

Report To: Committee of the Whole

Meeting Date: October 19, 2020

**Subject: Proposed Regulation under the Ontario Heritage Act
(Bill 108)**

Recommendation(s)

1. That the Report PA20-22 dated October 19, 2020, be received and
2. That the report be endorsed and submitted to the Province, along with the following motion, as the Town of Grimsby's comments to the Environmental Registry.

WHEREAS Royal Assent has been granted to Bill 108 entitled 'More Homes, More Choice Act, 2019' on June 6, 2019; and,

WHEREAS Schedule 11 of Bill 108 contains amendments to the Ontario Heritage Act which require appeals under the Ontario Heritage Act to be heard by the Local Planning Appeal Tribunal not the Conservation Review Board; and,

WHEREAS the Conservation Review Board is an adjudicative tribunal that, through the mandate provided by the Ontario Heritage Act, considers a number of matters such as:

- The proposed designation of a property as having cultural heritage value or interest;
- Applications for the repeal of a By-law on a specific property;
- Applications related to the alteration of a property covered by a By-law; and,
- Matters related to archaeological licensing. AND,

WHEREAS Schedule 11 of Bill 108 will come into effect on a date to be proclaimed by the Lieutenant Governor; and,

WHEREAS the Local Planning Appeal Tribunal are not experts in heritage matters unlike members of the Conservation Review Board; and,

WHEREAS the Local Planning Appeal Tribunal decisions are binding decisions unlike the Conservation Review Board non-binding recommendations; and,

WHEREAS the Ontario Heritage Act provides a means for municipalities to protect and preserve the cultural heritage value or interest of the municipality for generations to come; and,

WHEREAS the Conservation Review Board currently provides reports to municipal council's setting out its findings of fact, and its recommendations so that a final decision can be rendered by municipalities about what is valuable in their community;

WHEREAS the Town of Grimsby remains committed to the preservation and protection of property of cultural heritage value or interest;

NOW THEREFORE BE IT RESOLVED THAT the Town of Grimsby strongly recommends that Schedule 11 of Bill 108 be amended to remove the powers provided to the Local Planning Appeal Tribunal, retaining authority for hearing certain appeals by the Conservation Review Board; and,

BE IT FURTHER RESOLVED THAT the Town of Grimsby strongly recommends that Schedule 11 of Bill 108 be amended to return the authority for final decisions to municipal council's as the elected representative of the communities wherein the property and its features of cultural heritage value exist; and,

BE IT FURTHER RESOLVED THAT a copy of this motion be sent to the Honourable Doug Ford, Premier of Ontario, Lisa McLeod the Minister of Heritage, Sport, Tourism and Culture Industries, Andrea Horwath, MPP and Leader of the Official Opposition and the Ontario NDP Party, MPP Steven Del Duca Leader of the Ontario Liberal Party, Mike Schreiner MPP and Leader of the Green Party of Ontario, Sam Oosterhoff MPP Niagara West; and,

BE IT FURTHER RESOLVED THAT a copy of this motion be sent to the Association of Municipalities of Ontario (AMO), all MPP's in the Province of Ontario, the Niagara Region and all Municipalities in Ontario for their consideration."

We strongly recommend that the Ontario government consider amendments to Bill 108 to return the final authority to municipal Council's to determine what is of cultural heritage value or interest in their communities with the benefits of the expert and professional advice provided by the Conservation Review Board.

Purpose

To provide staff with direction to provide comments to the Environmental Registry on the proposed changes to the Ontario Heritage Act (Bill 108). As the impetus for the new proposed regulations is Bill 108, *The More Homes, More Choices Act*, staff remain concerned that the Province's stated objective to increase housing supply should not come at the expense of the Town of Grimsby's irreplaceable cultural heritage resources, as the purpose of the *Ontario Heritage Act* being to protect and conserve heritage properties.

Background

Updates to the Ontario Heritage Act (Bill 108)

In November 2018, the Province introduced a consultation document: "Increasing Housing Supply in Ontario." On May 2, 2019, the Minister of Municipal Affairs and Housing introduced "More Homes, More Choice: Ontario's Housing Supply Action Plan" and the supporting Bill 108 – the proposed More Homes, More Choice Act. The Province stated that the objective of these initiatives is to ensure more housing choices/supply and address housing affordability. The Ontario Heritage Act was one of 13 provincial statutes impacted by Bill 108.

At that time, the proposed regulations for the OHA were unknown but the Ministry of Tourism, Culture and Sport indicated that regulations were to be released "later this year" after consultation and would be posted for comment. At that time, the changes to the OHA were expected to be proclaimed and in full force and effect for July 1, 2020. Later this date was changed to January 1, 2021. The proposed regulations were released for public comment on September 21, 2020, being partially delayed by the COVID-19 pandemic. The changes to the OHA are still anticipated to be proclaimed on January 1, 2021. Comments on the proposed regulations are due to the Environmental Registry by November 5, 2020. Communication from the Ministry of Tourism, Culture and Sport indicates that 'Updates to the existing Ontario Heritage Tool Kit, which will support implementation of the amendments and proposed regulation, are forthcoming. Drafts of the revised guides will be made available for public comment later this fall.' Staff will share this information with the Grimsby Heritage Advisory Committee and Council as it becomes available.

Analysis/Comments

The Environmental Registry posting includes the proposed regulations and a summary of the proposed regulations for the following:

1. Principles that a municipal council shall consider when making decisions under specific parts of the OHA.
2. Mandatory content for designation by-laws.
3. Events which would trigger the new 90-day timeline for issuing a notice of intention to designate and exceptions to when the timeline would apply.
4. Exceptions to the new 120-day timeline to pass a designation by-law after a notice of intention to designate has been issued.
5. Minimum requirements for complete applications for alteration or demolition of heritage properties.
6. Steps that must be taken when council has consented to the demolition or removal of a building or structure, or a heritage attribute.
7. Information and material to be provided to Local Planning Appeal Tribunal (LPAT) when there is an appeal of a municipal decision to help ensure that it has all relevant information necessary to make an appropriate decision.
8. Housekeeping amendments related to amending a designation by-law and an owner's reapplication for the repeal of a designation by-law.
9. Transition provisions.

Many of the proposed regulations are procedural and provide clarity on the new processes that were including in Bill 108. The summary of the proposals is as follows:

Regulatory Proposals

1. Principles to guide municipal decision making

The amendments to the Ontario Heritage Act give authority to prescribe principles that a municipal council shall consider when making decisions under prescribed provisions of Parts IV and V of the Act. The proposed principles relate to the purpose of the Ontario Heritage Act and are intended to help decision-

makers better understand what to focus on when making decisions under the Act.

The proposed principles are consistent with Ontario's policy framework for cultural heritage conservation. The proposed principles provide context for a municipality to follow when making decisions about designated heritage properties, including the minimization of adverse impacts to the cultural heritage value of a property or district. They also require the municipality to consider the views of all interested persons and communities. The new principles will be used in conjunction with Ontario Regulation 9/06, for which no changes have been proposed at this time. While staff already use many similar principles to guide the review process, it is noted that many of the principles use 'should' rather than 'shall' in reference to the principles. The most problematic is the principle that "property that is determined to be of cultural heritage value or interest should be protected and conserved for all generations". Using 'should' rather than 'shall' contradicts the Provincial Policy Statement 2020, which states "Significant built heritage resources and significant cultural heritage landscapes shall be conserved". Staff would prefer consistency in the language in these two provincial policies and recommend that the language from the PPS 2020 be adopted as a principle for the Ontario Heritage Act.

An additional recommendation would be that the definition of 'adaptive reuse' included in this section be revised from "the alteration of a property of cultural heritage value or interest to fit new uses or circumstances while retaining the heritage attributes of the property" to "the alteration of a property of cultural heritage value or interest to fit new uses or circumstances while retaining the cultural heritage value or interest and the heritage attributes of the property".

2. Mandatory content for designation by-laws

The Ontario Heritage Act amendments provide a regulatory authority to prescribe mandatory content for designation by-laws. The goal is to achieve greater consistency across municipalities and to provide improved clarity for property owners through designation by-laws including:

- Identifying the property for the purposes of locating it and providing an understanding of its layout and components;*
- Establishing minimum requirements for the statement of cultural heritage value or interest; and*
- Setting standards for describing heritage attributes.*

From staff's perspective, the most significant changes to the requirements for a

designation by-law are:

- The requirement to include a map or image of the area. This has not typically been done in the past due to the preferences of the Land Registry Office; however, from a staff perspective, this would not be difficult or onerous.
- The description of the heritage attributes must be 'brief' and also explain how each attribute contributes to the cultural heritage value or interest of the property. Staff note that the requirement for explanations may make the description less brief, but are generally supportive of this requirement as it may help clarify both the heritage attributes and the cultural heritage value of the property. However, this requirement will likely increase the amount of staff time required to draft designation by-laws.
- The by-law may list any features of the property that are not heritage attributes. Including a formal list of non-heritage attributes within the by-law could provide clarity to both the property owner and the Town of Grimsby.

3. 90-day timeline to issue a Notice of Intention to Designate Amendments to the Ontario Heritage Act establish a new 90-day timeline for issuing a notice of intention to designate (NOID) when the property is subject to prescribed events. It also allows for exceptions to this restriction to be prescribed.

The new timeline is intended to encourage discussions about potential designations with development proponents at an early stage to avoid designation decisions being made late in the land use planning process. The ministry has proposed three triggers which would place this restriction on council's ability to issue a NOID. These are applications submitted to the municipality for either an official plan amendment, a zoning by-law amendment or a plan of subdivision.

The proposed regulation also provides exceptions to when the 90-day timeline applies. The ministry is proposing the following categories of exceptions.

- Mutual agreement – Where an extension of, or exemption from, the 90-day restriction on issuing a NOID is mutually agreed to by the municipality and the property owner who made the application under *the Planning Act*.
- Administrative restrictions – Where municipal council or heritage committee are limited in their ability to reasonably fulfill the statutory requirements for issuing a NOID within the original 90-day timeframe. This would apply in cases of a declared emergency or where a municipal heritage committee would be unable to provide its recommendations to council. The timeframe would be extended by 90 days.
- New and relevant information – Where new and relevant information could have an impact on the potential cultural heritage value or interest of the

property is revealed and needs further investigation. Council would be able to extend the timeframe through a council resolution. In the case of new and relevant information council would have 180 days from the date of the council resolution to ensure there is sufficient time for further information gathering and analysis to inform council's decision.

Expiration of restriction – The 90-day restriction on council's ability to issue a NOID would not remain on the property indefinitely and would no longer apply when the application that originally triggered the 90-day timeframe is finally disposed of under the Planning Act.

The proposed regulation also provides notification requirements related to the exceptions to the 90-day timeframe restriction.

Overall, the regulations provide required clarity to the proposed new timelines. Staff are pleased that one of the exemptions to the new regulated timelines is through mutual agreement, as many developers in Grimsby have demonstrated their willingness to work with staff and Council to work towards heritage conservation goals through the planning process.

The exemption for 'new and relevant' materials is useful to ensure that all parties have all of the information needed to make a decision. To this end, the regulations also provide a definition of 'new and relevant' to be applied in this context.

The termination period for the 90-day timelines is limited to the lifespan of the specific planning application. This will ensure that properties are not prohibited from heritage conservation indefinitely.

However, staff have several concerns in regards to these proposed regulations. First, the 90 day timeline will not provide enough time for the town to request and review a peer review of a Heritage Impact Assessment, should the town feel that review is necessary. Staff recommend that the 90 day timeline be increased, or that an additional exemption be included that provides municipalities more time to address requirements for peer review. Likewise, the substantially reduced time limit for planning decisions in Bill 108, especially in regards to decisions for zoning by-law amendments, will create challenges for staff where heritage properties are involved in a planning application.

Staff also note that these new timelines will require significant changes to internal processes in order to accommodate the regulations, which in turn will take a significant amount of staff time to coordinate between Heritage Planning staff, and Planning staff.

4. 120-day timeline to pass a designation by-law Amendments to the Ontario Heritage Act establish a new requirement for designation by-laws to be passed within 120 days of issuing a Notice of Intention to Designate (NOID). It also

allows for exceptions to be prescribed. The ministry is proposing the following categories for exceptions.

- *Mutual agreement - Where an extension of, or exemption from, the requirement to pass a by-law within 120 days of issuing a NOID is mutually agreed to by the municipality and the property owner.*
- *Administrative restrictions – Where municipal council is limited in its ability to reasonably fulfill the statutory requirements for passing a designation bylaw within the original 120-day timeframe. This would apply in cases of a declared emergency.*
- *New and relevant information – Where new and relevant information that could have an impact on the potential cultural heritage value or interest of the property is revealed and needs further investigation.*
- *Council would be able to extend the timeframe through a council resolution to ensure there is enough time for further information gathering and analysis to inform its decision.*
- *Council would have an additional 180 days from the date of the council resolution to pass the bylaw.*

Exceptions allowing for the extension of the 120-day timeframe for passing a by-law must occur prior to the expiry of the initial 120 days. The proposed regulation includes notification requirements related to the exceptions to the 120-day timeframe.

Similar to the exemptions for the 90-day designation notice timeline, the proposed exemptions to pass a designation by-law, especially through mutual agreement, are generally considered helpful. The practice of passing a by-law soon after the objection period has expired (or an appeal has been resolved), is already undertaken in Grimsby for most designations. However, staff would note that implementing these regulations will require staff time to accomplish.

5. 60-day timeline to confirm complete applications, alteration or demolition and contents of complete applications

Amendments to the Ontario Heritage Act establish a new timeline of 60 days for the municipality to respond to a property owner about the completeness of their application for alteration of, or demolition or removal affecting, a designate heritage property. It also provides a regulatory authority for the Province to set out minimum requirements for complete applications. The purpose of these provincial minimum standards is to ensure transparency so that property owners are aware of what information is required when making an application. The

details of what is proposed in regulation reflect current municipal best practices. The proposed regulation also enables municipalities to build on the provincial minimum requirements for complete applications as a way of providing additional flexibility to address specific municipal contexts and practices. Where municipalities choose to add additional requirements, the proposed regulation requires them to use one of the following official instruments: municipal by-law, council resolution or official plan policy. The proposed regulation establishes that the 60-day timeline for determining if the application is complete and has commenced starts when an application is served on the municipality. It further proposes that applications may now be served through a municipality's electronic system, in addition to email, mail or in person.

The introduction of a timeline to confirm a complete application for heritage issues is new, but is not unwelcome as it will provide clarity for the property owner and the town. The list of submission requirement set out in the regulations is similar to the requirements that the town already requires; however, a more thorough review of any proposed materials should be undertaken and a report brought forward to Council to confirm Grimsby's list of required submissions and be adopted by municipal by-law as required by the regulation. The ability for the town to set its own additional requirements (through due process) is important to ensure that the town's heritage conservation goals are met.

However, staff note that the requirements for a complete application are only applied to subsections 33 (2) and 34 (2) of the *Ontario Heritage Act*, meaning that there are no requirements for a complete application for properties designated under Part V as part of heritage conservation districts. Staff recommend that the requirements for complete application also be applied to district properties.

6. Prescribed steps following council's consent to a demolition or removal under s. 34.3

Amendments to the Ontario Heritage Act provide that municipal council consent is required for the demolition or removal of any heritage attributes, in addition to the demolition or removal of a building or structure. This is because removal or demolition of a heritage attribute that is not a building or structure, such as a landscape element that has cultural heritage value, could also impact the cultural heritage value or interest of a property.

Prior to the amendments, where council approved a demolition or removal under s. 34, the Act required council to repeal the designation by-law. However, in cases where only certain heritage attributes have been removed or demolished, or where the demolition or removal was of a structure or building that did not have cultural heritage value or interest, the property might still retain cultural

heritage value or interest. In these cases, repeal of the by-law would not be appropriate.

The proposed regulation provides municipalities with improved flexibility by requiring council to first determine the impact, if any, of the demolition or removal on the cultural heritage value or interest of the property and the corresponding description of heritage attributes. Based on the determination council makes, it is required to take the appropriate administrative action, which ranges from issuing a notice that no changes to the by-law are required, to amending the by-law as appropriate, to repealing the by-law. Council's determination and the required administrative actions that follow are not appealable to LPAT.

The proposed regulation provides that, where council has agreed to the removal of a building or structure from a designated property to be relocated to a new property, council may follow an abbreviated process for designating the receiving property. The proposed regulation provides a series of administrative steps to support the designation by-law. Council's determination that the new property has cultural heritage value or interest and the subsequent designation by-law made under this proposed regulation would not be appealable to LPAT.

The requirement to issue notice for demolition of any heritage attributes of a property was a concern, however, the clarification that a repealing by-law may not be required for every demolition is helpful. Following the demolition or removal, if the cultural heritage value or interest and heritage attributes do not need amending, the only notice requirement is to the Ontario Heritage Trust, who are already required to receive notice of all decisions regarding alterations, demolitions, removals and relocations.

However, staff would note that the wording of the regulation is slightly confusing: "After the demolition or removal of a building, structure or heritage attribute on the property is complete, the council of the municipality shall, in consultation with the municipal heritage committee established under section 28 of the Act, if one has been established, make one of the following determinations.." Staff are unclear on if this means that removal of any building, even one that is not a heritage attribute (i.e. a modern garden shed), requires Council approval.

7. Information to be provided to LPAT upon an appeal with the exception of decisions made under section 34.3 as described above, all final municipal decisions related to designation, amendment and repeal, as well as alteration of a heritage property under the Act will now be appealable to LPAT, in addition to decisions related to demolition and Heritage Conservation Districts, which were already appealable to LPAT. The decisions of LPAT are binding. Preliminary objections to designation matters will now be made to the municipality, before the final decision is made. Prior to the amendments, appeals of designation-related notices or appeals of alteration decisions were made to the Conservation Review Board, whose decisions were not binding.

A regulatory authority was added to ensure that appropriate information and materials related to designations, alteration and demolition decisions are forwarded to the LPAT to inform appeals. The proposed regulation outlines which materials and information must be forwarded for every LPAT appeal process in the Act by the clerk within 15 calendar days of the municipality's decision.

The two-tier process of objection to the municipality, followed by appeal to the LPAT, is a noted concern as this new process will create delays for property owners, staff, the Grimsby Heritage Advisory Committee and Council. The updated regulation does not change this; it provides a list of the materials and information required for LPAT appeals.

8. Housekeeping amendments

Amendments to the Act included regulatory authority to address a few housekeeping matters through regulation. Previously, where a municipality proposed to make substantial amendments to an existing designation by-law it stated that the designation process in section 29 applied with necessary modifications. The proposed regulation clearly sets out the modified process, including revised language that is more appropriate for an amending by-law. The proposed regulation also makes it clear that there is no 90-day restriction on issuing a notice of proposed amendment to a by-law and provides that council has 365 days from issuing the notice of proposed amendment to pass the final amending by-law and that this timeframe can only be extended through mutual agreement.

The proposed regulation also outlines restrictions on a property owner's ability to reapply for repeal of a designation by-law where the application was unsuccessful, unless council consents otherwise. The one-year restriction on an owner's reapplication maintains what had been included in the Act prior to the amendments.

The ability to amend a heritage designation by-law is improved through the regulations that provide clarity to the stated process. Staff support this regulation as it will make it easier to update old designation by-laws as required, as well as make amendments to by-laws that require updating to remove listed heritage attributes as per the new regulation.

9. Transition

Section 71 of the Ontario Heritage Act establishes a regulation-making authority for transitional matters to facilitate the implementation of the amendments, including to deal with any problems or issues arising as a result of amendments. The proposed transition rules provide clarity on matters that are already in progress at the time the amendments come into force.

General Transition Rule

All processes that commenced on a date prior to proclamation would follow the process and requirements set out in the Act as it read the day before proclamation. The proposed regulation sets out the specific triggers for determining if a process had commenced.

Exceptions

Outstanding notices of intention to designate. Where council has published a notice of intention to designate but has not yet withdrawn the notice or passed the by-law at the time of proclamation, the municipality will have 365 days from proclamation to pass the by-law, otherwise the notice will be deemed withdrawn. Where a notice of intention to designate has been referred to the Conservation Review Board, the 365 days would be paused until the Board either issues its report or until the objection has been withdrawn, whichever occurs earlier.

90-Day restriction on issuing a NOID

The 90-day restriction on council's ability to issue a NOID would only apply where all notices of complete application have been issued by the municipality in relation to a prescribed Planning Act application, on or after proclamation.

Prescribed steps following council's consent to demolition or removal (s.34.3)

The ministry is proposing that the prescribed steps would apply following consent to an application by the municipality or by order of the Tribunal, where at the time of proclamation council had not already repealed the by-law under s. 34.3.

Staff would note that the transitions proposed will place increased demand on staff time and resources in order to prepare for the January 1, 2021 implementation deadline. As this has not been accounted or planned for, staff would recommend that the proclamation deadline be pushed to July 1, 2021 to allow municipalities more time to prepare, especially in consideration of the COVID-19 pandemic, which has already created additional stress on staff resources.

Regulatory Impact Assessment

The objective of the proposed regulation is to improve provincial direction on how to use the Ontario Heritage Act, provide clearer rules and tools for decision making, and support consistency in the appeals process. Direct compliance costs and administrative burdens associated with the proposed regulations are unknown at this time. New rules and tools set out in the proposed regulations are expected to result in faster development approvals.

There are anticipated social and environmental benefits as the proposed regulation seeks to achieve greater consistency to protecting and managing heritage property across the province.

Overall, staff support many of the proposed regulation changes, as they provide greater clarity for the new processes created through Bill 108. Some of the concerns identified

by the town in their comments on Bill 108 remain, such as all appeals being moved to the Local Planning Appeal Tribunal (LPAT) from the Conservation Review Board (CRB).

The proposed regulations appear to be consistent with the objectives of Provincial policy and the OHA to conserve significant cultural heritage resources. However, many of the town's existing processes will need to be adjusted to conform to the proposed regulation changes. Staff would recommend to the Province that more time be provided to municipalities to accommodate the new regulations, especially given that the COVID-19 pandemic is in the second wave and also because the revised Ontario Heritage Took Kit has not been provided for draft comment and review. Additionally, staff resources will need to be evaluated in light of the current volume of heritage alteration applications to ensure the delivery of heritage reports and notices occur within the specified timelines. The substantially reduced time limit for planning decisions in Bill 108, especially in regards to decisions for zoning by-law amendments, will create challenges for staff where heritage properties are involved in a planning application.

The Province has noted that the direct compliance costs and administrative burdens are unknown at this time. Staff would suggest that the cost and burden on already stressed municipalities operating in an ongoing pandemic would be significant.

Strategic Priorities

This report addresses the corporate strategic goal to: Protect, preserve and enhancing Grimsby's distinct heritage and culture

Financial Impact

There are no direct financial implications arising from the recommendations in this report. However, the proposed regulation changes will have undetermined financial impacts for the town.

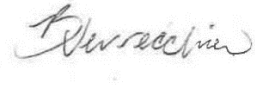
Public Input

Members of the public may provide comments on Bill 108's proposed changes through the related postings on the Environmental Registry of Ontario (ERO) website.

Conclusion

As the impetus for the new proposed regulations is Bill 108, *The More Homes, More Choices Act*, staff remain concerned that the Province's stated objective to increase housing supply should not come at the expense of the Town of Grimsby's irreplaceable cultural heritage resources, as the purpose of the *Ontario Heritage Act* being to protect and conserve heritage properties.

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