

Region of Waterloo
Planning, Development, and Legislative Services
Growth, Development, and Sustainability

To: Regional Council
Meeting Date: November 20, 2024
Report Title: Bill 23 Update

1. Recommendation

For information.

2. Purpose / Issue:

The Province has signalled intent to proclaim Bill 23 (More Homes Built Faster Act, 2022) for Waterloo Region as of January 1, 2025. This report outlines the key changes to roles and responsibilities under the Planning Act, what remains unchanged in terms of legislated Regional responsibilities, and outlines how the Region of Waterloo and Area Municipalities are planning for these changes.

3. Strategic Plan:

This report addresses the Strategic Priority areas of Homes for All and Resilient and Future Ready Organization.

4. Report Highlights:

- On November 5, 2024, the Province signalled its intent to proclaim Bill 23, the More Homes Built Faster Act, 2022 as amended by Bill 185, the Cutting Red Tape to Build More Homes Act, 2024 for Waterloo Region as of January 1, 2025.
- This will remove the Region's planning approval authority and Regional Official Plan policy development responsibilities under the Planning Act by identifying the Region as an "Upper-Tier Municipality without Planning Responsibility".
- Proclamation has already occurred in the Regions of Halton, Peel and York.
- As an "Upper-Tier without Planning Responsibilities", the Region will no longer have an Official Plan and will no longer be the delegated approval authority for Area Municipal Official Plans and amendments. In addition, the approval authority role for subdivisions, condominiums and part lot control exemption by-laws will transfer to the Area Municipalities.
- The Region will also have limited ability to appeal matters to or seek party status at the Ontario Land Tribunal (OLT). Subject to certain conditions, the Region will continue to participate in matters previously scheduled at the OLT.
- Staff have been working collaboratively with Area Municipal staff to proactively plan for the implementation of Bill 23 and are supporting the Area Municipalities in planning for updated roles and responsibilities.

- Post proclamation the Region will function as a commenting agency on Planning Act applications as per the Planning Act, focusing on matters of continued responsibility for critical community supporting infrastructure and services.
- The Region's interests in Planning Act applications in the future planning system will focus on areas where there is a defined requirement as the service provider (e.g. infrastructure), or other mandates through legislation (e.g. source water protection), or as a landowner (e.g. airport, affordable housing).
- Regional staff are engaged in ongoing discussions with Provincial staff to understand the status of the Region's existing 1996 Memorandum of Understanding (MOU) with the Province and any future MOU, if applicable.
- The Region is working with the Area Municipalities and the Grand River Conservation Authority (GRCA) to clearly define roles, responsibilities and expectations in the new planning system. Discussions are also ongoing on a collaborative growth management framework.
- Further, work is underway to assess existing internal processes with a goal to deliver the highest level of customer service to municipalities, the public and the development community.
- The Region will continue to work collaboratively with the Area Municipalities to support the transition of roles and responsibilities that will occur upon proclamation on Bill 23. A further report to Council is anticipated in early 2025.

5. Background:

In October 2022, the Province introduced Bill 23, More Homes Built Faster Act, 2022 with the stated intent of building 1.5 million homes in Ontario over the next 10 years. The Act received Royal Assent on November 28, 2022. Among other statutes, Bill 23 amended the Planning Act, the Conservation Authorities Act and the Development Charges Act.

Portions of Bill 23 received Royal Assent on November 28, 2022, and the Province has now signalled the intent to proclaim certain aspects of the Bill, specifically the "Upper-Tier Municipalities without Planning Responsibilities" amendments for the Region of Waterloo as of January 1, 2025.

Through Bill 23, the Region of Waterloo and six other Regional municipalities were identified as "Upper-Tier Municipalities without Planning Responsibilities" which will result in substantive changes to the way land use planning is currently administered in the Waterloo Region.

Upon proclamation of the balance of Bill 23, the Region's role in land use planning related matters will change. Specifically,

- The Region will no longer have a Regional Official Plan (ROP). The ROP would become an Official Plan for the Area Municipalities and the Area Municipalities will be responsible for implementation of the ROP until it is repealed or amended through a future Area Municipal planning exercise.

- The delegated Approval Authority role for subdivisions, condominiums and part lot control exemption by-laws will transfer from the Region to the Area Municipalities.
- The Region will no longer be the delegated Approval Authority for Area Municipal Official Plans or Amendments.
- The Region will have limited ability to appeal a matter under the Planning Act or act as a party in a matter before the Ontario Land Tribunal.

Despite the changes that will occur upon proclamation of Bill 23, the Region will continue to have a role in planning related matters as a commenting agency as specified through the Planning Act. It is anticipated that the Region's role as a commenting agency will be focused to areas of Regional interest. These areas include matters related to infrastructure (water, wastewater, transit, transportation), waste management, other mandates through legislation (i.e. source water protection), or as a landowner (i.e. affordable housing).

To ensure that the changes to roles and responsibilities are implemented in a coordinated manner, Regional and Area Municipal staff have been proactively and collaboratively working together to support the implementation of Bill 23.

Dialogue around transition planning has occurred regularly since the introduction of Bill 23 with Area Municipal Planning staff and work related to Bill 23 implementation is on-going. While preparing to take on legal planning responsibilities is the purview of each Area Municipality, Regional staff are actively supporting the discussions and the preparation required and leading work that will define the Region's interests, roles and responsibilities in Planning Act matters. The focus of discussions to date has been on how best to guide the transition of various roles and responsibilities including clearly documenting roles and responsibilities across the Region, Area Municipalities and Grand River Conservation Authority. The development of transition plans, a Memorandum of Understanding and Service level agreements are currently under consideration.

In addition, discussion is ongoing on how we will work together to ensure coordinated growth management across multiple levels of government. Regional staff will also be engaging the area municipal staff and the development community on potential updates to the water and wastewater servicing allocation process to align with new legislative tools introduced through Bill 185.

It is anticipated that future reports will provide updates on these matters for Council consideration in early 2025. Together, this work will clarify roles and responsibilities and ensure the effective coordination of Regional interests and service delivery in the land use planning system post Bill 23.

Regional staff continue to work with the Area Municipal transition team and engage Provincial staff to better understand what support the Region will be expected to provide in the new planning system.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities:

Regional and Area Municipal staff are working in a coordinated and collaborative manner as part of a Bill 23 transition team to implement the changes to the planning system.

Public:

This report serves as an update to members of the public who may have an interest in the status of planning related aspects of Bill 23, in anticipation of the implementation of “Upper-tiers without Planning Responsibilities” under the bill upon a future date of proclamation. As roles and responsibilities shift, public communications will roll out to inform the development industry and public.

7. Financial Implications

Costs that are being incurred to support the transition including those associated with file transfer and other implementation matters can be funded through existing approved budgets.

Staff are assessing any potential future operational and budget impacts based on the transition.

8. Conclusion / Next Steps

Regional staff will continue to work collaboratively with Area Municipal staff to support the transition of responsibilities. Significant work has been undertaken and will continue to ensure the Region’s participation in the development review process is clear, scoped and efficient. Future updates will be provided in early 2025.

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