



ONTARIO REAL ESTATE ASSOCIATION

15 Kern Road, Toronto, ON, M3B 1S9

May 10, 2024

Hon. Paul Calandra
Minister of Municipal Affairs and Housing
17th Floor, 777 Bay St.
Toronto, ON M7A 2J3

RE: ERO #019-8369: *Changes to the Planning Act, City of Toronto Act, 2006, and Municipal Act, 2001*

Dear Minister Calandra,

On behalf of the Ontario Real Estate Association (OREA), we would like to thank you and your Ministry for your public commitment to reducing red tape in the housing sector and getting more affordable homes built faster. As you know, OREA supports nearly 100,000 REALTORS® in helping Ontarians find a great place to call home – but regulatory red tape is making it difficult to get more homes built. With *Bill 185, Cutting Red Tape to Build More Homes Act*, Ontario's fifth piece of legislation under the Housing Supply Action Plan, the province will make significant progress on important policy solutions.

Alongside several legislative proposals arising from Bill 185, OREA is pleased to see progress on several important solutions from our recent report, *Analysis of Ontario's Efforts to Boost Supply*, and our advocacy on modular construction, aimed at streamlining approvals and getting more homes built. In particular, OREA commends the following included solutions:

- Eliminating parking minimums near transit to enable greater density along transit;
- Making it easier to build more garden, laneway, and basement suites;
- Supporting standardized designs to reduce delays and costs for modular homes.

These are good steps, building on the commendable efforts thus far. However, Ontario's long-standing supply challenges are now compounded by higher interest rates and construction financing costs, and we risk slowing the pace of growth that has come from efforts to date. The need to solve the Province's housing supply and affordability crisis is greater than ever, with the Government's own projections falling short of the needed 100,000 homes per year to reach the goal of 1.5 million by 2031.

Implementation of bold, pro-growth, pro-housing policy that will pave the way for increased supply, and increased affordability. To get there, the Government must urgently take three key actions, which have been recommended by the Province's own Housing Affordability Task Force and are strongly supported by Ontario REALTORS®:

1. Eliminating exclusionary zoning Province-wide, allowing four units as-of right.

Ontario must implement land-used changes to end exclusionary zoning, allowing multiplexes of up to four units as-of-right across the province. All thriving communities need a mix of housing so that families can find homes that meet their needs at prices that they can afford, and ending exclusionary zoning is the biggest key to unlocking home ownership in urban areas.

Multiplexes come in many shapes and sizes, and there are a variety of ways this could be implemented broadly. For example, the City of Toronto successfully ended exclusionary zoning but opted to limit the height of multiplexes to 10 meters (or three stories) in many areas, encouraging gentle density while protecting existing low-rise neighborhoods.

2. Modernizing zoning to support commercial-to-residential conversions and greater density along transit corridors.

The Ontario Government is making significant investments in transit and passenger rail, and the Province ought to align the commendable pro-growth work being done in both the housing and transit sectors by allowing upzoning and commercial-to-residential conversions along major transit corridors. While some progress has been made, the province should legislate the ability for this conversion to occur and overrule any local bylaws that prohibit this conversion.

Such action has already seen success in other jurisdictions. Calgary has embraced commercial-to-residential conversions as a solution to both address the housing crisis and revitalize the downtown area by implementing the Downtown Calgary Incentive Program. The program aims to remove six million square feet of vacant office space by 2031, with incredible success. As of May 1, 2024, the pipeline includes 17 office conversion projects (13 active, 4 under review), resulting in the creation of over 2,300 new homes and the conversion of 2.3 million square feet.

3. Embrace opportunities to fund and support innovative models of ownership, such as rent-to-own programs, shared equity partnerships, and co-ownership.

Part of improving equity in Ontario's housing market means addressing demand-side challenges and generational wealth gaps. Ontarians should have access to more modern models of home ownership, such as shared equity, rent-to-own, and co-ownership. Increased consumer choice when it comes to ownership options will create a fairer market.

Ontario ought to look to create programs to assist first-time home buyers and marginalized communities who are statistically less likely to become homeowners.

Ontario has set a bold goal – now is the time for continued bold action, and OREA hopes the Government will consider amendments in support of these three crucial items, or will consider them for implementation later this year.

We appreciate the work that you and your Ministry are doing to reduce red tape, streamline planning approvals and increase housing supply across Ontario. Thank you for the opportunity to participate in this consultation process – together, we can help fulfill the dream of homeownership for many hard-working Ontarians.

Submitted on behalf of the Ontario Real Estate Association

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