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May 10, 2024

Provincial Planning Policy Branch 777 Bay Street 13th floor Toronto, ON M7A 2J3

Re: ERO 019-8369 / 24-MMAH010 Proposed Planning Act, City of Toronto Act, 2006, and Municipal Act, 2001 Changes (Schedules 4, 9, and 12 of Bill 185 - the proposed Bill 185, Cutting Red Tape to Build More Homes Act, 2024)

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 'Bill 185, Cutting Red Tape to Build More Homes Act, 2024' (ERO 019-8369 / 24-MMAH010).

In addition to our comments, we support those submitted by the Ontario Home Builders' Association and our fellow municipal HBAs across the province.

The Greater Ottawa Home Builders' Association commends the Province of Ontario's continuous efforts to get more housing built and to, subsequently, lower the cost of housing for all Ontarians.

GOHBA commends the Ministry of Municipal Affairs and Housing (MMAH) for their progressive policy issues that have been introduced, however we stress that the theme of any current and future housing legislation should focus on stability, consistency and predictability, combined with proper transition provisions to mitigate adverse effects.

This is to ensure that the measures that have been previously introduced not only have the chance to have their impacts realized and allow for the development industry – who has been making great strides to capitalize on those measures – can properly plan for their use so that they can have the impact on increasing housing supply that they were meant to.

This comment not only applies to the development industry but should equally apply to homebuyers who also need certainty when purchasing a home and are not affected by sudden policy changes that may have a material impact on their transactions with builders.

We would like to highlight that there are some policy changes that have been introduced through Bill 185 that are inconsistent with those themes and cause significant concern within the industry that we would like to provide feedback and recommendations on through this remainder of this submission.

Specific Comments - 1) Reduce Parking Minimums

GOHBA strongly supports enhancing the Minister's regulation-making authority to remove zoning barriers to building small multi-unit residential, including removing parking minimums, reducing parking requirements for small infill lots, and allowing front-yard parking.

We elaborate on these parking issues, as well as other zoning and non-zoning barriers to intensification in our submission to ERO 019-8366, Removing Barriers for Additional Residential Units.

Specific Comments – 2) Enhancing Framework for Additional Residential Units (ARUs)

GOHBA strongly supports enhancing the Minister's regulation-making authority to remove zoning barriers to building small multi-unit residential.

We elaborate on zoning and non-zoning barriers to intensification in our submission to ERO 019-8366, Removing Barriers for Additional Residential Units.

Specific Comments -3) Community Infrastructure and Housing Accelerator (CIHA)

GOHBA is generally supportive of this initiative.

Specific Comments – 4) "Use It or Lose It" Tools

GOHBA does not support the implementation of "Use It or Lose It" (UIOLI) Tools and/or Policy.

The push for new or enhanced UIOLI policies is predicated on the presumption that approved homes aren't getting built fast enough or that housing supply is being held back.

However, a report commissioned by our provincial counterparts, the Ontario Home Builders' Association, titled "<u>Use It: Optimizing Municipal Development Pipelines</u>," (https://www.ohba.ca/use-it-optimizing-municipal-development-pipelines/) released on behalf of the residential construction industry province-wide, reviews prospective UIOLI polices for residential development and details why new UIOLI policies are entirely unnecessary.

As outlined in the report, the data shows otherwise – in 2023, the amount of housing units completed, and inventory of units currently under construction each reached highs not seen since 1990, each being 34-year highs.

<u>As detailed in our local press release</u>, the report also shows that Ottawa's home builders, in particular, are effective in getting housing through the development pipeline and handing over the keys to Ottawa's growing population.

The numbers suggest that, in Ottawa, a significant proportion of designated land for housing is moving through the planning process at a reasonable pace.

The provincial report also details the current mechanisms within Ontario's planning system designed to avoid delays in development projects that have received approvals and/or permits. It highlights the multiple checks and balances embedded throughout the planning and development process to ensure progress, including:

- Expiration of building permits.
- Registered plans deemed to be not registered after eight (8) years,
- Lapsing draft plan approvals after no less than three (3) years.
- Expiration of servicing allocation.

Should the Province decide to strengthen the current methods in which supply is rationalized, a first principle should be the preservation of the approved supply in accordance with PPS requirements.

Furthermore, it is crucial that any loss of servicing allocation be redistributed to other potential residential supplies, and that this reallocation or approval redirection follows a process that is transparent, clear and objective.

Interfering with the status quo by implementing a stricter UIOLI system could result in a reduction of the housing supply in numerous municipalities. This reduction may fall below the minimum requirements set by the PPS for designated residential supply, available land, and serviced capacity.

The current system assesses, at multiple stages within the planning process, the quantity of designated lands, the allocation of services, the duration since planning approvals were granted, and the issuance period of building permits.

With the production of housing in Ontario at 34-year highs, any presumptions that landowners are unnecessarily holding back supply is inaccurate and not borne out by on-the-ground data.

In conclusion, GOHBA believes the implications of such a policy could have far-reaching consequences for housing affordability and supply, as well as potentially affecting economic development and future growth of the province.

<u>Specific Comments - 5) Third Party Appeals</u>

GOHBA does not support language around Third-party Appeals as currently drafted.

While GOHBA understands the intention for introducing this policy change, specifically restricting frivolous and vexatious appeals, the manner it has been drafted has significant unintended consequences.

And although we encourage the government to streamline the land use approval process to get more homes approved faster, the language in Bill 185 is cast too broadly, in that it has the unintended effect of eliminating much more than just 3rd party appeals.

As currently drafted, municipalities will have the unlimited ability to advance policy and zoning changes that can stifle development, adding further to the growing costs and further limit the housing supply in Ontario. Ideally, the goal is to prevent only 3rd party appeals of private applications, especially where such applications receive the support of municipal council.

It is important that there be a common understanding of what a 3^{rd} party appeal is and what is then meant by 1^{st} and 2^{nd} parties:

- 1st party = the municipality
- 2nd party = the landowner to which the Official Plan (or amendment) or Zoning By-law (or amendment) applies. In other words, the OP redesignates or the ZBL zones its own land.
- 3rd party = a neighbour, other landowner or non-government organization whose own lands are not covered by the OPA or ZBLA but who feels aggrieved by it nonetheless.

It is also important to distinguish between municipally initiated Official Plans (and amendments) and municipally initiated Zoning By-laws (and amendments) on the one hand, versus site-specific Official Plan Amendments and Zoning By-law Amendments which are landowner initiated. It is the latter type of applications which directly propose to build housing and only the latter that are vulnerable to true 3rd party appeals.

By not distinguishing between 2nd and 3rd parties, Bill 185 treats them both the same and removes all their rights to appeal. A person whose property is redesignated by a municipally initiated Official Plan (or amendment) or is rezoned by a municipally initiated Zoning By-law (or amendment), must be able to protect its own property by filing an appeal. That person did not ask for the land use change and had it thrust upon them. Moreover, non-government agencies and groups (like residents' associations), should also be able to appeal municipally initiated Official Plan (amendment) and Zoning By-laws (amendments).

GOHBA urges the provincial government to revise Bill 185 to distinguish between municipally initiated Official Plan (or amendments) and Zoning By-laws (or amendments) versus land use changes that are landowner driven. Only in the case of the latter are there truly third parties which Bill 185 could deal with.

Proposed Revisions to Bill 185

Elimination of 3rd Party Appeals but Retention of 2nd Party (Landowner) Appeals for Municipally Initiated Official Plans (or amendments)

Right to appeal [This eliminates true 3rd party appeals of OPAs which are exempt from approval]

17(24) If the plan is exempt from approval and was the result of an application made by a person, not a public body, under section 22, any of the following may, not later than 20 days after the day that the giving of notice under subsection (23) is completed, appeal all or part of the decision of council to adopt all or part of the plan to the Tribunal by filing a notice of appeal with the clerk of the municipality:

- 1. A specified person who, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.
- 1.1 A public body that, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.
- 2. The Minister.
- 3. The appropriate approval authority.
- 4. In the case of a request to amend the plan, the person or public body that made the request. 2006, c. 23, s. 9 (4); 2017, c. 23, Sched. 5, s. 80.

Right to appeal [This preserves 2nd party appeals of municipally initiated OPs (or amendments) which are exempt from approval]

17(24.02) If the plan is exempt from approval and was not the result of an application made by a person, not a public body, under section 22, any of the following may, not later than 20 days after the day that the giving of notice under subsection (23) is completed, appeal all or part of the decision of council to adopt all or part of the plan to the Tribunal by filing a notice of appeal with the clerk of the municipality:

- 1. A person or public body who, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.
- 2. The Minister.
- 3. The appropriate approval authority. 2006, c. 23, s. 9 (4); 2017, c. 23, Sched. 5, s. 80.

Appeal to Tribunal [This eliminates true 3rd party appeals of OPAs which require approval]

17(36) Where the official plan amendment was the result of an application made by a person, not a public body, under section 22, any of the following may, not later than 20 days after the day that the giving of notice under subsection (35) is completed, appeal all or part of the decision of the approval authority to the Tribunal by filing a notice of appeal with the approval authority:

- 1. A specified person who, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.
- 1.1 A public body that, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.

- 2. The Minister.
- 3. In the case of a request to amend the plan, the person or public body that made the request. 2006, c. 23, s. 9 (6); 2017, c. 23, Sched. 5, s. 80.

Appeal to Tribunal [This preserves 2nd party appeals of municipally initiated OP (or amendments) which require approval]

17(36.02) Where the Official Plan or Official Plan Amendment was not the result of an application made by a person, not a public body, under section 22, any of the following may, not later than 20 days after the day that the giving of notice under subsection (35) is completed, appeal all or part of the decision of the approval authority to the Tribunal by filing a notice of appeal with the approval authority:

- 1. A person or public body who, before the plan was adopted, made oral submissions at a public meeting or written submissions to the council.
- 2. The Minister. 2006, c. 23, s. 9 (6); 2017, c. 23, Sched. 5, s. 80

GOHBA also speaks to this issue in its submission to ERO 019-8370.

Specific Comments – 6) Fee Refund Provisions

GOHBA generally supports the repeal of fee refund provisions, with the appreciation that they did not have the desired effect of speeding up municipal development application processes.

We would strongly encourage the province to consider new ways of facilitating faster application processing by municipalities, which would help achieve our collective goal of 1.5 million new homes over the next decade and generally improve housing affordability and supply.

<u>Specific Comments – 7) Municipal Pre-Application Process</u>

GOHBA strongly supports making pre-application consultation voluntary at the discretion of the applicant.

Unfortunately, the response to Bill 23 by the City of Ottawa, and we expect many of municipalities, was to take actions that directly hinder and impede the government's efforts to enhance housing affordability and supply.

As related to the above Fee Refund provisions, rather than streamlining and eliminating unnecessary steps to meet the mandated application processing timelines set by the province, the City introduced a multi-phase pre-consultation requirement prior to considering an application as complete. Unfortunately, this approach has resulted in a longer overall timeframe, stretching from the initial pre-consultation stage to obtaining a building permit, thereby creating inefficiencies instead of achieving a more streamlined process.

Specific Comments – 8) Settlement Area Boundary Expansions

GOHBA strongly supports allowing privately requested official plan or zoning by-law amendments. This is a significant step to addressing municipal Official Plans that do not conform to provincial housing goals and the Provincial Planning Statement.

<u>Specific Comments – 9) Facilitating Standardized Housing Designs</u>

GOHBA is generally supportive of creating regulation-making authority that would enable the establishment of criteria to facilitate planning approvals for standardized housing. However, we have some specific concerns:

- We warn that this initiative will only work if standardize housing gets automatic approval through the City and building permit issuance.
- Having a minimum lot size will severely restrict opportunity for infill is there a scalable approach? We note that the province is also looking to remove lot size as a criteria for ADUs.
- The reference to "full" municipal servicing must exclude stormwater, as Ottawa is introducing onsite stormwater management.

Many municipalities are facing challenges with both stormwater and wastewater infrastructure.

In Ottawa there is a particular concern around stormwater capacity, and the City is considering a new requirement for onsite stormwater management for new infill projects because the City's existing infrastructure is at capacity.

Specific Comments - 10) Upper-Tier Planning Responsibilities

Specific Comments - 11) Expedited Approval Process for Community Service Facility Projects

Specific Comments - 12) Exempt Universities from the Planning Act

GOHBA has no comments on these specific proposals.

Conclusion

We thank the Ministry for the opportunity to comment on these proposals and look forward to further discussing specific details with Ministry officials at a later date.

We look forward to continuing engaging with the provincial government on how to encourage and enable housing.

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

Sincerely,

Jason Burggraaf Executive Director