

November 24, 2022

Honourable Steve Clark  
Minister of Municipal Affairs and Housing  
17th Floor,  
777 Bay Street  
Toronto, ON M7A 2J3

Dear Minister Clark:

**RE: Bill 23 – More Homes Built Faster Act, 2022  
Township of Wellesley Comments**

Please accept the following letter as comments from the Township of Wellesley on proposed Bill 23 - More Homes Built Faster Act, 2022.

The purpose of Bill 23 is to introduce a series of changes to the Planning Act, Development Charges Act, Heritage Act and Conservation Authorities Act to support the Province's goal of building 1.5 million homes over the next 10 years.

The Township acknowledges that there is a housing crisis, that there is a need for more housing, and that taking action on housing supply and affordability issues requires the cooperation of many parties – including the Province, municipalities and the private and non-profit sectors. However, while some of the proposed changes in Bill 23 may ease the housing crisis, the Township has significant concerns related to our ability to fund key infrastructure and community assets to support housing growth and build complete communities as outlined below.

Please note that this letter should be read as preliminary comments only. Due to the short consultation period, Township staff and Council have not had sufficient time to review Bill 23 in detail and we urge you to defer the passing of this bill to allow for more time for consultation with municipalities on its implications.

**1. Regional Planning and Delegation of Authority**

Bill 23 proposes significant changes to the relationships between upper and lower tier municipalities related to planning policy and development approvals. The Region of Waterloo would be classified as an upper tier municipality without planning responsibilities and this proposal requires further clarification.

The Township supports the Regional Official Plan and, for several decades, its leadership approach on key policies such as growth management, agricultural land preservation, natural heritage systems planning and source water protection has been exemplary. The Township has

relied on the Regional Official Plan and the technical expertise of Regional planning and other staff on many aspects of planning policy and development review. The Township and the Region work together on many aspects of planning that should be considered from a regional lens including, but not limited to, land supply, source water protection, heritage, infrastructure planning, public transit and environmental planning.

Eliminating the Region of Waterloo from planning these disciplines at a Regional level would be unprecedented, will shift a significant administrative workload to the Township and will require that staffing resources are increased and technical reviews are outsourced, while placing the financial burden either on applicants or existing taxpayers. For example, the Region owns and operates water and wastewater infrastructure in the Wellesley Urban Area and it is unclear how planning of these services would proceed and be prioritized if the Region becomes an upper tier municipality without planning responsibilities.

In addition, while the Township supports delegated approval authority for subdivisions and condominiums to lower tier municipalities, this change will increase the administrative workload on the Township in a short period of time. If Bill 23 is passed as proposed, we strongly recommend that an appropriate transition period is provided to ensure that any disruption or delays are minimized in the transfer of responsibilities and that the Township has sufficient time to address capacity requirements.

## **2. Financial Implications**

Bill 23 proposes to reduce the amount of Development Charges and Parkland Dedication fees collected by municipalities that are used to fund growth-related infrastructure and services needed to build complete communities. If this bill is passed as proposed, we are concerned that the Township will:

- have a significantly reduced capacity to fund the necessary infrastructure for growth and that growth-related costs will be passed on to existing taxpayers;
- need to consider increasing property taxes and user fees to make up for the shortfall in reduced charges and fees for growth, thereby deepening the housing affordability crisis;
- need to defer or eliminate infrastructure projects and/or services needed to serve the residents of our communities; and
- Increasingly rely on debentures to fund essential infrastructure at a time when inflation and the costs of borrowing are increasing significantly.

In summary, as municipal revenue is reduced, the Township will be placed in a difficult position related to funding essential infrastructure and services to accommodate a growing population. In addition, while improving housing affordability is an important goal to pursue, we do not believe that reducing Development Charges and other fees will translate into lower housing prices and/or costs.

### **3. Conservation Authorities and Wetland Evaluation**

Bill 23 is proposing changes to the Conservation Authorities Act such that Authorities would only be permitted to review and comment on applications made under certain Acts, including the Planning Act, with respect to the risks of natural hazards only. Authorities would no longer be able to review the natural heritage aspects of these applications.

The Township has an excellent relationship with the Grand River Conservation Authority and we rely on their technical expertise to review various natural heritage aspects of development applications. Without these review functions, the Township will be required to outsource review of natural heritage impacts and/or require peer review fees to be passed on to applicants. This will create an additional administrative and financial burden on the Township and may result in delays in the processing of applications.

In addition, the implications of proposed changes to the Ontario Wetland Evaluation System are not well understood at this time. We are concerned about the effects these changes may have on the ability of applicants to propose development or site alteration within wetlands and the ability of municipalities and conservation authorities to protect valuable wetland complexes and features.

### **4. Additional Residential Units and Gentle Density**

Bill 23 proposes to permit up to three residential units on most residential lots and municipalities would not be able to set minimum units sizes or require more than one additional parking space. The Township supports “gentle density” and intensification within existing urban areas as a means of providing more affordable forms of housing. In fact, the Township’s current Zoning By-law would permit up to three residential units (i.e. two units in the main building and one detached unit) provided that lots meet minimum area requirements.

However, in our experience, permitting up to three units on a residential lot may not be appropriate in all contexts. Residential lots outside of the Wellesley Urban Area in smaller settlements are not connected to full services and building up to three units may not be appropriate once other planning considerations are taken into account (e.g. setbacks to neighbouring properties, location of water well and septic system). In addition, removing the ability of municipalities to limit the size of ADUs may result in units that do not fit the context of the neighbourhood in which they are proposed.

### **5. Site Plan Approval Exemption**

Bill 23 proposes to amend Section 41 of the Planning Act to exempt residential buildings containing 10 units or less from site plan approval. This proposed change will have a significant impact on the ability of the Township to influence the character of our communities since most residential site plan applications we receive are for developments of 10 residential units or less. The purpose of this change appears to be aimed at fast-tracking the building of residential units. However, the building of more units faster should not be at the expense of appropriate site design and consideration of neighbourhood context, both of which are key goals of the site plan approval process.

## Summary

Thank you for the opportunity to comment on proposed Bill 23 - More Homes Built Faster Act, 2022. While some of the proposed changes in Bill 23 may ease the housing crisis, the Township has significant concerns related to our municipal relationships and our ability to fund key infrastructure and community assets to support housing growth and build complete communities as outlined in this letter.

In summary, we urge you to defer the passing of this bill to allow for more time for consultation with municipalities on these significant changes to municipal planning and financing in Ontario. At a minimum, we strongly recommend that an appropriate transition period is provided to ensure that any disruption or delays are minimized in the transfer of responsibilities and that the Township has sufficient time to address capacity requirements.

Sincerely,



Joe Nowak  
Mayor



Rik Louwagie  
Chief Administrative Officer



Tim Van Hinte, MCIP, RPP  
Director of Planning

cc: Mike Harris, MPP Kitchener-Conestoga  
Karen Redman, Regional Chair, Region of Waterloo  
Bruce Lauckner, Chief Administrative Officer, Region of Waterloo  
Rod Regier, Commissioner of Planning, Development and Legislative Services  
Will Short, Regional Clerk, Region of Waterloo  
Grace Kosch, Municipal Clerk, Township of Wellesley