

March 28, 2022

Toronto City Hall 100 Queen Street West Toronto, ON M5H 2N2 Attention: Julie Amoroso Email: <u>exc@toronto.ca</u>

#### Re: EX 31.11 -- Review of Provincial Housing Affordability Task Force

Dear Mayor John Tory, Members of Executive Committee,

We support the proposed City of Toronto response to the Ontario Housing Affordability Task Force. We agree that there is a critical housing problem in Toronto. The affordability problem is worldwide, especially in rapidly growing cities. Too many low-income households cannot afford the rents they pay. And too many new middle-income families are priced out of the market for owneroccupied housing.

Unfortunately, the recommendations of the Ontario Housing Affordability Task Force will do little to reduce the cost of housing, especially for low-income families. It is all very well to say that housing prices will decline if more housing is built, but the economics of housing are not responsive to rhetoric.

- The reason the prices of condos and single-family houses are high has little to do with the process of supply. Housing prices are high because of the speculative bubble in land values.
- And the reason more rental housing is not being built is that market rents are too low to make purpose-built rental housing profitable at current land values.
- The only significant current source of new rental housing is condos being bought as investments by speculators who expect capital gains from further future increases in housing prices.

The rhetoric of too much of what the Task Force advocates is that careful community planning is detrimental to housing supply, that preserving neighbourhood character is anti-housing, that the involvement of citizens in the planning process is merely an impediment to faster construction, and that the current planning process simply keeps development from being approved.

However the Task Force's rhetoric is not borne out by the Toronto data. City Planning's pipeline report of last June indicates that there were enough already-approved units in developments as of that date to satisfy the anticipated population growth in Toronto from then to 2030. That inventory of approved developments not yet built can only have grown since last June.

The Task Force report includes a number of recommendations, such as relaxing zoning controls within low density areas and for as-of-right zoning of mid-rise housing on avenues that are served by public transit that are being considered in Toronto through the EHON initiatives . Intensification and greater flexibility in how houses are divided and used needs to be consistent with preserving neighbourhood characteristics – front yards, massing, height, and design, green space, trees – all make Toronto's neighbourhoods attractive.

Toronto's problem is not that good neighbourhoods are inconsistent with intensification. Rather, it is that neighbourhoods of any kind have become increasingly unaffordable, for reasons that have little to do with the planning process, or the involvement of residents in community planning.

Therefore, where we particularly disagree with the Ontario Housing Affordability Task Force is with respect to its recommendations:

(a) for a provincial takeover of municipal zoning decision-making. Many of the Task Force's recommendations regarding the planning process are nothing more than a developer's wish list: get residents out of the way, take many planning decisions away from municipalities by substituting uniform provincial standards, and make development approvals automatic if municipalities take more than a few months to analyze complex development proposals. And

(b) its failure to recognise housing demand issues, and address land speculation.

We attach FoNTRA's submission to the Ontario Government on the Task Force Report, including detailed comments on all 55 of the recommendations.

Yours truly,

Geoff Kettel Co-chair, FoNTRA <u>gkettel@gmail.com</u> Cathie Macdonald Co-chair, FoNTRA cathie.macdonald@sympatico.ca

Attachment: FoNTRA Comments on Ontario Housing Affordability Task Force

Cc: Members of Council Gregg Lintern, Chief Planner and Executive Director, City Planning Division

**The Federation of North Toronto Residents' Associations (FoNTRA)** is a non-profit, volunteer organization comprised of over 30 member organizations. Its members, all residents' associations, include at least 170,000 Toronto residents within their boundaries. The residents' associations that make up FoNTRA believe that Ontario and Toronto can and should achieve better development. Its central issue is not *whether* Toronto will grow, but *how*. FoNTRA believes that sustainable urban regions are characterized by environmental balance, fiscal viability, infrastructure investment and social renewal.



## FoNTRA COMMENTS ON

## ONTARIO HOUSING AFFORDABILITY TASK FORCE REPORT

## 1. Overview of key proposals

The report recommends a number of changes which FoNTRA is on record as supporting (though with some caveats re specifics):

- Expand housing options in neighbourhoods ("EHON" initiatives), permitting low-rise multi-unit housing, secondary suites, etc. in residential areas throughout the province and so reducing or eliminating restrictions to single-family housing.
- Allow as-of-right zoning for mid-sized (6-11 storeys) commercial-residential developments on main streets served by public transit (but see comment in the appendix on recommendation 9).
- Reduce or eliminate minimum parking requirements.
- Encourage redevelopment of parking lots of malls as underdeveloped commercial space.

It also makes a number of recommendations designed to speed up the approvals process, some of which FoNTRA can support. Our detailed comments on the recommendations are included in an appendix.

Beyond this, many of the recommendations are a developer's "wish list" which we do not support as they take away critical planning tools needed for effective City planning and are not needed to increase housing supply to meet the needs of our growing population:

- Repeal municipal policies/zoning that prioritize neighbourhood character.
- Replace existing municipal zoning standards (setbacks, building depths, etc.) with province-wide uniform standards.
- Eliminate neighbourhood public meetings for developments (other than the statutory Council meeting required by the Planning Act).
- Legislate required response times at each stage of development review, and deem an application approved if any of those response times are exceeded.

- Remove/reduce residents' right to appeal projects to the Ontario Land Tribunal, but restore developers' rights to appeal area-wide Official Plan changes.
- Allow the Ontario Land Tribunal to award full costs against residents or municipalities on a successful appeal against a council decision that overrides a staff recommendation.
- Penalize municipalities that fail to meet provincial housing growth targets and approval timeline requirements by reducing provincial funding.

Notes on the complete set of recommendations are in an appendix to this comment.

## 2. Issues overview

Land use planning is intended to serve the public interest in achieving complete communities and requires balancing of competing interests, aiming to serve the best interests for both present and future residents. Housing is for most homeowners not just their home but also their biggest asset, and governments have a responsibility in City land use planning and development to protect the interests of existing residents as well as to provide for the need for more housing.

Finding the right balance is not easy. And the role of municipal government is important, as each municipality has different needs and priorities. The Task Force's recommended "one size fits all throughout the province" proposals simply do not work. The issues in small towns such as Creemore or Owen Sound are not the same as the issues in midtown Toronto. Indeed, the issues in a suburban neighbourhood in Etobicoke are not the same as those in midtown Toronto.

Residents provide useful advice to their Councils, based on their knowledge of their municipalities. They want to live in a livable community. Their objective is not to stop development as suggested in the report, but rather to be assured that it is appropriate. Their input can be useful in making a development fit better into a neighbourhood, and the result can often be an improvement that increases the marketability of a development.

Residents must play an important role in the development of planning regulations and development approvals. The amount of time spent by a municipality in public consultations is actually miniscule within the total timeframe required for development approvals. And the role of a municipal council is important in achieving the right balance between generations and the right range of housing opportunities that are needed within the municipality.

It is basic to our view of the role of government in land use planning that elected municipal Councils should make the planning decisions that affect their electorates. The Province plays an important role in ensuring that municipal planning decisions conform to provincial development strategies. But that role should not extend to taking over how those strategies are implemented in local planning.

## 3. Is there a shortage of supply?

The assumption made by the Task Force is that (1) housing prices are high because of a shortage of supply and (2) the presumed shortage of supply is the result of delays in approval of new development applications.

### The facts for Toronto do not support this.

The official provincial Growth Plan forecast (*A Place To Grow, as amended 2020*) anticipates that 495,800 additional households will need to have been accommodated in the City of Toronto between 2011 and 2051, based on a technical forecast study done by Hemson Consulting Ltd. (the so-called *Hemson Forecast*).

According to data compiled by CMHC, 127,500 of the necessary new dwelling units were built (completed) between 2011 and 2020. In addition, as of June 2020, 162,800 additional units had been approved (i.e. received planning and zoning approval) but had not yet been built. Once completed (and allowing for necessary demolitions), this would mean that 53% of the anticipated need (495,800 units) over the four decades 2011-2051 would be built. (Source: Toronto City Planning, *June 2020 Development Pipeline report*, Table 14).

To put this in different terms, **the development applications already approved as of last June would, if built, house an estimated City of Toronto population of 3.25 million** (same source, p. 36).

The Task Force assumption that a lack of zoning approvals is the cause of a presumed shortage of housing units is not borne out by these numbers.

The interesting question arising from the large number of unbuilt approved developments is to what extent anticipated increases in housing prices cause developers to delay construction in order to sell their units at a higher price. The incentive to do so is obvious, but the quantitative impact is not.

There are a number of interrelated factors underlying the time taken to turn development approvals into completed housing units. These include time spent on each of the following: concluding site plan agreements, obtaining building permit approvals, marketing the approved developments, and obtaining construction financing (contingent on having sold most of the approved units). It is not possible to conclusively separate the impact of these factors, nor to determine the extent to which the incentive noted above may have led to voluntary developer slowdowns in marketing and/or obtaining site plan approvals.

What can be definitively concluded is that delays in zoning approvals have not led to a shortage of supply. New housing units are being built in rough accord with the continuing increase in the number of households.

Whether the units are delivered at an affordable price is a separate issue discussed below. It is also critical that housing is supported by needed schools, shopping and community facilities, parks and recreation space, etc. We need to build complete communities, and that is (or should be) the aim and role of land use planning.

## 4. Delays in the approval pipeline

As of June 2020 (same source), development applications totaling 246,800 housing units were under review. If all are approved, these additional housing units would support a City of Toronto population of approximately 3.6 million.

The delays in approval of these applications are largely due to bottlenecks at the Ontario Land Tribunal. Too many applications are submitted and taken to the Tribunal as fast as the Planning Act timelines permit, reflecting an assumption by the developer that a larger approval can be obtained through the slower Tribunal process than by negotiating with the City.

Regardless of the truth of that assumption, the large number of applications in the approval pipeline reflects the huge backlog at the Tribunal. If there were in fact a shortage of supply because of approval delays, the appropriate body to blame is the Tribunal and its cumbersome quasi-judicial procedures. Or, more accurately, the provincial rules that create the incentives for developers to bypass working with City staff and residents and go directly to the Tribunal.

Contrary to the assumptions of the Task Force, the fastest approvals are often for projects where developers work closely with City staff to meet their requirements and with residents who provide important information as to how their project can best be accommodated on its site. Getting it right is just as important as getting it built, and working with stakeholders can often lead to faster approvals.

## 5. What about affordability?

The Task Force was asked to report on what can be done to make development easier, not provide affordable housing. It blithely assumes that doing so will increase the supply of housing, and that doing so will bring down rents and housing prices. There is widespread need for truly affordable housing. And this must be addressed through government funding. That is where the Province can help most.

There are many reasons why annual dwelling rents have increased and why the prices of housing assets have doubled in the past decade. Construction costs have not doubled, zoning has not changed. What has driven the worldwide increase in housing asset prices (along with stock market common stock values) is the reduction in interest rates and financing costs resulting from the worldwide savings glut and central bank debt funding.

Long-term real interest rates that were on the order of 4 percent three decades ago have declined to become effectively zero or negative in real terms. That plus a high rate of immigration into growing urban centers has dramatically pushed the price of urban land up, and it is this increase in the land price component of housing costs —not zoning— that has pushed urban housing prices up across the world.

Reducing the time it takes to get developments approved will not change this fundamental worldwide macroeconomic fact.

This is not to say that nothing can be done about the availability of affordable rental housing for the generation that has been frozen out of home ownership by higher housing prices. The Task Force notes that renters are discriminated against by higher property taxes and urges in an appendix that federal and provincial governments do more to subsidize rent-geared-to-income housing and help finance down payments for first-time home buyers.

The need for funding for such renter-oriented initiatives is the real rental affordability issue. Pretending that the rental affordability issue is exclusively the result of a zoning-induced supply shortage is simply a way of diverting attention away from the need for expensive tax-supported federal and provincial social housing programs.

Affordability for rental housing also includes protection against unanticipated rent increases. Strengthening rent controls while at the same time allowing for inflation and necessary cost pass-throughs is accordingly also essential.

As to the affordability of home ownership, help for down payments actually may be slightly counter-productive, increasing the demand for land on which to build owner-occupied single-family housing and so pushing up land prices and house prices, not bringing them down. Increasing the demand for land can also raise environmental issues such as pressures to encroach on the Greenbelt around Toronto, which must be protected. Our support for intensification in residential areas, such as those implemented or proposed in the City's EHON initiatives, is as much motivated by the need to reduce urban sprawl as by the need for more housing options.

The key demand-side factors underlying the increases in owner-occupied housing prices are zero or negative real interest rates, increased immigration, Covid-induced increases in demand for more living space, and favorable tax preferences (notably the principal residence exemption that shields capital gains on owner-occupied housing from taxation).

These demand-side factors may continue to push urban land prices up and so further increase the price of owner-occupied housing. Housing assets are a principal vehicle for accumulating retirement savings, and the rise in housing prices creates vested interests keen to preserve and increase the values of those assets. Nothing the Task Force recommends will do anything to affect the importance of these underlying causal demand-side factors.

**The Federation of North Toronto Residents' Associations (FoNTRA)** is a non-profit, volunteer organization comprised of more than 30 member organizations. Its members, all residents' associations, include at least 170,000 Toronto residents within their boundaries. The residents' associations that make up FoNTRA believe that Ontario and Toronto can and should achieve better development. Its central issue is not *whether* Toronto will grow, but *how*. FoNTRA believes that sustainable urban regions are characterized by environmental balance, fiscal viability, infrastructure investment and social renewal.

## **APPENDIX:** Comments on Task Force recommendations

The report groups its 55 recommendations under the headings shown below.

FoNTRA supports recommendations 24-25, 30-31, 32, 34, 37, 38, 40-42, 52-53.

FoNTRA supports the following recommendations with caveats: 1-4, 5, 6-7, 9-10, 12(b), 14-15, 18, 20, 22, 23, 28, 35, 48, 50.

FoNTRA does not support the following recommendations: 12(a, c-d), 13, 16-18, 19, 21, 26-27, 29, 33, 49.

# Set bold targets and make new housing the planning priority – focus on getting more homes built

1. Set a goal of building 1.5 million new homes in ten years.

COMMENT: This is an election slogan, not a policy. The goal should be to build the housing units that are needed by the growing population, whatever that number turns out to be, and to provide housing that is affordable. The number of units already in the pipelines of municipalities across the Province will go a long way to meeting this goal.

**2.** Amend the Planning Act, Provincial Policy Statement, and Growth Plans to set "growth in the full spectrum of housing supply" and "intensification within existing built-up areas" of municipalities as the most important residential housing priorities in the mandate and purpose.

COMMENT: Of course. But the implementation of this goal must be done in a way that allows municipalities, in consultation with their residents, to develop appropriate plans for incorporating the necessary growth.

#### Stop using exclusionary zoning - Require greater density

3. Limit exclusionary zoning in municipalities through binding provincial action:

a) Allow "as of right" residential housing up to four units and up to four storeys on a single residential lot.

COMMENT: We support allowing multi-unit housing in house-form or compatible buildings. We see no reason to restrict them to four units but also no need to mandate a province-wide uniform height. Municipalities should be required simply to remove restrictions that preclude multi-unit housing and develop appropriate regulations such as what the City of Toronto is doing through its EHON program.

b) Modernize the Building Code and other policies to remove any barriers to affordable construction and to ensure meaningful implementation (e.g., allow single-staircase construction for up to four storeys, allow single egress, etc.).

COMMENT: Fine to modernize, but not at expense of fire safety. Building and fire codes should ensure alternative means of escape in the event of fire. That said, there is need for appropriate modernization of the codes to encourage redevelopment of small lots on main streets (now restricted by the 2-stairs requirement).

**4.** Permit "as of right" conversion of underutilized or redundant commercial properties to residential or mixed residential and commercial use.

COMMENT: This seems aimed at promoting the redevelopment of suburban strip malls. Fine as such, especially if water runoff from parking lots is reduced, but how this is implemented should be a municipal decision. Also the need for commercial properties within a complete community must be not be forgotten. Our goal should be to ensure development in complete communities with jobs close by housing and with easily accessible retail, so "as of right" conversion needs to be checked for consistency with these goals. Parking lots at grade are prime candidates for development.

5. Permit "as of right" secondary suites, garden suites, and laneway houses province-wide.

COMMENT: Toronto has approved secondary suites and laneway houses, both of which approvals we support in principle. However, we support the RAs appealing the garden suites legislation with respect to details of its implementation.

6. Permit "as of right" multi-tenant housing (renting rooms within a dwelling) province-wide.

COMMENT: Agree in principle, provided that there is adequate regulation of fire and other safety standards in rooming houses in which owners do not live.

#### Align investments in roads and transit with growth

**7.** Encourage and incentivize municipalities to increase density in areas with excess school capacity to benefit families with children.

COMMENT: Current issue in Toronto is the lack of provincially-funded school capacity in areas of rapid growth. The real issue is planning to ensure the provision of all uses for complete communities.

8. Allow "as of right" zoning up to unlimited height and unlimited density in the immediate proximity of individual major transit stations within two years if municipal zoning remains insufficient to meet provincial density targets.

COMMENT: The current Provincial MTSA policy is already providing for this. This presumably is meant to penalize municipalities that do not conform to existing requirements. Provincial policies should allow for variation within a municipality, provided that provincial density targets for a municipality, based on their opportunities to add more housing and employment, are met in the aggregate by the municipality.

**9.** Allow "as of right" zoning of six to 11 storeys with no minimum parking requirements on any streets utilized by public transit (including streets on bus and streetcar routes).

COMMENT: A uniform omnibus requirement is not appropriate. As-of-right zoning for six storeys as a minimum standard for main streets may be appropriate in a city such as Toronto on streets where there is frequent bus service or other transit. But whether higher

or lower heights are permitted as of right is a decision that should vary depending on the nature of a municipality and so be a municipal decision. At a minimum, there should be a recognition that differences among urban areas should be allowed for. Whether streets that are not main streets should fall under this mandate should also be a municipal decision.

**10.** Designate or rezone as mixed commercial and residential use all land along transit corridors and redesignate all Residential Apartment to mixed commercial and residential zoning in Toronto.

COMMENT: What this would mean is uncertain. Limited commercial uses (e.g. convenience stores) should be permitted. But we do not support allowing big-box retail stores and related commercial parking lots in residential apartment areas. And we do not support the notion that there should be a uniform province-wide rule governing this issue. This is a planning issue that must be left to municipalities.

**11.** Support responsible housing growth on undeveloped land, including outside existing municipal boundaries, by building necessary infrastructure to support higher density housing and complete communities and applying the recommendations of this report to all undeveloped land.

COMMENT: Is this meant to require municipalities to service greenfield developments that are not in the municipality's development plan, regardless of cost? What is "responsible"?

#### Start saying yes in my backyard

COMMENT: Yes to anything a developer sees as profitable? Regardless of what it is, regardless of whether hard and soft services (like schools) are available to support a proposed development, regardless of whether it promotes a complete community, regardless of its impact on neighbours or on the environment?

This kind of pejorative sloganeering is not helpful. Planning is a matter of balance. And the effects of bad planning are long-lasting.

#### Reduce and streamline urban design guidelines

- **12.** Create a more permissive land use, planning, and approvals system:
  - a) Repeal or override municipal policies, zoning, or plans that prioritize the preservation of physical character of neighbourhood

COMMENT: Preserving and/or enhancing the livability of an urban neighbourhood should not be viewed as contrary to the promotion of housing intensification. Tree preservation, soft landscaping, building-form compatibility, are not incompatible with multi-unit housing nor with greater density in neighbourhoods. Similarly with respect to built-form regulations to protect light, view, and privacy. The character of neighbourhoods are always changing, but managing the change is important.

b) Exempt from site plan approval and public consultation all projects of 10 units or less that conform to the Official Plan and require only minor variances

COMMENT: Agree with respect to site plan approval. Also they should be exempted from development charge., Minor variances require Committee of Adjustment approval, so public notice and consultation is (and should be) required for them. The issue with respect

to the role of Committees of Adjustment is not the process. Rather, it is with the zoning bylaw that defines the variances requiring Committee of Adjustment approval.

c) Establish province-wide zoning standards, or prohibitions, for minimum lot sizes, maximum building setbacks, minimum heights, angular planes, shadow rules, front doors, building depth, landscaping, floor space index, and heritage view cones, and planes; restore pre-2006 site plan exclusions (colour, texture, and type of materials, window details, etc.) to the Planning Act and reduce or eliminate minimum parking requirements

COMMENT: Same rules everywhere? In mid-town Toronto and Owen Sound? This is taking "one size fits all" rather far.

d) Remove any floorplate restrictions to allow larger, more efficient high-density towers.

COMMENT: This presumably is an attack on Toronto's tall building rules, which require atgrade podiums for wind mitigation and minimal separation of towers to provide privacy and access to light for occupants. Is this really a provincial interest?

**13.** Limit municipalities from requesting or hosting additional public meetings beyond those that are required under the Planning Act.

COMMENT: Why? Particularly in the case of large projects, additional consultation can lead to a better design and community support. Public participation in the approval process is an essential element of local democracy and can be helpful in resolving issues with an application. Neighbors can provide useful information and advice.

**14.** Require that public consultations provide digital participation options.

COMMENT: Of course. This already happens in Toronto. But provision needs to be made for citizens without access to computers.

**15.** Require mandatory delegation of site plan approvals and minor variances to staff or preapproved qualified third-party technical consultants through a simplified review and approval process, without the ability to withdraw Council's delegation.

COMMENT: Delegation of site plan approvals to City staff already exists. But Committee of Adjustment processes allowing review by neighbours is important as staff often do not know the details of a location that affect what an appropriate decision may be.

ADDITIONAL COMMENT: Review by City staff is not the same thing as review by a consultant paid for by a developer. The latter is too open to abuse.

- **16.** Prevent abuse of the heritage preservation and designation process by:
  - a) Prohibiting the use of bulk listing on municipal heritage registers.

COMMENT: Why is this an abuse? It may be a useful tool in some locations.

b) Prohibiting reactive heritage designations after a Planning Act development application has been filed.

COMMENT: The issue here is notice. If a property is listed, then notice has been provided to the property owner that designation may occur. For administrative reasons, Toronto goes through the designation process only if a listed historical property becomes threatened. The prohibition should be of a reactive listing after a development application is filed, which is clearly unjust to the owner. **17.** Requiring municipalities to compensate property owners for loss of property value as a result of heritage designations, based on the principle of best economic use of land.

COMMENT: Heritage preservation is important, contributing to long-term social, cultural and economic values just as do parks requirements and environmental protections. "Best use" is not just what is profitable. It also should include recognition of our history and inherited culture, both indigenous and immigrant.

18. Restore the right of developers to appeal Official Plans and Municipal Comprehensive Reviews.

COMMENT: And also restore appeal rights for residents or other third-parties? Why only developers?

#### Adopt common sense approaches that save construction costs

**19.** Legislate timelines at each stage of the provincial and municipal review process, including site plan, minor variance, and provincial reviews, and deem an application approved if the legislated response time is exceeded.

COMMENT: This would be open to abuse. Indeed, the current timelines are far too short for needed review for large and complex projects, and are ignored by responsible developers who work with the City and the community to fine-tune their proposal and avoid unnecessary Tribunal hearings.

Too often, the existing timelines are abused by developers who refuse to negotiate with the City, waiting out the timeline so that they can go directly to the Ontario Land Tribunal. Automatic approval under these circumstances would promote even more unethical behavior, essentially removing any requirement for good planning.

**20.** Fund the creation of "approval facilitators" with the authority to quickly resolve conflicts among municipal and/or provincial authorities and ensure timelines are met.

COMMENT: Facilitators would be helpful if their authority is limited to ensuring good-faith participation in mediation. There may be no quick fixes.

**21.** Require a pre-consultation with all relevant parties at which the municipality sets out a binding list that defines what constitutes a complete application; confirms the number of consultations established in the previous recommendations; and clarifies that if a member of a regulated profession such as a professional engineer has stamped an application, the municipality has no liability and no additional stamp is needed.

COMMENT: Pre-consultation can be helpful in expediting review. Toronto requires preconsultation already. Also new issues may arise for the developer. Trying to strait-jacket the consultation process will not make it more productive.

ADDITIONAL COMMENT: Once again substituting a developer-paid consultant's stamp for approval by civic staff is open to unethical 'permit for hire' abuse. The municipality has (and should have) ultimate authority is issuing permits.

**22.** Simplify planning legislation and policy documents.

COMMENT: Depends on what 'simplification' means.

**23.** Create a common, province-wide definition of plan of subdivision and standard set of conditions which clarify which may be included; require the use of standard province-wide legal agreements and, where feasible, plans of subdivision.

COMMENT: Perhaps, if consistent with municipal requirements, which may well vary. Should be done in consultation with municipalities.

**24.** Allow wood construction of up to 12 storeys.

COMMENT: This is overdue.

**25.** Require municipalities to provide the option of pay on demand surety bonds and letter of credit.

COMMENT: We support this if bonding is guaranteed.

#### Prevent abuse to the appeal process - Fix the Ontario Land Tribunal

**26.** Require appellants to promptly seek permission ("leave to appeal") of the Tribunal and demonstrate that an appeal has merit, relying on evidence and expert reports, before it is accepted.

COMMENT: This would effectively mean two hearings: one to examine the existence of evidence, the second to hear the appeal. This is ridiculous. The Tribunal already has the power to award costs if an appeal is frivolous. It does not need to delay the appeal process by requiring a pre-hearing hearing.

- 27. Prevent abuse of process:
  - a) Remove right of appeal for projects with at least 30% affordable housing in which units are guaranteed affordable for at least 40 years.

COMMENT: Open to abuse. We support the encouragement of affordable housing, but not at the expense of all appeal rights. There may be significant issues not related to the project being affordable housing. 30% is not worth eliminating appeals.

b) Require a \$10,000 filing fee for third-party appeals.

COMMENT: This is fundamentally undemocratic, aimed at limiting the appeal process to well-funded individuals and companies. If third-party appeals are frivolous, the Tribunal has the power to award costs.

c) Provide discretion to adjudicators to award full costs to the successful party in any appeal brought by a third party or by a municipality where its council has overridden a recommended staff approval.

COMMENT: This is Mussolini-style "efficiency". We live in a democracy in which elected representatives make decisions.

**28.** Encourage greater use of oral decisions issued the day of the hearing, with written reasons to follow, and allow those decisions to become binding the day that they are issued.

COMMENT: Fine to encourage, but difficult in complex cases. Perhaps better to impose timelines on the issuance of written decisions.

**29.** Where it is found that a municipality has refused an application simply to avoid a deemed approval for lack of decision, allow the Tribunal to award punitive damages.

COMMENT: See comment on recommendation 19 above.

**30.** Provide funding to increase staffing (adjudicators and case managers), provide marketcompetitive salaries, outsource more matters to mediators, and set shorter time targets.

> COMMENT: We strongly support this. But not easy to implement in the current overstressed context. Mediation can be very efficient in resolving issues.

**31.** In clearing the existing backlog, encourage the Tribunal to prioritize projects close to the finish line that will support housing growth and intensification, as well as regional water or utility infrastructure decisions that will unlock significant housing capacity.

COMMENT: Agree, particularly if the prioritization is of projects that provide affordable housing.

#### **REDUCE THE COSTS TO BUILD, BUY AND RENT**

#### Align government fees and charges with the goal of building more housing

Improve the municipal funding model

**32.** Waive development charges and parkland cash-in-lieu and charge only modest connection fees for all infill residential projects up to 10 units or for any development where no new material infrastructure will be required.

COMMENT: We agree.

**33.** Waive development charges on all forms of affordable housing guaranteed to be affordable for 40 years.

COMMENT: Regardless of the cost of providing services to the development? Even for a greenfield development not anticipated in municipal planning? Better to provide an appropriate level of u of affordable housing units so municipalities have needed funding for the services that will be required,

**34.** Prohibit interest rates on development charges higher than a municipality's borrowing rate.

COMMENT: We agree.

- **35.** Regarding cash in lieu of parkland, s.37, Community Benefit Charges, and development charges:
  - a) Provincial review of reserve levels, collections and drawdowns annually to ensure funds are being used in a timely fashion and for the intended purpose, and, where review points to a significant concern, do not allow further collection until the situation has been corrected.

COMMENT: Municipalities need flexibility in using these funds. A municipality may need to accumulate funds in order to implement plans for new parks, especially where the availability of land is constrained. Publicity may be a better weapon than potentially clumsy provincial intervention.

b) Except where allocated towards municipality-wide infrastructure projects, require municipalities to spend funds in the neighbourhoods where they were collected. However, where there's a significant community need in a priority area of the City, allow for specific ward-to-ward allocation of unspent and unallocated reserves.

COMMENT: We agree.

**36.** Recommend that the federal government and provincial governments update HST rebate to reflect current home prices and begin indexing the thresholds to housing prices, and that the federal government match the provincial 75% rebate and remove any clawback.

COMMENT: Indexing should be to CPI, not to bubble-prone housing prices. Federal matching raises issues of interprovincial equity.

#### Make it easier to build rental

**37.** Align property taxes for purpose-built rental with those of condos and low-rise homes.

COMMENT: We agree. This change is long overdue.

#### Making home ownership possible for hardworking Ontarians who want it

**38.** Amend the Planning Act and Perpetuities Act to extend the maximum period for land leases and restrictive covenants on land to 40 or more years.

COMMENT: We agree.

**39.** Eliminate or reduce tax disincentives to housing growth.

COMMENT: Better to focus on eliminating tax preferences such as the exemption of principal residence capital gains, using the revenue gain to finance affordable housing and/or fund subsidized loans to potential first-time home buyers.

**40.** Call on the Federal Government to implement an Urban, Rural and Northern Indigenous Housing Strategy.

COMMENT: We agree.

**41.** Funding for pilot projects that create innovative pathways to homeownership, for Black, Indigenous, and marginalized people and first-generation homeowners.

COMMENT: We agree.

**42.** Provide provincial and federal loan guarantees for purpose-built rental, affordable rental and ownership projects

COMMENT: We agree.

#### Support and incentivise scaling up the housing supply

43-47. Recommendations to increase supply of construction workers, inputs

COMMENT: We agree.

#### Build alignments between governments to enable builders to deliver more homes

- **48.** The Ontario government should establish a large "Ontario Housing Delivery Fund" and encourage the federal government to match funding. This fund should reward:
  - a) Annual housing growth that meets or exceeds provincial targets
  - b) Reductions in total approval times for new housing
  - c) The speedy removal of exclusionary zoning practices

COMMENT: Agree provided that the funding is directed to building affordable housing.

**49.** Reductions in funding to municipalities that fail to meet provincial housing growth and approval timeline targets.

COMMENT: See comments on recommendation 19 regarding timeline targets. As to meeting provincial housing growth targets, that will depend on housing demand in each municipality. If a municipality adopts reasonable planning policies, it cannot be held responsible if the private market does not proceed to build what is allowed.

#### Sustain, focus, measure, monitor, improve

**50.** Fund the adoption of consistent municipal e-permitting systems and encourage the federal government to match funding. Fund the development of common data architecture standards across municipalities and provincial agencies and require municipalities to provide their zoning bylaws with open data standards. Set an implementation goal of 2025 and make funding conditional on established targets.

COMMENT: For this to be effective, consultation with municipalities will be required.

**51.** Require municipalities and the provincial government to use the Ministry of Finance population projections as the basis for housing need analysis and related land use requirements.

COMMENT: Benefits not obvious. Planning should be long-term, not changing with every changed forecast. Municipalities should be consulted on the projections.

**52.** Resume reporting on housing data and require consistent municipal reporting, enforcing compliance as a requirement for accessing programs under the Ontario Housing Delivery Fund.

COMMENT: We agree.

**53.** Report each year at the municipal and provincial level on any gap between demand and supply by housing type and location, and make underlying data freely available to the public.

COMMENT: We agree.

**54.** Empower the Deputy Minister of Municipal Affairs and Housing to lead an all-of-government committee, including key provincial ministries and agencies, that meets weekly to ensure our remaining recommendations and any other productive ideas are implemented.

COMMENT: Ongoing consultation with municipalities required in doing this,

55. Commit to evaluate these recommendations for the next three years with reporting on progress.

COMMENT: Include municipalities in such evaluations, Progress in increasing housing opportunities requires a partnership, not top-down directions.