

HOUSING

A. Taking a Principled Approach to Growth and the Planning Process

Submitted by: The Oakville Chamber of Commerce

Issue

Growth presents a tremendous opportunity for Ontario, however this growth will require navigating complex planning challenges. The Province must take this opportunity to create a streamlined and integrated planning framework to accommodate this growth and maximize the economic growth potential of this province. Impacts on the business community must be considered.

Background

In recent advocacy surveys, Oakville Chamber members have identified four pillars of policy priorities, Business Competitiveness, Transportation, Recruiting and Retaining Talent and Innovation.

Taxation, and red tape remain barriers to business success and the cost of housing and getting employees to and from work have been cited by Chamber members as challenges to attracting and retaining talent.

Growth and the planning process are integral to each of these four pillar priorities. The Ontario government is currently conducting a review of the Places to Grow Plan, the Planning Act, the Provincial Policy Statement as well as the Local Planning Appeal Tribunal (LPAT).

These reviews must ensure that the impacts on population growth, housing affordability, infrastructure productivity, the labour market and the regional economy are directly considered in growth management and are fostered and supported in the planning of our communities. A new innovative business friendly approach must be encouraged and facilitated by all levels of government to ensure the success of our business communities.

Over the next few decades, the Greater Golden Horseshoe (GGH) is expected to experience incredible growth. Ontario has been, and continue to be, one of the fastest growing jurisdictions in North America. By 2041, the population is projected to grow by 50 percent, to 13.5 million, in the GGH alone.¹²⁰ Similarly, the number of jobs in the region is expected to grow from 4.5 million to 6.3 million.

The Residential and Civil Construction Alliance of Ontario (RCCAO) released a benchmarking report examining the implications of the new LPAT on housing and growth targets for Ontario.

According to the report released by RCCAO (December 2018), The Greater Toronto and Hamilton Area (GTHA) is at risk of missing provincial population targets. This would potentially result in 7,200 fewer new homes being built each year until 2041.

If current rates of construction continue, up to 165,600 homes are at risk of not being built over the next 23 years. That's equal to an annual loss of \$1.95 billion in GDP from residential construction activity if various constraints continue to inhibit the goals set by the provincial growth plan, Places to Grow.¹²¹

Similarly, infrastructure plays a critical role supporting the economic and demographic growth of a region. Investment in infrastructure assets such as roads, and transit is required to meet the needs of a growing

¹²⁰ Brad Graham and Tom McCormack, "Improving the Growth Plan: A commentary," September 2015 http://ohba.ca/system/documents/documents/340/original/improving_the_Growth_Plan_PDF.pdf?1441817423

¹²¹ The GTHA's Housing Stock: Benchmarking Ontario's New LPAT System, An independent research study prepared for the Residential and Civil Construction Alliance of Ontario (RCCAO) BY: CANCEA – Canadian Centre for Economic Analysis, DECEMBER 2018, http://rccao.com/research/files/RCCAO_LPAT_REPORT_2018.pdf

population. In addition, infrastructure is crucial to attract and retail industry and employment by providing the ability to move goods and services.

Since 2011, infrastructure investment in Ontario (as a percentage of GDP) has fallen or remained flat. In fact, it was below 3.0% for the 2015 – 2017 period, falling below 2.5% in 2016. It remains considerably below the target of 5.1% of GDP identified in the 2011 report. The lower levels of infrastructure investment are making it harder to achieve greater GDP growth in the long-term. To achieve maximum growth over the next 50 years, the average level of infrastructure investment will now have to increase to 5.4⁰% of GDP.¹²²

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Continue to undertake significant reviews of the Places to Grow Plan, the Planning Act, the Provincial Policy Statement as well as the Local Planning Appeal Tribunal, with a view to further reducing red tape and ensuring the tools are in place to facilitate economic growth and support all our communities.

Effective Date: May 4, 2019

Sunset Date: May 4, 2022

¹²² Infrastructure Update 2018: Ontario Infrastructure Investment – Federal and Provincial Risks & Rewards
http://rccao.com/news/files/RCCAO_Infrastructure-Update-2018.pdf

B. Ontario's Residential Tenancies Act

Submitted by: Tillsonburg District Chamber of Commerce. Co-Sponsored by: Quinte West Chamber of Commerce

Issue

Ontario's provincial government regulations within the Residential Tenancies Act (RTA) enable tenants to take unfair advantage of the system. Other provincial residential or landlord tenant acts are more equitable, thereby making it more attractive for investment in that province.

Background

It is our view that Ontario's Residential Tenancies Act (RTA) should be changed to make it more equitable for landlords and property managers. The existing Act does not hold tenants accountable to their rental responsibilities; instead it places unnecessary financial burdens and excessive delays on landlords and property managers, and on our municipal court system. The processes in Ontario's RTA we would like to recommend changes to are in the areas of: 1) Reducing Statutory Delays; and 2) Dispute Resolution Officers at Residential Tenant board offices.

Although non-payment occurs in only 3% of cases for Ontario residential rental units the percentage is drastically higher in rental units priced under \$1,000. The current provincial government acknowledges that there is a massive shortage of affordable housing options in Ontario. A major deterrent for Real Estate investors to create affordable rental units is the inequity of the RTA. Making the Act more equitable will go a long way in attracting investment in our province in this sector and will eliminate the need for the government to get into the bricks and mortar business of providing affordable housing options. Harry Fine, a former adjudicator at Ontario's Landlord and Tenant Board (LTB), who now works as a paralegal, said "once problem tenants get their hands on the keys, it's easy for them to exploit the system and drag out the eviction process. The legislation has to change. Many landlords criticize the board, but the problem is Ontario's rental regulations. The biggest problem with it is the amount of time it takes to get an eviction and how easy it is to create delays."¹²³

Reducing Statutory Delays

Currently in Ontario if a tenant has not paid their rent, it is the landlord's responsibility to pay a \$170 filing fee and schedule a hearing after waiting 14 days before being able to file with the board. In British Columbia, if the rent is not paid, the onus is on the tenant to pay a \$50 filing fee to dispute an eviction. It is our opinion that British Columbia's Act places the responsibility in the right place: by making the tenant accountable for the expenses incurred to schedule a hearing when it is THEIR rent that has not been paid. Ontario's current process places unnecessary financial burdens on landlords and wastes valuable administrative time and associated costs: a tenant often does not attend a hearing nor are they likely to have a receipt proving their rent was paid when it wasn't. Currently a landlord needs to wait 14 days to file with the board, 30 days to get a hearing date, 3 days after the hearing to get the order, 11 days before filing with the sheriff and 3 days before the sheriff evicts the tenant. This amounts to 61 days to evict a tenant and the landlord losing 1 to 2 months of rent assuming the tenant paid a last month's rent deposit.

According to a January 9, 2020 press release, "Ombudsman Dubé announced a systemic investigation into serious delays at the Landlord and Tenant Board (LTB), the administrative tribunal that resolves residential

¹²³ CBC News September 24, 2016 Ontario Landlord Tenant Board needs new rules to evict problem tenants faster, John Rieti <http://www.cbc.ca/beta/news/canada/toronto/ontario-landlord-rules-1.3777339>

tenancy disputes. The investigation will focus on whether the government is taking adequate steps to address delayed hearings and decisions.”¹²⁴

Dispute Resolution Officers at Residential Tenant Board offices

In Ontario the Dispute Resolution Officers are at the Courthouse the day of a scheduled hearing to assist with settling an issue before it is heard by a judge. However, in British Columbia, evidence can be presented by both the tenant and landlord to a Dispute Resolution Officer, and a binding ruling can be made by the Officer. This presentation can be done at a government office or by telephone conference call. This BC process avoids scheduling a hearing and using up unnecessary, valuable court time and tax dollars.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Amend the RTA to reduce statutory delays by the following ways:
 - a. Amend section 59. (l)(b) of the RTA to allow the landlord to give the tenant a notice of termination (i.e. issue and L1) within 5 days effective on the fifth day of termination, rather than the 14th day.
 - b. Provide the Landlord Tenant Board with the one-time financial resources necessary to reduce the average hearing wait time from one month to one week and the necessary performance structure be put in place to ensure its success.
 - c. Amend the RTA to return to the previous practice of requiring the non-paying tenants to file applications.
 - d. Immediately stop the practice of preventing landlords from filing with the sheriff for 11 days after an order is issued and amend provincial laws (the Courts of Justice Act and the RTA) to explicitly allow private bailiffs to enforce Landlord Tenant Board orders and to require orders that have been previously stayed to be placed in priority sequence.
2. Shorten the dispute process by more effectively using the role of a Dispute Resolution Officer at the Residential Tenant Board office. This will avoid unnecessary court hearings. An order of possession can be obtained from a Dispute Resolution Officer at the Residential Tenant Board office thereby avoiding going to hearing to obtain such.
3. Provide the Landlord Tenant Board with the funding and support needed in order to provide, expand, and expedite virtual dispute resolutions and hearings.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹²⁴ “Ontario Ombudsman to Investigate Delays at Landlord and Tenant Board,” Office of the Ombudsman of Ontario, <https://www.ombudsman.on.ca/resources/news/press-releases/2020/ontario-ombudsman-to-investigate-delays-at-landlord-and-tenant-board>.

C. Addressing Housing Shortage by Updating the Approvals Process

Submitted by: The Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

The current approvals process for housing developments is inefficient and directly contributes to the housing shortage in the province.

Background

Successive governments have underinvested in Ontario's infrastructure, with the expected total investment over the next five years at 2.65% of provincial GDP – less than half the target investment (5.4%) for long-term growth.¹²⁵

The trend of underinvestment in infrastructure has been a consistent trend going back to the 1960s and 1970s, at the same time as Ontario's population had been growing by 1.5 per annum since 1970¹²⁶. Compounding the current housing issues is the fact that Provincial housing developments have stagnated, as demonstrated in chart 2.¹²⁷

This underinvestment has been exacerbated by a slow approvals system, with over 100,000 proposed housing units across Ontario are waiting for development.¹²⁸

Some of the most prominent reasons for this flawed approvals process are:

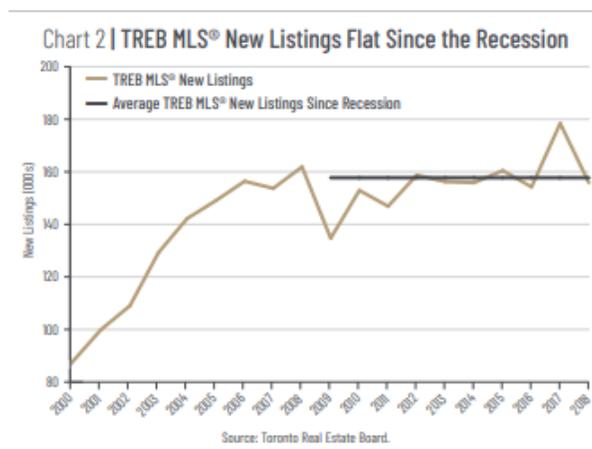
- Outdated processes: Including in areas such as zoning and building and planning permits.
- Poor communication and transparency, specifically pertaining to the relationship between municipalities and the Provincial government.
- No repercussions for municipalities missing targets for updating out of date zoning, resulting in a lack of accountability and no internal direction to solve the issue.

The government has taken steps to resolve these concerns through Bill 108; *The More Homes, More Choices Act 2019*, which includes provisions to develop more housing and mandates a reduction in decision making time. While these steps may address some of the issues, they do not provide the fundamental alterations required to fix the process.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Have the Ministry of Municipal Affairs and Housing conduct a full review of the current process to ascertain which areas can either be removed or streamlined. Specifically identify areas of the process (such as e-permitting) which can be moved to an electronic platform.



¹²⁵ <https://rccao.com/research/files/RCCAO-CANCEA-Infra-Bulletin-May-22-2019.pdf>

¹²⁶ <https://www.fin.gov.on.ca/en/economy/demographics/projections/>

¹²⁷ http://communications3.torontomls.net/auth2/mediafiles/Market-Year-in-Review/pdf/2019-YearInReview_interactive_2Col.pdf

¹²⁸ <https://www.amo.on.ca/AMO-PDFs/Reports/2019/Fixing-Housing-Affordability-Crisis-2019-08-14-RPT.aspx>

2. Develop a shared common data platform that will help the Province to establish a comprehensive e-permitting system where agencies and municipalities can link together. This can be used to streamline the application and approvals process to ensure there is no miscommunication between the Provincial and Municipal governments, while simultaneously allowing all parties to track applications.
3. Promote greater transparency in the process, possibly by legislative means or by commissioning a body in place of the OMB/LPAT. At minimum, there should be the aforementioned web-based system which gives both developers and buyers sufficient information to understand the process.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

D. Addressing the Low-Income Housing Crisis

Submitted by: Greater Kitchener-Waterloo Chamber of Commerce

Issue

The chronic shortage of low-income/community housing is placing an excessive strain on municipal resources and the capacity of councils and staff to address additional issues across their portfolio of responsibilities mandated by the provincial government.

Background

Ontario is the only province in Canada where community housing is a municipal responsibility. Community housing is generally defined as properties owned and operated by non-profit housing corporations, housing cooperatives and municipal governments/District Social Service Administration Boards (DSSABs). Municipalities across Ontario have continually stated this significant responsibility was never intended to be carried by the property tax base.

The crisis in community housing extends across Ontario to include northern, rural and large urban municipalities where there exists an aging, underfunded and inadequate supply of buildings. A sustainable funding model is required for operations and capital repairs beyond the requirement for new units to meet escalating demand.

The Association of Municipalities of Ontario (AMO) has identified five major housing and homeless prevention priorities across Ontario. They include:

- Increasing the supply of affordable housing;
- Creating a financially sustainable model for community housing;
- Expanding affordable housing options;
- Ending homelessness;
- Supporting people with their health care needs for successful tenancies.

An AMO report from August of 2019 proposes 63 recommendations to assist the municipal sector on meeting their housing challenges and are generally reflective of the five aforementioned broadly defined priorities.

The Ontario Community Housing Renewal Strategy from the Ministry of Municipal Affairs and Housing notes that when residents have adequate housing, they gain improved health, education and employment outcomes. When housing is affordable and in areas near transit, schools, and workplaces, people have the opportunity to manage their lives.

Recommendations

The Ontario Chamber of Commerce urges the Ontario Government:

1. Collaborate with the municipal sector to develop policies and work with stakeholders to increase the supply of community housing with an appropriate mix of affordable and market-rate buildings; and
2. Increase the efficiency of the provincial community housing system for long-term sustainability.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

E. Resolving Ontario's Housing Crisis to Support Economic Growth

Submitted by: Greater Kitchener Waterloo Chamber of Commerce, Tillsonburg District Chamber of Commerce, Quinte West Chamber of Commerce, Guelph Chamber of Commerce, Port Hope & District Chamber of Commerce, Trent Hills Chamber of Commerce

Issue

The rising cost of housing is restricting economic growth opportunities across Ontario.

Background

Businesses of all sizes in all sectors across Ontario are increasingly concerned with rising housing prices and the impacts on local business attraction and retention. An affordable housing market generally provides a stable workforce reducing employer costs for turnover and other related issues. Also, home ownership provides security for employees and improved workplace health and wellness.

The rising costs associated with both entry into home ownership and renting can also lead to higher wages which can be difficult to absorb for many Ontario employers. The current inflated market for rentals also impacts employers as employees moving to a new community are likely to initially rent, and a shortage of rental supply and housing prices can restrict the ability for assuming full time employment or home ownership.

Rural areas of Ontario have unique housing challenges, as rent can be lower than urban areas however hydro and other costs are higher. Public transportation is not available which limits the ability of employers to secure employees in lower wage occupations.

The Quinte and District Real Estate Board and Tillsonburg District Real Estate Board both tracked residential price increases of around 10 percent from 2018 to 2019. In Guelph, the average price increased from \$300,000 in 2010 to nearly \$600,000 by January 2020.

The Better Housing Policy Playbook released by the Toronto Region Board of Trade for the 2018 municipal election notes that a critical factor for attracting and maintaining talent and investment is a better supply of housing and housing options. There is a growing consensus the high cost of housing is driven by a growing shortage of supply.

The Association of Municipalities of Ontario (AMO) indicated in an August 2019 report that the housing crisis in Ontario is serious and widespread, cutting across all four corners of the province. The Ontario government's Housing Supply Action Plan also confirms that the province needs more housing and we need it now.

In the Greater Toronto Area (GTA) net migration from other parts of Canada, natural population growth and immigration all add up to an average additional 115,000 residents annually.

The construction of new homes and apartments has fallen behind population growth, leading to an annual shortfall of about 10,000 units every year. The net result is high housing costs, renters unable to buy into the housing market, and decreasing vacancy rates.

According to BILD (Building Industry and Land Development Association), past efforts to balance the market such as a mortgage stress test and the GTA foreign buyer tax have attempted to slow demand. While demand-side policies marginally produce short-term results, the fundamental problems related to basic affordability remain unresolved.

Addressing the long-term challenge of housing in the GTA requires increasing the supply of new homes to meet demand and forcing the market into balance.

The key factors identified by BILD that are contributing to the current market are:

- A shortage of land for new development. Vacant land for housing in the GTA is estimated at 4.5 percent of total settlement lands, down from 6 percent in 2017;
- Multiple studies and reports are required to get approval for a new housing project, adding unwarranted costs;
- Excessive government fees including municipal development charges. Taxes and associated charges from all levels of government account for approximately 25 percent of the cost of an average home in the GTA;
- An annual population increase across the GTA at the above-noted 115,000 residents is creating a market where demand exceeds supply by an increasing margin.

Outside of the GTA, the median house price in Prince Edward County has increased from \$205,000 in 2008 to \$395,000 in 2018. In Kingston, the inventory of homes for sale in 2019 was the lowest in 30 years, combined with the lowest rental-vacancy rate in Ontario.¹²⁹

Robert Hogue, senior economist at RBC Capital Markets, indicated a sharp rise in prices is primarily the result of the supply side not adjusting to demand.¹³⁰ David Wilkes, President and CEO of BILD, noted that housing supply issues extend back over a decade due to under built housing, neglected new infrastructure projects, and inattention to existing infrastructure.

In June of 2019, the Ontario Legislature passed Bill 108, The More Homes, More Choice Act. The legislation provides changes to a series of existing statutes to address and resolve the current provincial housing crisis. Municipalities and developers both expressed concerns around the province's inability to finalize regulations related to new provisions under Bill 108 and the impact on a volatile housing market.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with private developers and municipalities to ensure appropriate, available residential lands move to the market for development;
2. Expedite the planning process for developers to start and complete projects, eliminating any excessive regulatory costs;
3. Ensure the housing supply matches market demands; and
4. Complete the introduction of new regulations under Bill 108 to eliminate uncertainty at the municipal level of government and within the development sector.

Effective Date: September 29, 2020

Sunset Date: September 29, 2023

¹²⁹ Home Truths, Part 1. Why affordable housing isn't just a Toronto issue. David Rockne Corrigan. TVO, August 6, 2019.

¹³⁰ Doug Ford's fix for Toronto's housing crisis is easy. Just build more homes. Chris Fournier, Bloomberg News in the Financial Post. January 28, 2019

F. Maximizing Growth in Built Areas

Submitted by: Greater Peterborough Chamber of Commerce. Co-sponsored by: Kawartha Chamber of Commerce and Tourism, Chamber of Commerce Brantford-Brant

Issue

In many Ontario communities, historic downtowns are a source of pride and joy. However, these downtown buildings often leave unused space on the table. This resolution offers a potential solution to help property owners, municipalities, and the province to maximize the use of second story and above spaces in historically commercial and mixed-use areas in Ontario.

Background

There is potential that there will be no complete agreement on how to accomplish this goal as many of the buildings are in private ownership. That said, the ability of the municipality and an owner to understand the full scope of a renovation or upgrading required of a building is imperative as cost, or the potential not to see a return on investment can be high.

In the Places to Grow Act, there is great focus on density requirements. For a downtown such as Peterborough the requirement is 150 residents per hectare. Yet with older, sometimes heritage-designated, buildings in Ontario downtowns there are unique challenges to realizing redevelopment and infill of these spaces.

The Community Improvement Plans provide an incentive framework to address some of these concerns, however in many cases these programs tend to be overextended or see limited uptake because costs of renovations can easily outpace the incentive. Many communities have façade improvement programs, brownfields tax assistance programs, energy efficiency programs and, in Peterborough, there is even a Residential Conversion and Intensification Grant Program that provides property owners with a grant of \$10/square foot renovated as part of a Community Improvement Plan.

These programs do not adequately address the challenges most commonly faced by businesses in these core areas with regulatory requirements that are substantially higher than when the buildings were first constructed. Restoring older buildings to current safety standards by meeting Ontario's Building Code, the Fire Code, the Ministry of the Environment, and the Municipal by-laws can be too expensive for many developers to be able to make the renovation profitable. Knowing how expensive upgrades can be, many businesses fear seeking advice.

Creative approaches require architects, engineers, planners, and municipal officials to work with businesses to derive viable solutions for redevelopment. This is not something that should be done on a piecemeal basis, but as an extensive program that involves systematic analysis of the key challenges and a targeted response from each municipality.

The benefits of upgrading or development of these types of units are numerous, in that, they could be used for commercial space, housing diversity, help infill urban areas and become economic catalysts for continued development. Reuse of existing buildings is also an effective way of fighting climate change. The challenge is encouraging development with an economically feasible mode that results in buildings that are safe and occupied.

In order to strengthen our built areas, there needs to be a good understanding of the current infrastructure needs and capabilities. Ideally, grants for investments like common fire escapes across the rear of multiple

buildings to create an efficient second means of egress would assist developers to make good use of space and finances.

The Government of Ontario has used the Downtown Revitalization Program to strengthen the economic heart of rural communities across the province since 2018. As such, this resolution proposes that the Downtown Revitalization Program be used for a pilot project that allows private building owners and municipal officials to assess, without punitive action, the needs of a building or series of buildings in a downtown core.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Designate the Downtown Revitalization Program be used for a pilot project that allows private building owners and municipal officials to study and assess, using an independent consultant and without punitive action, the needs of a building or series of buildings in a downtown core.
2. Allow for a renovation plan or commitment to be worked out that is agreeable to the property owner and the municipality.
3. Allow for a coordinated approach to intensification and heritage preservation that takes into consideration a community's current building stock and its ability to function in a contemporary economy.
4. Allow for intensification districts just outside the core, but within the designated built-up area that can be developed in tandem with the Urban Growth Area and not impact the current intensification numbers.
5. Study the effect of the Accessibility for Ontarians with Disabilities Act has on the viability of the intensification projects of existing buildings.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

G. Permitting Municipalities to Use Building Permit Reserves to Encourage Affordable Housing Development

Submitted by: Hamilton Chamber of Commerce

Issue

Ontario currently experiences a significant shortage of available affordable housing units, leaving thousands of low-income and vulnerable Ontarians on years-long municipal affordable housing unit wait lists. This requires these populations to live beyond their means, live paycheque-to-paycheque and potentially force them and their families into homelessness. Access to safe, affordable housing is a key social determinant of health that correlates directly to an individual's ability to contribute to their community socially and economically. The provincial government should explore giving municipalities more local authority over incentives for affordable housing development.

To improve the lives of and expand opportunities for thousands of Ontarians while spurring significant development activity and job creation, it is imperative to grow and protect Ontario's affordable housing supply. Changes to the Ontario Building Code Act would allow municipalities to offset the cost of affordable housing development-related Building Permit Fees by using existing municipal Building Permit Reserve funds.

Background

According to the Ontario Building Code Act (BCA), Section 7.1 (c), municipalities are permitted to “requir[e] the payment of fees on applications for and on the issuance of permits, requir[e] the payment of fees for maintenance inspections, and prescribing the amounts of the fees.” These various fees ensure that all direct and indirect costs associated with the Building Permit Application Process are covered. The fees are calculated differently for residential and commercial projects, but essentially rely upon multiplying a fixed rate on a total square footage for residential developments, or total cost of project for commercial developments.

Additionally, under the same section of BCA, municipalities are allowed to establish by-laws such as a Building Permit Reserve where additional funds not utilized in the permitting process can be added to a specifically-created municipal reserve. This reserve fund is intended to ensure that even if building activity in a municipality undergoes a temporary downturn, municipal building department services can continue to be funded without impact on the municipality's finances. Money in the reserve fund can only be used for the costs of delivering services related to the administration and enforcement of the BCA. As a consequence, the reserve fund is not accessible for councils to fund other municipal activities.

Herein lies the opportunity to allow municipalities to utilize these building permit reserve funds that otherwise largely go unused to provide incentives for affordable housing development projects. Similar to the authority Toronto municipal council exercises over exemptions to fees and charges for affordable housing developments as per its *Open Door Affordable Housing Program*,¹³¹ the province ought to allow other municipalities to exercise some, if not all, of the same flexibility. These could include exemptions from Planning Application Fees, Development Charges, Building Permit Fees and/or Parkland Dedication Fees.

Recommendations

The Ontario Chamber of Commerce urges the Government of Ontario to:

¹³¹ City of Toronto Open Door Affordable Housing Program Guidelines: https://www.toronto.ca/wp-content/uploads/2020/09/97c9-2020_OpenDoorGuidelines_FINAL.pdf

1. Make amendments to the Ontario Building Code Act, Section 7.1, that would allow municipal discretion over the use of existing Building Permit Reserve funds to offset costs associated with future affordable housing developments.
2. Determine province-wide project eligibility criteria by explicitly defining what constitutes an “affordable housing development” under the Act.
3. Establish strict parameters about whether Building Permit Reserve funds will be permissible to offset exclusively Building Permit Fees, or expand to also include incentives towards Planning Application Fees, Development Charges, and Parkland Dedication Fees.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024

H. Supporting Ontario's Construction Sector by Streamlining the Approvals Process

Submitted by: Vaughan Chamber of Commerce and Newmarket Chamber of Commerce

Issue

Regional variances throughout Ontario and an outdated paper-based development approvals process are impacting the supply of housing availability throughout the Province.

Background

The Province and municipalities provide a comprehensive development approvals process which requires new developments to comply with technical regulations that manage the built environment while protecting the health and safety of the public. Municipalities have the delegated responsibility for the enforcement of multiple provincial regulations in their jurisdictions. The number of development applications continues to increase to meet housing demands yet limited resources at the municipal approvals level act as a bottleneck in the ability of the private sector to deliver much needed housing. Moreover, historically, municipalities have relied on antiquated paper-based submissions and review, leading to further inefficiencies in the approvals process. This reliance on paper-based submissions in the development and building approvals process has further exacerbated approval timelines as the COVID-19 pandemic has pushed municipal staff to work remotely without the necessary tools in place to do their jobs efficiently. This has led to calls from several organizations in the development industry for a more digital process for development approvals to increase efficiency.

A Fall 2020 Canadian Centre for Economic Analysis (CANCEA) [report](#) commissioned by the Residential Construction Council of Ontario (RESCON) detailed the economic and social benefits to speeding up the development approvals process by adopting a comprehensive and centralized planning and development e-permitting system across Ontario. Specifically, [regions in Ontario](#) could see thousands of additional housing units and attract millions of dollars in additional jobs and investment. The GTA alone could see an additional 100,700 housing units by 2040, and the City of Toronto seeing 21,100 additional units by 2025 if there was a reduction in delays to the approvals process by only six months and a 10-per-cent increase in investment.

While digitization of the approvals process (e-permitting) is occurring in a limited and ad-hoc fashion in various Ontario municipalities, existing programs are siloed, fragmented, and typically only focus on the processes within a municipal building department, rather than a holistic look at the entire depth of other applicable law agencies, provincial ministries, and other commenting authorities. While the efforts of certain municipalities to digitize is a step in the right direction, e-permitting systems within a municipality need to be able to seamlessly interact with all necessary approval agencies and authorities to make the overall approvals process truly more seamless.

One Ontario, an initiative through the AECO Innovation Lab, is a proposal for a common Development Approval Data and Information Exchange Standard, a Central Review Platform and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, and other approval agencies in Ontario for the development and building permitting processes. A fully integrated system proposed by One Ontario would enable data exchange between applicants, municipalities, and provincial applicable law agencies. A fully integrated system would considerably improve workflow efficiencies, increase transparency, and defragment the process and create a secure central source of reliable data for all permitting processes.

The One Ontario proposal has the support of organizations such as (but not limited to): RESCON, RCCAO the Ontario Building Officials Association, the Ontario Professional Planners Institute, Ontario Home Builders' Association, BILD, Ontario General Contractors Association, Association of Consulting Engineering Companies, Ontario Structural Wood Association, Home Construction Regulatory Authority, Tarion, Conservation Ontario, City of Toronto, and City of Windsor.

Recommendation

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement the One Ontario concept which will create a common Development Approval Data and Information Exchange Standard, a Central Review Platform and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, and other approval agencies in Ontario for the development and building permitting processes.

Effective Date: May 5, 2021

Sunset Date: May 5, 2024