

Bill 23 “More Homes Built Faster Act” Background

The new provincial housing legislation is a lengthy and complex bill. It offers some areas of progress for affordable housing, but on balance, there is considerable cause for concern.

The bill does take steps that could, hopefully, help create new units of affordable housing. Cuts to taxes on nonprofit development and on affordable housing could lower some costs and make more projects viable. Removing barriers to second suites and “granny flats” can increase supply, including some affordable supply.

However, the bill also includes provisions that can do considerable damage to affordability.

The bill cuts funding for affordable housing

The Bill, if passed, will eliminate development charges for housing services. These are the taxes developers pay towards creating new affordable homes. This will dramatically reduce what municipalities can invest in new housing programs, eliminating hundreds of millions of dollars currently used to build new affordable housing and disrupting plans for thousands of new permanently affordable homes.¹

The bill will speed up the loss of existing affordable homes

The bill gives the Minister the power to cancel rental housing protection programs that ensure that when apartment buildings are redeveloped, the affordable units are replaced at affordable prices. Those programs have saved over 4,000 affordable homes,² and their loss would put more pressure on affordable housing.

The bill will shift taxes from rich developers to working people

The bill cuts taxes on developers, eliminating hundreds of millions that are used to fund roads, sewers, and transit. But those roads, sewers and transit services are still needed and funding them with diminished development charges will put significant pressure on the property tax base. Municipalities have expressed grave concerns about the impact of these changes on their ability to balance budgets and keep property taxes in line. Toronto Mayor John Tory said the City would lose \$200 million,³ a cost that would require an 8% property tax increase to offset.

The bill reduces number of affordable units and the affordability period for IZ

The bill implements strict limits on “Inclusionary Zoning,” the policy that ensures affordable homes are included in new developments. The bill only allows 5% of new units to be made affordable, and caps the length of time they stay affordable at 25 years. These

¹ <https://www.thestar.com/news/gta/2022/10/26/doug-fords-new-housing-plan-could-cost-toronto-hundreds-of-millions-warns-john-tory.html>

² <https://www.toronto.ca/legdocs/mmis/2020/ph/bgrd/backgroundfile-156420.pdf>

³ <https://www.thestar.com/news/gta/2022/10/26/doug-fords-new-housing-plan-could-cost-toronto-hundreds-of-millions-warns-john-tory.html>

limits are well below the bylaws municipalities have already put in place,⁴ even though those bylaws were based on independent analysis of what the local market could afford.

The bill reduced requirements for developers to contribute to amenities

The bill reduces the amount of parkland developers are required to provide when they build new housing, putting pressure on existing greenspace.

Nothing in the bill ensures new homes, built with public incentives, are kept affordable

Though developers get hundreds of millions in tax cuts and incentives under this bill, there is nothing that requires them to build affordable units or pass any of their savings on to renters or homebuyers. New rental units built within existing homes would not be protected by rent control.⁵

Conservation authorities have less power

Conservation authorities protect watersheds and green spaces, and the proposed changes would give them much less say over where housing developments can proceed. Conservation authorities will no longer be allowed to consider factors like pollution or land conservation when approving building permits, taking out the authority of the conservation authority to make sure that the developers aren't risking flood plains, or sensitive wetlands, which could have a significant impact downstream. The bill also proposes to allow development in currently protected wetlands, woodlands and wildlife habitat under a yet-to-be-defined "offsetting" program. The rules on how to identify provincially significant wetlands will be weakened so fewer of them will qualify for any protections that remain. It will potentially reduce all environmental review of all planning proposals by removing conservation authorities' roles in development approval, planning, and environmental protection. It is also unclear whether, and who, would protect natural heritage systems, wetlands, and species at risk.⁶

The bill reduces oversight on quality

The bill eliminated minimum apartment sizes, so there are no rules that prevent unreasonably small apartments. Site plan control, which currently deals with design and compatibility issues like landscaping and drainage, would be sharply limited. Requirements for developments with less than 10 units would be removed, and site plan reviews and for larger projects would focus only on health and safety issues rather than on overall compatibility and neighborhood impact.

The bill makes it harder to have proper oversight through the Ontario Land Tribunal

⁴ <https://www.toronto.ca/news/toronto-city-council-adopts-new-inclusionary-zoning-policy-to-get-more-affordable-housing-built/>
<https://www.mississauga.ca/city-of-mississauga-news/news/more-affordable-housing-for-mississauga-inclusionary-zoning-moves-forward/>

⁵ <https://storeys.com/ford-ontario-housing-plan-industry-response/>

⁶ <https://www.bradfordtoday.ca/local-news/bill-23-harmful-unnecessary-rescue-lake-simcoe-coalition-6012521>

The Ontario Land Tribunal is supposed to be a neutral body adjudicating disputes about planning and development. The bill restricts who can engage in tribunal hearings, and what issues they can engage on, and increases the ability of the Tribunal to reject appeals, remove participants, and penalize those who raise concerns.

The bill ignores the most important task in creating affordable housing: new investment

While regulatory reform is useful, and more supply is warranted, virtually everyone in the sector agrees that, without new investment in affordable and deeply affordable housing, we will not successfully address the housing crisis. Although this is the government's third legislative initiative on housing, there is still no coherent investment plan that can enable the public, private or nonprofit sectors to build and maintain the amount of affordable and deeply affordable housing needed. Deregulating development may not be the most important priority in addressing housing needs.

The bill will not get a proper review

The bill was introduced the day after municipal elections across the province, which is too late to be debated in the election campaigns and long before new councils are sworn in to be able to respond. The massive 227-page bill has been rushed ahead, clearing second reading in just a few days, a process that normally takes weeks, making it hard for the public to even understand what is in the bill let alone respond.

What you can do?

You can let your MPP know you don't want to pay more and get less affordability. You can ask your municipal elected officials to stand up to Queen's Park and protect your community from this troubling legislation.

You can let the public officials know you are concerned by clicking [here](#) to sign a joint letter on this matter located [here](#).