Ontario. Proposed amendments are related to the information that is reported on a quarterly and annual basis to the Province. The requirements build upon the previous requirements for planning application data and the amendments seek information on proposed and approved housing units. Additionally, the Province introduced the requirement for a summary table, which outlines key statistics for each quarterly report and a requirement to publish the summary to the municipal webpage and update the summary each quarter beginning October 1, 2025.

## **Impacts on the Town**

The Town is included on the list of additional municipalities subject to planning data reporting requirements. The Town will need to send quarterly/annual updates to the Province on the status of planning applications and post the summary table to the municipal webpage each quarter. Preparing and posting this data will have resource impacts on the Town. Staff are currently assessing this requirement to determine the appropriate course of action to address.

### **4.4 Conclusions and Next Steps**

Staff will report back to Council in the Fall to outline the process changes required as a result of Bill 185, including any necessary amendments to by-laws to implement the changes.

Staff will continue to examine options to find alternative approaches to prepare requirements to submit complete planning applications in the absence of mandatory pre-consultation applications. Staff will also review approaches to help improve the efficiency and review process for planning application processes to meet the prescribed timelines under the Planning Act.

## **5. Financial Implications:**

There are no direct financial implications associated with this report. However, the amendments introduced through Bill 185 will reduce the financial impact associated with Bill 23 and 108, and ensure that the Town recovers more growth-related costs through development as outlined in subsection 5.1, 5.2 and 5.3 below:

### **5.1 Current phase-in policy and its elimination**

Prior to Bill 185, the Town implemented a phased approach to increasing development charge rates, as of January 1, 2024, to allow developers and stakeholders to adjust to the higher charges gradually. This approach is now outdated and no longer mandated.

Charging the full 100% rate as of July 1, 2024, will enhance the Town's financial capacity to fund critical infrastructure projects and services that support growth and development. This change will ensure that the Town has the necessary resources to maintain and improve community infrastructure effectively.

Upon Council approval, staff will update all relevant documentation, including the development charges by-law, and notify developers and stakeholders of the immediate change to the full rate. The Town's website and communication channels will be updated to reflect the new rates and provide detailed information on the changes resulting from Bill 185.

The passage of the amending by-laws will be posted in accordance with the Development Charges Act, as amended by Bill 185.

## 5.2 Reinstating studies as eligible costs for Development Charges

Bill 185 also expands the scope of eligible development charge costs to include various studies necessary for informed planning and development. In response to these changes, staff are working with its consultant to recalculate the development charges, ensuring compliance and accuracy. This recalculation will be completed prior to the six-month window ending on December 6, 2024 that the Province has permitted upon Bill 185 receiving Royal Assent. Please note that only the impacted bylaws relating to the inclusion of studies will be amended prior to December 6, 2024.

## 5.3 Reducing time limit of the DC freeze

Bill 185 reduces the timeframe of the Development Charge (DC) freeze period from two years to 18 months, aiming to encourage developers to expedite obtaining building permits and commencing construction. Consequently, to implement this change in the Town's DC By-law, an amendment is required with the assistance of the Town's consultant. This will include amending the background study and following the statutory public process.

## 6. Alignment with Strategic Plan:

1. A Town that Grows  
A Town that grows in support of complete communities
2. Good Governance  
Provide Good Governance
3. Organizational Effectiveness  
To Elevate our Organizational Effectiveness

## 7. Attachments:

None

## 8. Related Reports:

[DS-014-24: Bill 162 \(Get It Done Act, 2024\) and Implications on the Town's New Draft Official Plan, March 20, 2024](#)

[DS-081-22: Bill 23 – More Homes Built Faster Act, 2022 Analysis and Implications, December 21, 2022](#)

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