

Review of the Housing Affordability Task Force Recommendations

1. Set a goal of building 1.5 million new homes in 10 years.

As the report suggests, "*affordable housing is a societal responsibility*". Housing solutions cannot rely solely on for-profit developers or on increases in the supply of market housing, the province should identify specific affordable rental and ownership housing targets in 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.

Staff support residential intensification in built-up areas within a defined urban structure.

Staff do not support unfettered residential intensification in the absence of balancing other critical planning objectives.

Residential intensification should not override other goals and objectives but be achieved in tandem. Residential intensification should be balanced with key objectives including municipal community and infrastructure capacity as well as access to employment. Residential intensification should always contribute the creation of complete sustainable communities.

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.

The *Planning Act* should enable municipalities to implement 'as of right residential housing' by eliminating the appeal of municipal approaches to implement the recommendation.

Staff do not support the removal of all zoning controls in favour of a province-wide regulation since municipalities would have limited tools to plan and service development. The opportunity to implement the concept should be reflected in the individual approach to be taken by municipalities.

This also needs to be subject to Heritage Conservation District and By-law review to ensure compatibility with adjacent/existing heritage resources.

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.).

While accessibility can be made a priority, it should not come at the sacrifice of heritage attributes. For example, adaptive reuse of heritage buildings for affordable housing should be possible, but done with careful consideration and respect for the cultural heritage value and heritage attributes of the property.

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

Staff cannot support an “as of right” recommendation without further details:

- The full extent is difficult to understand in a broader context and the impacts of this recommendation.
- For example, what are the implications for employment conversions to non-employment uses outside of local Official Plan policies and a circumventing a required Municipal Comprehensive Review?

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

The *Planning Act* could be amended to enable municipalities to adopt policies to address local circumstances to implement 'gentle density' in the absence of appeals to the OLT.

Any new construction with Heritage Conservation Districts (HCDs) and on designated properties would still require heritage permit approval to ensure compatibility with the cultural heritage value of the property/HCD.

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

Staff support the general approach:

- Multi-tenant houses are an important part of the affordable rental housing market, providing single-room accommodation to diverse communities, including students, seniors, new immigrants and low/moderate income residents.
- Support the concept of a municipality's ability to implement multi-tenant housing subject to meeting criteria established by each municipality through their zoning by-laws and licensing regulations.
- While the municipality's support permitting multi-tenant houses as a form of housing, it is important the zoning standards be accompanied by enhanced

operator licensing requirements; an enforcement and compliance program; initiatives to support tenants and maintain affordability of housing; and a phased implementation plan that are informed by municipalities.

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

While Staff support this general concept, increasing density needs to be evaluated on the basis of a broad range of factors that comprise complete communities and infrastructure considerations.

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.

Staff do not support this recommendation:

- This proposal would amount to unplanned growth, and would not address the qualitative and quantitative components of increasing density.
- Municipalities are identifying MTSAs as part of their MCRs. In the absence of a timely approval by the Province of MTSAs this would be an unrealistic timeline with respect to zoning.
- Concept would place significant pressure on existing hard and soft services, making it challenging to undertake the necessary infrastructure planning to support the creation of new housing.
- Recommendation fails to address other key objectives that must accompany growth.

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).

Staff offer qualified support:

- An alternative to this Recommendation could be to allow as of right zoning for "purpose-built rental and/or affordable rental housing" of six to 11 storeys. This will recognize and incentivize the type/tenure of housing supply most needed by the cities.
- Allowing this could negatively affect established neighbourhoods, where bus routes are provided in the middle of communities.

- Infrastructure would need to be assessed. “As of right” conditions would limit the ability of municipalities to provide appropriate services.

Heights within HCDs and on designated properties should be compatible and sympathetic to the cultural heritage value of the HCD/property and subject to heritage permit approval. For example, a building of 11 storeys would not be appropriate within a residential HCD that has homes 1-3 storeys in height.

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.

Staff do not support:

- Lands along transit corridors include Employment Areas (Speers Road)
- Lands along transit corridors include window streets not directly fronting onto transit and accessed through communities.
- Lands considered as 'mixed commercial' may overlap lands designated employment. Municipal Official Plan reviews and MCRs allow for municipalities to consider the introduction of residential uses on employment lands.

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.

Staff do not support:

- Continued urban expansion into natural heritage or agricultural lands in the Greater Golden Horseshoe is not sustainable. This is also counter to the Growth Plan's goals and place a strain on the urban fringes and other goals related to building a more livable region.
- "Undeveloped land" should not include parkland.
- This does not conform to the Growth Plan, or the Land Needs Assessment Methods required to assess urban boundary expansion.

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

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

Staff do not support:

- Over-stepping of municipal decision-making which takes into account local planned context.
- Urban Design direction (such as addressing built form) is not simply for building design but also for context, adjacent areas, safety and public realm functionality.

This would significantly impact the ability to conserve Heritage Conservation Districts from the *Ontario Heritage Act*. The OHA currently states in s.41.2 (1) “*Despite any other general or special Act, if a heritage conservation district plan is in effect in a municipality, the council of the municipality shall not, (a) carry out any public work in the district that is contrary to the objectives set out in the plan; or (b) pass a by-law for any purpose that is contrary to the objectives set out in the plan.* 2005, c. 6, s. 31.”

Provincial standards for any type of heritage controls, including view cones, prohibits the municipality’s ability to address the unique cultural heritage value and heritage attributes of a property. This would negatively impact the municipal ability to conserve cultural heritage

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

Staff do not support:

- Public information and engagement meetings are a best practice to ensure accurate information is shared with local communities and provide an opportunity for residents to ask questions and share comments.
- Public information and engagement meetings help to inform and educate the community at large on new approaches and changes.

- A cornerstone of good planning is providing an opportunity for all voices to be heard.
- Consultation also provides a rich resource for understanding changing community needs. Limiting consultation will limit the capacity for change.

14. Require that public consultations provide digital participation options.

Staff offer qualified support:

- Since the beginning of the COVID-19 pandemic, municipalities have been using digital platforms to engage with residents. Digital engagement options will continue to improve its engagement processes to remove barriers to participation for those with limited access to Internet and digital devices.
- Consultation should be tailored to the communities that are being served. Requiring digital participation may not be as effective as in-person consultation in all cases.

Of note, this Recommendation is as at odds with Recommendation 13, which would limit public consultation options

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

Staff offer qualified support:

- Bill 13 provided the delegation of certain matters to subject to municipal councils providing for such delegation. Municipal councils should continue to have this ability to determine which matters be delegated.
- However, there is a lack of information regarding pre-approved qualified third part technical consultants.

16. Prevent abuse of the heritage preservation and designation process by:

- a) Prohibiting the use of bulk listing on municipal heritage registers
- b) Prohibiting reactive heritage designations after a *Planning Act* development application has been filed

Staff do not support:

- Heritage evaluations are rigorous, completed by staff or consultants who are professionals, and involve careful research and analysis.
- Unless a municipality has previously evaluated all properties to identify which properties have heritage value developments can occur on sites that require a heritage evaluation, the results of which may recommend designation and conservation.
- The *Ontario Heritage Act* (as recently revised through Bill 108) includes statutory timeline limitations on when municipalities can designate a property following the submission of certain applications under the *Planning Act*. The Act also allows municipalities and owners to mutually extend timelines.
- The current legislation, which provides a mechanism for mutually agreed extensions allows for community consultation, rigorous research and evaluation, and for a collaborative approach to the conservation of heritage properties.

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.

Staff do not support since it is unclear how this would work in practice and would negatively impact a municipality's ability to conserve cultural heritage resources.

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

Staff do not support as proposed, this may inadvertently extend timelines as a result of MCR appeals. This may create excess pressure to continue development without addressing capacity issues.

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.

Staff do not support recommendations with respect to municipal review and deeming an application approved if response time is exceeded

- It is not clear how this would work in practice. How would the legislation regulate complete submissions/ addressing incomplete applications? Is there any intent to develop fines or administrative penalties in legislation?
- The concept of "automatic approval" is concerning; a delay should not warrant site-plan approval.

- System assessments and implementation of solutions (e.g. for water infrastructure) can require timelines that may not meet a legislated response time. It is appropriate for applicants to share responsibility to have a complete and acceptable submission.
- Process is also dependent on the applicant – it is not clear how delays would be attributed to a municipality.
- Support legislative timelines for provincial review process.
- Difficult for municipalities to advance implementing Secondary Plans or zoning by-laws if the province has not approved the Official Plan.

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

Staff would support the provincial creation of a fair and unbiased body to help mediate and resolve issues in a timely fashion.

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.

Staff may support:

- Support pre-consultation. Official Plan policies can set out the pre-consultation process (essentially codifying current practices).
- Regarding liability, unclear what the reference is to 'no additional stamp'. Would the Province work with Professional Engineers Ontario (PEO) to set guidelines/standards that are current and relevant to specific issues dealing with development and planning?
- Would there be mandated insurance requirements for these practitioners?

22. Simplify planning legislation and policy documents.

Staff would support simplification of Provincial Legislation and policy documents and require additional information to understand what is specifically being referenced, *Planning Act*, Growth Plan, Provincial Policy Statement.

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.

Staff do not support without clarification as to the standard set of conditions - each municipality may have varying needs that need to be addressed prior to development occurring.

In a complex built-up area, conditions need to address challenges with encroachments, easements, areas with combined sewers and infill development and ensuring drainage in specific circumstances which a standardized province-wide agreement may not address.

24. Allow wood construction of up to 12 storeys.

Staff could support the increased use of low-carbon building materials (like wood/MASS timber). Municipalities will be responding to the Province's proposed amendments to the Building Code that would amend the Code to allow construction of 'tall wood' buildings using Encapsulate Mass Timber up to 12 storeys.

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

Staff may support in principle. There are no cases to draw on to show that pay on demand surety bonds work well, however, they do seem to be better than performance bonds which many municipalities have had problems with when trying to make a claim. There are definite benefits for developers and, if set up correctly, potential benefits for municipalities as it is essentially the same as a letter of credit but also promotes affordability, is pro business/growth, and reduces costs.

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.

Staff support in principle the requirement for timely reasons in support of an appeal to prevent frivolous appeals

Staff do not support in totality, given that the nature of appeal may not necessitate the submission of expert reports.

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

Staff support in principle a threshold for no appeal that could be increased to a higher percentage of the total units.

Staff do not support b) as it seems arbitrary without justification. It may also unreasonably limit access for some individuals / groups.

- 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.

Staff do not support

- 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.

Staff may support in principle, in complex decisions, written decisions are needed to reflect complexities in hearing outcomes. Easier to implement when the threshold of the decision is simple not requiring additional conditions to be addressed before an Order is issued. It would be impractical to implement a decision that cannot be clearly and readily shared.

- 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.

Staff do not support. It is unclear the intent of this recommendation. Additional information is needed to assess this proposal.

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

Staff may support this in principle.

- 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.

Staff may support in principle since prioritization should include both projects and policies that include affordable housing.

Priorities should be given to municipal initiated amendments that are appealed in addition to development applications.

Should include transportation infrastructure to unlock development capacity (i.e. Environmental Assessments)

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.

Staff do not support without further analysis:

- Proposal requires further analysis and individual municipal approaches. In general, Development Charges facilitate construction of growth related infrastructure. While municipalities may elect to exempt or defer DC for certain initiatives, waiving them would put the burden on another funding mechanism, most likely the tax levy (i.e. result in a revenue shortfall and shift growth costs onto existing homeowners).
- Need clarification on the definition of "no new material infrastructure". Difficult to interpret and could result in appeals and delays.

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

Staff offer qualified support:

- If there is a desire to explore financial incentives, there are existing tools a municipality can use – namely a community improvement plan (s.28 of the Planning Act).

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

The current interest rate on development charges is not higher than the municipality's borrowing rate but, given the other complexities (inflation being greater than interest rates, uncertainty of infrastructure/construction costs, and municipal debt limits), municipalities would be better served by being able to maintain some flexibility on the rate.

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.

Staff support in principle as it is current practice to complete annual reporting and set out use of funds through the capital budget. Where review points to a significant concern, the province should work with municipalities to consider future plans for the use of funding.

- 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.

Staff do not support this recommendation:

- This limits the municipality's ability to respond to local needs
- Restricting how development charges can be used may result in growth-related costs having to be borne by the tax levy.
- These requirements may be hard to apply in some areas of town which lack sufficient parkland.

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.

Not applicable.

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

A reduction of property taxes on rental buildings may increase affordability (assuming the savings are passed on to the tenants); however, it would increase the taxes on all other tax classes. If savings are not passed on it may result in increased supply as profit increases. Use of services between condominium and rental tenure are likely the same. Furthermore, new rentals are not covered by rent control.

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.

No comment.

39. Eliminate or reduce tax disincentives to housing growth.

It is unclear what tax disincentives may be and difficult to comment without having them being identified.

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

Staff support this recommendation.

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

Staff support this recommendation.

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

Staff support this recommendation.

43. Enable municipalities, subject to adverse external economic events, to withdraw infrastructure allocations from any permitted projects where construction has not been initiated within three years of build permits being issued.

Staff may support this general concept pending what is meant by "adverse external economic events".

This could encourage land owners to pursue development activity and not languish with previous allocation approvals.

44. Work with municipalities to develop and implement a municipal services corporation utility model for water and wastewater under which the municipal corporation would borrow and amortize costs among customers instead of using development charges.

This is a Halton Region matter.

45. Improve funding for colleges, trade schools, and apprenticeships; encourage and incentivize municipalities, unions and employers to provide more on-the-job training.

Staff may support this recommendation.

46. Undertake multi-stakeholder education program to promote skilled trades.

Staff may support this recommendation.

47. Recommend that the federal and provincial government prioritize skilled trades and adjust the immigration points system to strongly favour needed trades and expedite immigration status for these workers, and encourage the federal government to increase from 9,000 to 20,000 the number of immigrants admitted through Ontario's program.

Staff may support this recommendation.

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

Staff may support this recommendation:

- a) Does the Province have annual housing growth targets on which to assess success in meeting a yearly target?
- b) Methodology for demonstrating reduction in total approval times for new housing?
- c) What is considered "speedy" and to what extent is it considered to be "removed".

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

Staff do not support:

- It is beyond a municipality's control as when housing units are built.
- It is not clear what funding would be reduced.

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.

Staff may support this recommendation; however, further information is 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.

Staff may support this recommendation.

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.

Staff may support this recommendation; longer term monitoring is encouraged.

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.

Staff may support this recommendation.

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.

Staff may support this recommendation.

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

Staff may support this recommendation.

Additional comments on the Affordable Housing Recommendations (Appendix B to the HATF Report) have been made that are intended to have a positive impact specific to new affordable housing supply.

- Call upon the federal government to provide equitable affordable housing funding to Ontario.
- Develop and legislate a clear, province-wide definition of “affordable housing” to create certainty and predictability.
- Create an Affordable Housing Trust from a portion of Land Transfer Tax Revenue (i.e., the windfall resulting from property price appreciation) to be used in partnership with developers, non-profits, and municipalities in the creation of more affordable housing units. This Trust should create incentives for projects serving and brought forward by Black- and Indigenous-led developers and marginalized groups.

- Amend legislation to:
 - Allow cash-in-lieu payments for Inclusive Zoning units at the discretion of the municipality.
 - Require that municipalities utilize density bonussing or other incentives in all Inclusionary Zoning and Affordable Housing policies that apply to market housing.
 - Permit municipalities that have not passed Inclusionary Zoning policies to offer incentives and bonuses for affordable housing units.
 - Encourage government to closely monitor the effectiveness of Inclusionary Zoning policy in creating new affordable housing and to explore alternative funding methods that are predictable, consistent and transparent as a more viable alternative option to Inclusionary Zoning policies in the provision of affordable housing.
 - Rebate MPAC market rate property tax assessment on below-market affordable homes.