



Greater Ottawa Home Builders' Association
Association des constructeurs d'habitations d'Ottawa

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March 22, 2024

Minister Paul Calandra
Ministry of Municipal Affairs and Housing
777 Bay Street, 17th floor
Toronto, Ontario M7A 2J3

RE: Comments on ERO #019-8273

Please accept the below from the Greater Ottawa Home Builders' Association (GOHBA) and its members as a submission to the government's request for feedback on the *Get It Done Act, 2024* and Amendments to the *Official Plan Adjustments Act, 2023* (ERO #019-8273).

This submission follows on and complements a number of GOHBA's previous submissions:

- ERO 019-7885 - Planning Statute Law Amendment Act, 2023
- ERO 019-6821 - Proposed Planning Act, City of Toronto Act, 2006, and Ministry of Municipal Affairs and Housing Act Changes (Schedules 2, 4, and 6 of Bill 97 - the proposed Helping Homebuyers, Protecting Tenants Act, 2023)
- ERO 019-6813 - Review of proposed policies adapted from A Place to Grow and Provincial Policy Statement to form a new provincial planning policy instrument
- ERO 019-6177 - Review of A Place to Grow and Provincial Policy Statement
- ERO 019-6163 - Proposed Planning Act and City of Toronto Act Changes (Schedules 9 and 1 of Bill 23 - the proposed More Homes Built Faster Act, 2022)
- ERO 019-4968 - City of Ottawa Approval of a municipality's official plan

Specific Changes to Ottawa's Official Plan

As per our comments on the Planning Statute Law Amendment Act (ERO #019-7885), GOHBA fully supports the retention of the province's revision of permissible heights to Minor Corridors in Ottawa's Official Plan.

We note that at its November 22, 2023 meeting, Ottawa City Council also requested that the province "retain Minor Corridor permissible heights in accordance with the November 2022 Ministry approval of the City's new Official Plan."

We are very pleased to see this reflected in Schedule 3:

*8. Official plan adopted by the City of Ottawa pursuant to By-law 2021-386
November 4, 2022
Modifications numbered 7, 8, 9, 10, 12 and 13*

More flexible building height regulations will facilitate better urban development and will help to address Ottawa's housing goals, especially when it comes to intensification.

Ottawa's Official Plan Does Not Provide Sufficient Housing for its Growing Population

Despite the above, GOHBA is extremely concerned that Ottawa's residents will continue to face a significant housing shortage over the next twenty years due to deliberate decision-making in the development of its Official Plan.

The current Official Plan solidifies a structural housing deficit for Ottawa by under-estimating its population growth, over-estimating its potential for intensification, and therefore artificially limiting its urban expansion needs.

We provide a detailed timeline of these decisions in the enclosed Appendix A, but the ultimate result is a structural housing deficit for Ottawa:

- Ottawa's Official Plan is built on a population growth of 400,000 new residents to 2046.
- The Ministry of Finance's latest population projections (July 2023) forecasts growth of 650,000 people to 2046.
- Ottawa's Official Plan targets 195,000 new homes by 2046 to accommodate its planned 400,000 new residents.
- Based on updated projections, the City of Ottawa will require 242,000 new residential units to accommodate population growth to 2046.
- That's a **deficit of 47,000 homes** over the next 22 years compared to what the City is planning for currently.

This deliberate decision-making has already manifested itself in the City's recent decision to under-zone Protected Major Transit Station Areas (PMTSAs), which was required through Bill 23.

Ottawa's Failure to Increase Intensification around Transit Stations

In November 2023 the City chose to decline the opportunity to increase zoning heights around transit stations. Instead, the City decided to ensure that only minimum densities were confirmed for PMTSAs, as opposed to proactive zoning to help fulfill its municipal housing pledge of 151,000 new homes over the next decade.

This was a wasted opportunity to be ambitious in its city-planning, to properly plan municipal infrastructure for land supply adjacent to rapid transit and to ensure built-in ridership for its LRT system.

GOHBA also believes that the City has failed to implement zoning in support of PMTSAs as directed by the Planning Act.

It is critical to note that PMTSAs are also where the Official Plan conceives that most high-density multi-family buildings will be located. It's supposed to be where the most affordable housing moving forward will be offered in the city - 1, 2 and 3 bedroom apartments that are close to a transit.

Achieving the City's intensification targets will require an ambitious zoning bylaw that is updated in a timely manner. The lack of proper zoning for PMTSAs will contribute to a shortfall of homes that the new Official Plan is counting on for Ottawa's residents.

Ensuring Municipal Official Plans Align with Provincial Policy

As stated in our previous submissions, GOHBA has a number of recommendations to ensure official plans for municipalities across the province align with provincial policies and support housing affordability and supply for their residents, both now and into the future.

This would provide mechanisms for the MMAH to ensure that the projections of the provincial Growth Plan are being met locally, not only from a population forecast projection perspective but also from a market needs assessment of the type of housing that will be required to accommodate future housing needs:

- Growth projection methodologies undertaken by municipalities need to be scrutinized by the MMAH early in the process of Official Plan updates, OP reviews, or in the preparation of new Official Plans.
- Verify that a municipality's Official Plan will fulfil its obligations for all its housing supply, not just a 15-year land supply.
- Verify that a municipality's intensification plans are realistic and achievable, and its OP policies support achieving its intensification housing target.
- Require application of a consistent methodology for net-to-gross land use analysis by municipalities.
- Institute a statutory timeline for updating these analyses in order to monitor how municipalities are utilizing land.
- Have Planning Act require that Official Plans recognize housing affordability as a goal, and that OP policies and/or development application requirements be considered through a housing affordability lens.

- Enforce the requirement of Section 1.1.1.b of the PPS to have a market-based supply of housing and mix of housing options (including single-detached, semi-detached and row housing) to meet the projected market-based needs of current and future residents.
- Implement HATF Recommendation #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) so that it is clear to municipalities that the housing objectives in their Official Plans need to be appropriate, realistic, and backed up with action in terms of zoning and overhaul of their respective development approvals process.
- Implement HATF Recommendation #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).

Provincial planning policy and municipal official plans must work in conjunction to provide a framework for comprehensive, integrated, long-term planning that supports the principles of strong communities, a clean and healthy environment and economic growth, for the long term.

The PPS states that municipal OPs are *“the most important vehicle for implementation of this Provincial Policy Statement and for achieving comprehensive, integrated and long-term planning” [emphasis added]. The importance of ensuring that a municipal official plan is well thought out, comprehensive and done right cannot be understated.*

The province directs municipalities to undertake these growth-related studies, and similarly, the province is expected to provide direction to municipalities in accordance with provincial policy.

We are concerned that municipal long range planning, as illustrated above, is no longer centered on the basis of upholding of provincial policy that results in *good planning*.

The province has a responsibility to uphold the integrity and directives of their own provincial policies, and responsible decision-making must matter. Allowing the will of municipal councils to contradict and delay proper long-range planning and growth management works against the province’s goals for housing affordability and supply for residents across the province, both now and in the future.

New Provincial Planning Statement

Following on our comments to EROs 019-6177 and 019-6813, GOHBA encourages the province to move forward expeditiously with the introduction of a new Provincial Planning Statement.

Municipalities and home builders need to have certainty, options, and opportunities to ensure that Ontario can continue finding ways to increase housing supply and the variety of housing choices that could be available in communities across the province.

A new Planning Statement can bring efficiencies in the planning framework and flexibility to expedite planning approvals while bringing more land online for housing supply. Integrating the former PPS with A Place to Grow to create a single, province-wide, housing-focused land use planning policy document is a positive step towards opportunities for increased housing supply and better planning for population and employment growth, and we respectfully urge that the province make every effort to introduce this new policy document in an accelerated timeframe.

Conclusion

GOHBA's fundamental concern is housing affordability and supply for Ottawa's residents.

Ottawa, as with municipalities across Ontario, cannot be in a position where their Official Plans are shooting for housing targets that are well below the housing needs of its residents.

As well, Ottawa's new Official Plan does not recognize the cumulative impact of its policies or how the development requirements it imposes work against being able to provide housing that is affordable. In fact, it acknowledges that some of its policies will increase the cost of housing.

The Ministry of Municipal Affairs and Housing has an obligation to review, assess and make changes to municipal official plans to ensure compliance with the Provincial Planning Statement.

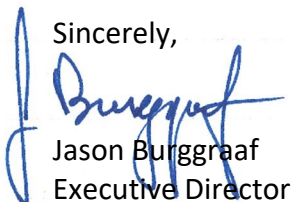
We respectfully submit that MMAH undertake a fulsome review of Ottawa Official Plan and land supply, or refer this to the Ontario Land Tribunal, to ensure compliance with the PPS for land needs and growth management policies.

Due to increased population and the removal of 650 hectares of expansion land, conforming with the 15-year land supply requirement may not be achievable.

In simple terms, the Ottawa Official Plan, including infrastructure and zoning by-laws, are not aligned with the PPS and will restrict and oppose the urgent requirement to create more housing supply.

We are pleased to answer questions or provide further information as requested.

Sincerely,



Jason Burggraaf
Executive Director

Appendix A
Timeline of Ottawa’s Growth Management Strategy, Official Plan and
Decisions that have led to a Structural Housing Deficit

December 2019

Ottawa City Council approved growth projections to 2046 for 402,000 persons and 194,808 new residential dwelling units distributed as single-detached, semi-detached, rowhouse and apartment as shown in Figure 2.

Figure 2 Projected Dwelling Units by Type, 2018 to 2046

	Single-detached	Semi-detached	Rowhouse	Apartment	Total
2018-2021	6,900	1,000	8,800	8,900	25,300
2021-2026	12,200	1,400	14,700	12,600	40,900
2026-2031	12,800	1,200	14,300	10,100	38,400
2031-2036	12,300	1,000	12,500	8,000	33,800
2036-2041	11,400	900	10,700	6,700	29,800
2041-2046	10,400	800	8,900	6,300	26,500
2018-2046	66,100	6,400	69,700	52,600	194,800
Shares	34%	3%	36%	27%	100%

March 2020

GOHBA commissioned a third-party review (conducted by Altus Group) of the City’s growth projections, management strategy, and assumptions that informed its then forthcoming land budget recommendations.

The review questioned the inclusion of collective dwellings, the mix of intensification units by dwelling type, the city counting planned greenfield development as intensification, the city ignoring the impact of seniors ageing in place in family-sized homes, and the assumed share of intensification to be accommodated in ground-related housing and the absolute number of ground-related units to be created through intensification during 2018-2046 that could be achieved.

Ultimately, GOHBA believed (and still believes) that the City overstated the number of households that could be accommodated through intensification in the land budget, and in turn understated the number of households to be accommodated in greenfield areas, including urban expansion areas.

April 2020

City Staff presented 3 Residential Growth Management Strategy Scenarios for consideration, “Status Quo,” “No Expansion,” and “Balanced”:

- Status Quo - maintained then current Official Plan incremental intensification targets, which staff said translated to an urban boundary expansion of 1,868 hectares.
- No Expansion – this scenario would require the intensification rate to increase from the then current 40 per cent to 100 per cent by 2046, but with an urban boundary expansion of 0 hectares.
- Balanced - this scenario conceived increasing intensification to 60 per cent by 2046, with an urban boundary expansion of 1,281 hectares.

Staff recommended the “Balanced” scenario to be adopted as the Growth Management Strategy that the Official Plan would be built on.

May 2020

GOHBA argued that City staff’s recommended plan of increasing intensification to 60% had not been modelled or demonstrated to be achievable, and that approving an intensification rate that was not realistic would lead to underestimating Ottawa’s land supply needs. Therefore, the City will not be able to provide the 195,000 homes needed for its projected growth of 400,000 new residents by 2046.

Council approved the “Balanced” Scenario for its Residential Growth Management Strategy, with a planned urban boundary expansion of 1,281 hectares.

December 2020 – September 2021

GOHBA consulted heavily with city staff on the high-level policies (“5 Big Moves”) and draft Official Plan with City staff, including painstakingly going through the OP line by line.

May 2021

A report by Scotiabank, *Estimating the Structural Housing Shortage in Canada: Are We 100 Thousand or Nearly 2 Million Units Short?*, showed that the number of housing units per 1000 residents in Ottawa-Gatineau decreased from 421 in 2016 to 412 in 2020.

June 2021

The Ontario Ministry of Finance published revised population projections for the Ottawa Census Division (tantamount to the City of Ottawa) which projected significantly stronger growth over the next 25 years than what the City was planning for.

The Ministry forecasted that Ottawa could see 530,000 new residents by 2046, rather than the 400,000 people the new Official Plan is based on.

A report by Mike Moffatt and the Smart Prosperity Institute, *Baby Needs a New Home*, showed that the increase in population translates into a need for 224,000 new homes in Ottawa by 2046. That's a deficit of 29,000 homes over the next 24 years compared to what the City is planning for currently.

Broken out by housing type, the results mean that there is a need for:

- 72,200 apartments (an additional 19,600 apartments more than the Official Plan); and
- 151,800 ground-oriented housing units (an additional 9,600 ground-oriented homes than the current Official Plan).

GOHBA argued that the revised population projections from the Ontario Ministry of Finance are close to the City's "high" growth scenario. This shows that the City was contemplating that such factors could lead to higher growth than they ultimately used in the growth management strategy and the new Official Plan in order to limit urban boundary expansion.

GOHBA further argued that the City cannot be in a position where its Official Plan is shooting for a housing target that is well below the housing needs of its residents, both current and future.

October 2021

GOHBA emphasized that the Official Plan will not produce the necessary housing for Ottawa's growing population, and highlighted several concerns, including:

- The negative impact of OP policies on Housing Affordability – cumulative cost of the new Official Plan policies could add between \$58,450 and \$107,000 to each new home.

Additionally, Inclusionary Zoning and Community Benefits Charge Bylaws, which are coming forward in the not too distant future, will apply in Hubs, where most of the 1- and 2-bedroom dwelling units are slated to be built. Therefore these new homes – the ones that are supposed to be most affordable - are going to bear the brunt of a series of policies that will build up on top of each other. This will make it extremely challenging to provide housing affordability for the 30th-50th percentile.

- Intensification – Official Plan policies threaten to limit potential for intensification, through over-regulation and policies that are overly prescriptive, leaving the City of Ottawa short of the 195,000 new homes it needs.

Further, City staff removed unit targets by dwelling type in the approved GMS, and swapped in large dwelling /small dwelling targets into the OP. This is a fundamental disconnect and not supported by market realities.

The City's Official Plan relies on increasing density in existing neighbourhoods for 25% of its housing growth (about 45,000 new homes) over the next 25 years to accommodate our growing population. Specifically this means converting 15,000 current single-detached homes into multifamily buildings of about the same size with 3 or 4 housing units.

Staff's approach does not fulfill the requirement of Section 1.1.1.b of the PPS to have a market-based supply of housing and mix of housing options (including single-detached, semi-detached and row housing) to meet the projected market-based needs of current and future residents. This is in particular because the projections and conclusions of the GMS have been disregarded in favour of a completely different housing mix (now referred to as large dwelling units) to justify what is an unrealistic and unachievable intensification target.

- Infrastructure – the City's existing stormwater infrastructure will not be able to handle increased levels of intensification, as indicated by the city's analysis.

GOHBA secured language in the OP for transition policies, and a commitment to review the Growth Management Strategy in 5 years.

Ottawa City Council approved the Official Plan for submission to the Ministry in November 2021.

February 2022

In its submission to the provincial government's public consultation on Ottawa's draft Official Plan, GOHBA requested that changes to Ottawa's draft Official Plan be made in order to remove barriers to building homes, maximize development potential, help the City achieve its housing goals and assist the Province in achieving its goals and interests in relation to municipal Official Plans.

These changes fall under two large items:

- 1) Revise the Official Plan to include 3,250ha of new urban land

GOHBA, in its submission through MGP, calls for the amount of expansion land to be increased from the approved 1,200 ha to 3,250 ha.

MGP and Altus argue that the OP as it currently stands 1) Proposes an unachievable intensification rate that is not based on historical patterns; and, 2) Is not consistent with the PPS as it proposes a mix of housing units that does not reflect market-based demand, ie, 613 Flats.

92,000 dwelling units have to be accommodated within the built-up area in order for the “Balanced scenario” GMS to be achieved - 49,400 ground-oriented and 42,700 apartment dwellings. Of those 49,000 ground-oriented lots, the City is counting on 37,000 ‘large’ dwelling units (with three or more bedrooms) to come from converting approximately 15 per cent of the existing lots adjacent and within walking distance to Hubs and Corridors to be redeveloped into 613 Flats. The Balanced Scenario allocates 38 per cent of total ground-oriented dwellings “through a mix of traditional built-forms and suitable alternatives such as 613 Flats or other innovative redevelopments (page 41)”. In the past 10 years, 11 per cent of ground-oriented units occurred within the built-up area.

MGP and Altus Group recommend that the OP be changed to the so-called “status quo” growth scenario, which would bring the land expansion to 2,450ha. They then recommend that the growth projections be updated from the numbers approved in 2019 to the Ministry of Finance’s current growth projections for Ottawa, which translate to a need for 3,250ha of new urban land.

2) Proposed changes, deletions or additions to the language in Ottawa’s draft Official Plan

GOHBA included a compendium of our full comments and proposed changes on the entirety of the Official Plan.

The file also provides a short list of changes, with a priority to Restore Height Permissions for Minor Corridors to 9 storeys in the Downtown Core Transect, and 6 Storeys in the Inner Urban Transect.

The City has also shown its lack of commitment to its current aggressive intensification target by failing to provide modeling that proves it can be achieved, and by Council’s decision to limit minor corridors to 4 storeys without any consideration of where or how those lost units would be made up.

June 2022

Housing economist Will Dunning released a report showing that between 2006-2021, Ottawa was 23,838 homes short of what we needed for our population and household demographics. This consisted of:

- a shortfall of 21,666 low density, ground-oriented homes;
- a surplus of 8,752 medium density homes; and,
- a shortfall of 10,924 homes in high density apartment towers.

The data showed that Ottawa has a significant and structural housing supply deficit, one that has built up over a number of years and decades.

August 2022

A new report by Mike Moffatt and Smart Prosperity Institute, *Ontario's Need for 1.5 Million More Homes*, noted that Ottawa needs to be more ambitious with its housing growth plans, and build over 10,000 new homes a year over the next decade in order to meet our population needs and erase the housing supply deficit.

November 2022

The provincial government introduced Bill 23, the *More Homes Built Faster Act*, which contained a number of measures designed to:

- freeze or reduce city-imposed costs on new housing;
- encourage the building of rental and more affordable homes
- allow converting a single-detached home into a multi-unit building that can house two or three families; and,
- mandate that municipalities provide sufficient zoning around transit stations in a more-timely manner.

The province also gave Ottawa a housing target of 151,000 new homes over the next decade.

Finally, the Minister of Municipal Affairs and Housing approved Ottawa Official Plan with two significant changes:

- The urban boundary expansion was increased by 550 hectares (from the Council-approved 1,281 to a total of 1,831 hectares for housing).
- Height for minor corridors was restored from a Council-imposed 4 storeys across the city to 9 storeys for the downtown transect and 6 storeys for the inner and outer urban transects.

December 2022 – September 2023

GOHBA worked with city staff on implementation of the new Official Plan and development of supporting documents, most critically a new comprehensive zoning bylaw, Infrastructure Master Plan and Transportation Master Plan.

October 2023

This Minister of Municipal Affairs and Housing announced that the province would "wind back provincial changes to official plans ... This includes winding back changes to urban boundaries."

All of the province's changes to Ottawa's OP were withdrawn, and Council was asked to confirm which, if any, changes it would like to retain.

GOHBA immediately responded by warning that the provincial policy reversal will worsen Ottawa's housing affordability and supply crisis, and followed up by urging government at all levels to not abandon efforts to improve housing affordability and supply.

November 2023

Council voted to retain provincial changes to heights for minor corridors in the Official Plan. Permissible heights in the OP will now be:

- Downtown Minor Corridors - 9 storeys
- Inner Urban Minor Corridors - 6 storeys
- Outer Urban Minor Corridors - 6 storeys
- Suburban Minor Corridors - 7 storeys

January 2024

A city staff analysis concluded that the existing designated supply of greenfield land in Ottawa as of July 1, 2022, is consistent with the policies of the PPS to maintain a greenfield residential land supply of 15-years. Staff further asserted that the Council-adopted urban expansion areas will also provide 640.5 net hectares of additional greenfield residential land to supplement the existing supply past the planning horizon of 2046.

GOHBA argues that this analysis is still based on population data and projections developed in 2018 and approved in 2019, and does not consider the most-recent growth projections from the Ontario Ministry of Finance.

February 2024

GOHBA has commissioned a third-party to estimate what updated population projections may mean for residential land supply needs in the City of Ottawa and whether the City of Ottawa would meet this policy. The updated Ministry of Finance forecasts show that the City of Ottawa can be expected to grow to 1.65 million persons by 2046.

Preliminary estimates are that the new Ministry of Finance forecasts would result in the need for 10,168 residential units per year between 2021 and 2046, or a total of 254,208 units for the 25-year period (the OP is based on 194,000 units to 2046).

Preliminary conclusions are that to meet demand over the next 25 years, the City will need a further urban boundary expansion of:

- 693 gross hectares to meet the population projections adopted in the Official Plan; and,
- 2,449 – 4,252 gross hectares to meet Ministry of Finance's most recent population projections, depending on the realized rate of intensification.