

Committee of the Whole (1) Report

DATE: Tuesday, October 8, 2024

WARD(S): ALL

TITLE: CITY FRAMEWORK FOR MUNICIPALLY-SUPPORTED
MINISTER'S ZONING ORDER (MZO) REQUESTS AND
RESPONSE TO BILL 185

FROM:

Haiqing Xu, Deputy City Manager, Planning and Growth Management

ACTION: DECISION

Purpose

This report provides a summary of recent legislative changes with respect to Minister's Zoning Orders ('MZO's') modified through the enactment of the *Cutting Red Tape to Build More Homes Act, 2024* ('Bill 185') and release of a revised MZO framework by the Ministry of Municipal Affairs and Housing ('MMAH'). In response to these changes, this report also includes recommendations to establish a City process and guiding principles for the consideration of Municipally-Supported MZO requests.

Report Highlights

- The enactment of Bill 185 introduced amendments to the *Planning Act* that rescinded the legislation that provided for the use of a Community Infrastructure and Housing Accelerator ('CIHA') tool.
- In April 2024, the MMAH released a MZO framework online for how MZO requests are reviewed and considered by the Minister of Municipal Affairs and Housing (the 'Minister').
- The MZO framework provides for two intake options, one of which requires support from a single-tier or lower-tier municipality which may take the form of a Council resolution or "a letter from a Mayor where the municipality has been designated with Strong Mayor Powers" (a 'Municipally-Supported Zoning Order').
- In order to consider Council Support of an MZO request to the MMAH, a process and fee establishing the City's requirements is recommended.
- To enable the processing of MZO requests, an amendment to the City's Fees and Charges By-law 224-2023 is required to recover the fees associated with the review and processing of MZO requests seeking support from the City.

Recommendations

1. THAT Staff be directed to review development proposals for Municipally-Supported Zoning Order requests in accordance with the processes and guiding principles proposed in this report; and,
2. THAT Staff be directed to amend the City's in-effect Fees and Charges By-law 224-2023 to set the fees and charges required to recover the cost of reviewing and processing Municipally-Supported Zoning Order requests; effective as of June 4, 2024.

Background

Section 47 of the *Planning Act* gives the Minister the authority to issue an MZO that regulates the use of land in Ontario.

It is at the discretion of the Minister to approve or refuse an MZO.

Between 2019 and 2023, seven (7) MZOs were issued in the City of Vaughan:

- Ontario Regulation (O. Reg.) 76/19 - Blocks 4, 5, 6 and 7 on Registered Plan 65M-3606
- O. Reg 173/20 (amended by O.Reg. 456/22) - 11110 Jane Street, 10520 Jane Street and 3180 Teston Road
- O.Reg. 445/20 - Part of Lots 2 and 3, Concession 8, described as Parts 15 and 16 on Reference Plan 65R-37505

- O.Reg. 643/20 - 2901 Rutherford Road
- O.Reg. 644/20 - Block 41
- O.Reg. 170/21 - 1950, 1970, 2160, 2180 and 220 Highway 7, and 137, 163 and 175 Bowes Street
- O.Reg. 156/22 - 11260 and 11424 Jane Street

The MZOs issued to date listed above involved collaboration between the applicant, City and MMAH, which were not subject to a formal process to guide the City's engagement in the development of MZOs.

Between April 2022 and June 2024, the Province enacted several bills to address concerns regarding housing supply, one of which enabled the CIHA tool.

Bill 109 – 2022

Bill 109, *More Homes for Everyone Act, 2022*, ('Bill 109') received Royal Assent on April 14, 2022, and was the Province's first major legislative response to the Housing Affordability Task Force Report aimed at addressing the housing supply crisis in Ontario. This included amendments to Section 34 of the *Planning Act* to add an additional type of Minister's Order: the CIHA. The CIHA tool enabled municipalities to submit requests to the MMAH for the issuance of a Minister's Order for a specific development plan. The CIHA was intended to support proposals that achieved certain City building objectives including the provision of housing as well as community infrastructure.

In response to Bill 109, staff brought forward a report – 'More Homes for Everyone Act, 2022 – Community Infrastructure and Housing Accelerator' on February 28, 2023, which was deferred to the Council Meeting of March 21, 2023, where it was received by Council.

Bill 185 - 2024

Bill 185 received Royal Assent on June 6, 2024, bringing into force changes to the *Planning Act*. Among these changes was the repeal of the CIHA tool.

April 10, 2024: Provincial Zoning Order Framework

In April 2024, the MMAH released a new framework to guide how requests for MZOs under Section 47 of the *Planning Act* are submitted and considered by the MMAH. The new framework consists of the following components: intake thresholds; submission expectations; and the process for ministry assessments and decision-making (including public consultation and indigenous community engagement). It is noted that under the *Planning Act*, MZOs do not have to be consistent with the Provincial Policy Statement, except in the Greenbelt Area.

There are two intake thresholds an applicant can pursue, one of which is a Municipally-Supported Zoning Order Request.

As noted on the Provincial website for MZO's, the Minister will consider requests for zoning orders that meet at least one of the following intake thresholds:

1. "requests that deliver on a provincial priority that is supported by a minister (for example, long-term care, hospitals, transit-oriented communities, educational facilities, housing priorities, economic development, manufacturing, etc.); or,
2. "requests that are supported by a single-tier or lower-tier municipality (for example, through a municipal council resolution or a letter from a mayor where the municipality has been designated with Strong Mayor Powers)."

Intake threshold #2 represents a Municipally-Supported Zoning Order request which provides a greater role for municipalities in the MZO process.

The Minister is granted powers to make, by Order, requirements that a person requesting an MZO, enter into one or more agreements with a municipality on matters outlined in section 47 (4.4) of the *Planning Act*.

Projects subject to MZO's must still address downstream approvals where applicable, unless the Minister within the MZO provides that Section 41 of the *Planning Act* (Site Plan Control) does not apply in respect of all, or specified part of the land described in the MZO. Examples of downstream approvals that may be required post-MZO issuance include, but are not limited to, plan of subdivision approvals, environmental approvals, and building permits.

The MMAH has committed to providing public notice.

All requests for zoning orders made to the MMAH will be posted to Ontario's Environmental Registry ('ERO') within 30-days unless otherwise determined. If a Zoning Order is issued, an Information Bulletin on the ERO website will be posted.

Previous Reports/Authority

- [Tuesday, April 12, 2022, Committee of the Whole \(2\) Report. "Bill 109, More Homes for Everyone Act, 2022". Item 18, Report No. 19.](#)
- [Tuesday, February 28, 2023, Committee of the Whole \(1\) Report. "More Homes for Everyone Act, 2022 – Community Infrastructure and Housing Accelerator". Item 1, Report No. 11.](#)

Analysis and Options

A City-initiated process is recommended to outline how the City will review a Municipally-Supported Zoning Order request.

To ensure the City is consistent in how requests are evaluated, the following key steps will guide Council and Staff in the review of Municipally-Supported Zoning Order requests:

1. Applicant requests a Pre-Application Consultation ('PAC'), including payment of PAC fees;
2. The proposal is submitted to the City in accordance with the Pre-Application Consultation policies of the Vaughan Official Plan ("VOP 2010") (policy 10.1.3), which will identify the requirements required to be fulfilled through a formal submission;
3. Development Application fees for a Municipally-Supported Zoning Order request will be applied and reflect the equivalent to the combined fees charged for the processing of a Major Official Plan Amendment and Zoning By-law Amendment.
4. The Municipally-Supported MZO request is required to be deemed "complete";
5. The proposal will be circulated to applicable internal departments and external agencies for review and comment;
6. Public Consultation in the form of a Public Meeting will be required, in a manner consistent with policy 10.1.4 of the VOP 2010 (for an Official Plan Amendment and/or Zoning By-law Amendment);
7. A Community Meeting, with the Applicant, Local and Regional Councillors, Community Representatives and/or Staff is always recommended before Council makes a decision; and
8. A staff (technical) report with a recommendation for the proposal will be prepared for Council's consideration.

Applicants will need to justify in their submission to the City for a Municipally-Supported Zoning Order request why an MZO is being sought for the proposal.

Applicants will be required to submit rationale to the City identifying why ministerial zoning relief is necessary for the proposal rather than following the City's planning process and seeking permissions through a traditional Official Plan and/or Zoning By-law Amendment Application.

MZO requests submitted directly to MMAH may require a City response. Zoning Order requests submitted directly to the MMAH (Intake Threshold #1) may require subsequent evidence of Council support as directed by the Minister. In this scenario, the MZO request will be processed in accordance with the key steps above. In an instance where MMAH requires the City to complete a technical review to inform MMAH's decision regarding the Zoning Order Request, the standard development application fees will apply.

The City of Vaughan supports the development and creation of complete communities as directed by the in-effect Vaughan Official Plan.

Complete communities reflect development patterns that achieve compact form, offer a range and mix of housing options, and provide equitable access to basic amenities for all ages and abilities. To assist in the review of Municipally-Supported Zoning Order requests the following guiding principles are intended to inform Council and Staff's assessment of a request for a Zoning Order. These guiding principles are complementary to the Province's MZO framework.

Guiding Principle #1 - *Align with City of Vaughan Priorities and Policies*

There are seven (7) strategic priority areas identified in Vaughan's 2022-2026 Term of Council Service Excellence Strategic Plan. Three (3) strategic priorities are directly related to planning objectives and are relevant to the evaluation of municipal support for a Zoning Order request:

- **City Building**, "to build a world-class city based on good planning and urban design principles, which fosters community well-being";
- **Transportation and Mobility**, "to improve the reliability and safety of Vaughan's road network and infrastructure", and
- **Environmental Sustainability**, "to protect the environment and foster a sustainable future through our social and economic initiatives".

Guiding Principle #2 - *Contributes to the Efficient Use of Land and Available Infrastructure*

Development that is aligned with the City's Urban Structure helps achieve efficient land use patterns which supports the implementation of several City-wide planning documents including VOP 2010, Transportation Master Plan and Urban Water Master Plan. Municipally-Supported Zoning Order requests should meet specific locational criteria and contribute to the City's overall intensification objectives. These areas include:

- Areas located within the Urban Boundary, as identified by the in-effect Vaughan Official Plan when the proposal is deemed complete;
- Areas located within a Strategic Growth Area or Intensification Corridor as identified in Schedule 1 - Urban Structure of VOP 2010 and supported by completed Secondary Plans;
- Areas where rapid transit service is in operation (e.g. TTC Subway, VIVA BRT); and
- Areas where municipal water/wastewater/stormwater servicing capacity and regional wastewater servicing allocation are available.

Guiding Principle #3 - Support the Development of Complete Communities

Development proposals that may be considered for a Municipally-Supported Zoning Order request should meet City-building objectives for the creation of complete communities. These proposals should include a significant contribution to one or more of the following:

- Priority Housing Types:
 - Purpose-built rental housing;
 - Affordable housing (including market and non-market sector, as defined in the in-effect Vaughan Official Plan);
 - Minimum number of family-sized units within a high-density residential development;
 - Senior's housing (e.g. Long-Term Care Facilities); and
 - Supportive housing for persons with disabilities.
- Non-Residential Uses including but not limited to retail, office and Employment-based uses such as manufacturing, warehousing, goods movement.
- Development that has regard for accessibility for persons with disabilities and universal design.
- Developments that incorporate sustainable development features at the Gold performance level as identified in the Council approved Sustainability Metrics Program.
- Development that demonstrates use of lower embodied carbon methods and materials relating to building construction enabled by section 97.1 of the *Municipal Act*, 2001 such as modular housing construction.
- Developments that provide contribution to or restoration of the City's Natural Heritage Network.
- Developments which contribute to sustainable transportation and mitigating congestion by providing zero net new parking spaces (i.e. no more parking than what already exists on-site).

The process and guiding principles outlined in this staff report sets the framework in which applicants can pursue municipal support for an MZO request to the MMAH. In addition to the above process and guiding principles, it is the City's expectation that an applicant obtain the necessary downstream approvals to implement the proposal, should an MZO be issued by the Minister. The City may not support MZO requests that seek an exemption from Provincial and local land use policies required for any applicable downstream approvals.

In accordance with MMAH's Zoning Order Framework, an applicant pursuing a Municipally-Supported Zoning Order is required to submit evidence of municipal support for the proposed project. Municipal Support is achieved via a Council decision as captured in the report extracts or by a letter from the Mayor where the municipality has been designated with Strong Mayor Powers, which is applicable to Vaughan. To maintain a transparent process, the consistent application of the process set out above and consideration of the guiding principles is recommended to support development proposals seeking to pursue a Municipally-Supported Zoning Order. Maintaining the City's land use planning framework ensures the development of complete communities in Vaughan.

Financial Impact

It is not anticipated that the processing of MZO requests seeking the City's support will impact the budgets of affected City Departments. As part of the recommendations of this report, planning fees associated with the processing of MZO requests seeking the City's support will be recovered through amendments to the City's Fees and Charges By-law 224-2023.

Development Application fees for a Municipally-Supported Zoning Order request will be the equivalent to the combined fees charged for the processing of a Major Official Plan Amendment and Zoning By-law Amendment. This is consistent with the fee requirement implemented by the City for CIHA requests. The in-effect fees are \$47,050 for a Major Official Plan Amendment and \$10,658 plus a per unit and/or land area charge for a Zoning By-law Amendment. These amounts are subject to change with updates or amendments to the City's Fees and Charges By-law.

Applicants retain the option to submit a request for a MZO directly to the MMAH for consideration and the City will not recoup planning fees in these circumstances. Should the Minister subsequently require evidence of Council support or technical review, the Applicant will be required to pay the development application fee as outlined above prior to the City considering the MZO request.

Operational Impact

MZO requests that seek the City's support will be circulated to internal City Departments for review and comment.

Broader Regional Impacts/Considerations

Proposals that are successful in obtaining an MZO may not be located where rapid transit service is in operation, or where municipal water/wastewater/stormwater servicing capacity and regional wastewater servicing allocation are available. It is the sole discretion of the MMAH to make a decision on MZO applications.

Conclusion

The MZO framework released by the MMAH establishes two intake thresholds, one of which is a Municipally-Supported Zoning Order. The process and guiding principles presented in this report are intended to provide a clear set of requirements and expectations to Applicants for when the City will consider processing a request for a Municipally-Supported Zoning Order.

For more information, please contact Christine Lee, Senior Planner, Policy Planning and Special Programs. Ext. 3611 or Casandra Krysko, Senior Planner, Development Planning. Ext. 8003.

Attachments

N/A

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