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May 10, 2024

**Re: Review of proposed policies for a new provincial planning policy instrument - [ERO #019-8462](#)**

The Atmospheric Fund (TAF) commends the province for including steps within Bill 185, the Cutting Red Tape to Build More Homes Act, to address housing affordability and barriers constraining development across Ontario. We specifically applaud steps taken to address restrictive parking minimums, an action echoing the [2022 report of the Ontario Housing Affordability Task Force's](#) call on the province to create a more permissive land use, planning, and approvals system by reducing or eliminating minimum parking requirements. We also welcome the proposals to expedite the implementation of additional residential units (ARUs). As a regional climate agency committed to reducing emissions across the Greater Toronto and Hamilton Area, we applaud these efforts which will address the challenges of housing affordability, promote sustainable transportation, and ultimately reduce emissions across the region. We appreciate the opportunity to provide feedback on this legislation.

By amending the changes put forward by Bill 185, we believe the province can act more ambitiously to further enhance its impact. Many of the strategies to reduce the red tape holding back affordable housing are also solutions that encourage lower-carbon development, energy use, and transportation options. Combining these actions can be a win-win-win for affordability, climate and industry. Below, we propose amendments to Bill 185 to enhance the positive steps it introduces.

***Minimum parking requirements***

TAF strongly supports the proposed amendments to the Planning Act to eliminate minimum parking requirements around specified transit areas. This action benefits housing affordability and the climate by reducing construction costs for developers and encouraging the use of alternative modes of transit, ultimately decreasing emissions and promoting sustainable urban development.

Minimum parking requirements limit developers and builders from tailoring projects to meet the specific needs of future occupants and result in unnecessary infrastructure expenses. In many cases, new developments, especially in transit-accessible neighbourhoods, simply don't need the amount of parking stipulated by minimum requirements. Meanwhile, parking can account for as much as a third of the embodied carbon in new buildings and inflate construction costs by over \$50k per parking spot. A [TAF-funded study from the Clean Air Partnership](#) found that parking minimums have resulted in the overbuilding of parking spots which then remain unsold. Removing these requirements would substantially lower costs for building owners and developers, which would be passed on to renters and homeowners in the form of greater housing affordability.

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Schedule 12 of Bill 185 introduces changes that limit the authority of official plans to mandate parking facilities within specific areas, including major transit station areas (MTSAs) and zones surrounding higher-order transit stations or stops. We urge the province to consider more ambitious measures to further enhance the impact of these changes. TAF recommends further reducing or altogether eliminating minimum parking requirements across Ontario.

*Option 1: Expand the MTSA definition*

The Partnership for Active Travel and Health (PATH), facilitated by the FIA Foundation and the UN Environment Programme, is comprised of expert organizations in the sustainable mobility sector. PATH's 2022 report "[Make Way for Walking and Cycling](#)" highlighted a global trend: 60% of urban trips are shorter than 5km and a quarter are less than 1km. Yet, over half of these journeys are undertaken using motorized vehicles. This indicates significant potential for active and public transit to meet current and future mobility needs, particularly given expectations that the number of urban trips will more than double between 2020 and 2050.

MTSAs are currently defined under the Provincial Planning Statement as the "area within an approximate 500 to 800-metre radius of a transit station." We advocate for the defined area to be expanded to encompass a broader radius of 1.25 kilometres to promote transit-oriented development and reduce reliance on personal vehicles. We have submitted these comments to [ERO #019-8462](#), which is concurrently reviewing the Provincial Planning Statement in light of Bill 185. **We recommend that the definition of major transit station areas should be amended to read as follows:**

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| <p><b>Major transit station area:</b> means the area including and around any existing or planned higher order transit station or stop within a settlement area; or the area including and around a major bus depot in an urban core. Major transit station areas generally are defined as the area within an approximate <del>500 to 800-metre</del> <b>1.25-kilometre</b> radius of a transit station.</p> |
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This adjustment aligns with Bill 185's objectives by removing parking minimums over a larger area, supporting aims to cut red tape and promote housing affordability. PATH's analysis shows the wide area over which urban travel patterns occur, with a substantial portion of trips falling within a 5km range. By expanding the MTSA definition to capture more of this area, the aims set out in the Provincial Planning Statement to encourage development and intensification within MTSAs are supported. This expanded definition also aligns more closely with the City of Toronto's plan to achieve carbon neutrality by 2040, [TransformTO](#), which aims for 75% of all trips under 5km to be facilitated by active and public transportation by 2030.

*Option 2: Remove parking minimums, province-wide*

Toronto has already taken bold action to remove city-wide parking minimums, while Ottawa is actively considering similar reforms. Multiple other municipalities across the province have eliminated parking minimums for specific building types or defined areas like their downtowns, including London, Oakville, Kingston and Thunder Bay. [Numerous cities across North America](#) have also recognized that long-standing requirements often fail to align with the parking needs of today and tomorrow. As noted by the City of Ottawa in a [recent by-law review](#), minimums

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tend to be designed to meet maximum potential parking demand, which is rarely, if ever, met, and many predate sufficient transit alternatives that have since been developed. Ottawa’s review also notes that many requirements across North America are based on historic precedents set by the Institute of Transportation Engineers (ITE) several decades ago. This status quo on parking requirements has been scrutinized by cities and overturned by the ITE, which in 2019 [urged municipalities to eliminate them](#), advocating for a more flexible, choice-based approach instead.

More recently, the federal Task Force for Housing & Climate’s report [Blueprint for More and Better Housing](#) urged provincial governments to “legalize walkable, accessible, inclusive, transit-rich, climate-friendly neighbourhoods by abolishing parking minimums on residential, commercial, and industrial properties.” **We support this recommendation and encourage the province to make any legislative changes necessary to remove parking minimums province-wide.** Eliminating parking minimums would substantially reduce both the construction costs and embodied carbon emissions associated with new construction. By maximizing the communities impacted by this change, we can spread the associated benefits further, too.

### ***EV-Ready Parking***

While removing parking minimums addresses emissions from buildings and the built environment, Bill 185’s impact can be extended by proactively implementing measures in anticipation of the increasing adoption of EVs. In the GTHA, transportation accounts for [36% of carbon emissions](#) across the region – to tackle this, the province can adopt policies that promote EV uptake, including building out charging infrastructure.

EV-ready requirements can play an important role in ensuring that accessible and affordable charging infrastructure is in place to meet the growing demand of Ontario residents and businesses. EV-ready parking spaces are designated parking stalls equipped with energized outlets that support the easy installation of future Level 2 chargers for EVs.

Clean Air Partnership [recently completed a study](#) on implementing EV infrastructure in residential buildings and found that it is three to four times cheaper to install EV-ready parking spots at the point of construction than to retrofit them in post-construction. The cost delta is even more significant if charging is added on a piecemeal basis, which is the likely post-construction scenario. For example, in a newly constructed high-rise condominium that is not EV-ready, the cost of making 20% of spots EV-ready is estimated at \$10-20,000 per parking spot. Whereas the cost to make that same new building 100% EV-ready at the time of construction is only \$2-3000 per spot. Construction costs associated with ensuring that parking spots are EV-ready can be mitigated if they are integrated into the reduction or elimination of parking minimums. Not only will it be more cost-effective for building owners – but it will also be more affordable for residents who own EVs to charge at home versus through public chargers, promoting greater equity in the EV transition.

TAF recommends the following language to municipalities drafting by-laws for 100% EV-ready requirements, based on the City of Toronto by-law 89-2022:

**Definitions:**

**Energized Outlet** means a connected point in an electrical wiring installation at which current is taken to supply utilization equipment for electric vehicle charging

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**Level 2 Charging** means a Level 2 electric vehicle charging level as defined by SAE International's J1772 standard, as amended

Electric Vehicle Infrastructure

**Parking spaces** must be equipped with an **energized outlet**, which is clearly marked and identified for electric **vehicle** charging, in accordance with the following:

- (A) All residential **parking spaces** provided for **dwelling units** located in an **apartment building, mixed-use building, "multiple dwelling unit building," detached house, semi-detached house, townhouse, duplex, triplex, fourplex,** or for a **secondary suite** or **laneway suite**, excluding visitor **parking spaces**, must include an **energized outlet** capable of providing **Level 2 charging** or higher to the **parking space**; and
- (B) In cases other than those set out in (A) above, 25 percent of the residential and non-residential **parking spaces** in a **building** must include an **energized outlet** capable of providing **Level 2 charging** or higher.

**The province can actively endorse and promote the adoption of 100% EV-ready requirements in municipal by-laws by recommending municipalities to adopt by-laws in line with the example above from the City of Toronto.** By fostering the development of EV charging infrastructure and encouraging consistency across municipalities, the province can play a pivotal role in accelerating the transition to EVs province-wide.

Eliminating parking minimums and enabling EV-ready parking opens opportunities for innovative transit solutions. Kite Mobility offers an electric rideshare amenity for residents of multi-unit buildings, and their work has shown that one shared EV can effectively replace up to 10 parking spaces. Alongside the substantial cost-savings for developers, this helps shift consumers away from traditional car ownership and its associated costs and provides them access to sustainable transportation. This in turn helps to alleviate urban traffic congestion and ultimately contributes to reduced emissions – giving this model significant potential to scale to tackle transportation emissions in cities across the province.

### ***Municipal by-law barriers***

Bill 185 proposes an enhanced regulation-making authority to provide the Minister with the authority to remove municipal zoning by-law barriers that may be limiting the development of ARUs. [ERO #019-8366](#) seeks further info on specific zoning by-law requirements or standards that are a barrier to the development of ARUs. From our work with stakeholders and industry experts across the GTHA, we are aware of several barriers that the province could tackle through Bill 185 to promote housing development, affordability and sustainability.

#### ***1. Zoning restrictions on the location of heat pumps***

A number of municipalities have outdated zoning by-law requirements restricting where heat pumps and air conditioners can be installed. These zoning by-law requirements can inadvertently increase housing development costs while hindering the adoption of more efficient and environmentally friendly technologies such as heat pumps. This is particularly important in the context of the development of ARUs, as these projects typically require the installation of new HVAC systems in space-constrained sites. Heat pumps are an ideal solution for ARU projects, as they minimize the amount of interior space required for HVAC equipment while providing highly efficient heating and cooling.

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For instance, the City of Toronto's zoning by-law requires exterior heating or air-conditioning devices (i.e. heat pumps) to be set back a minimum of 6 meters from the front lot line. This clause predates amalgamation and there is no record or knowledge of the policy rationale for the setback. Many residential properties in Toronto don't have six metres of front yard space, especially those being renovated to include ARUs, effectively prohibiting heat pumps in front yards. Toronto's zoning by-law also restricts the location of heat pumps in backyards to within a maximum of two metres from the rear wall, which is the area typically occupied by a back deck or patio. The City of Mississauga goes even further, completely prohibiting heat pumps or air conditioners in front yards. These undue zoning restrictions complicate the development of ARUs and may increase construction costs by requiring heat pumps to be placed in suboptimal locations requiring longer electrical and refrigerant line sets.

Vancouver's by-law took a different approach and conversely requires that units be installed within 1.22m of the home at the front of the house rather than stipulating distance from the front lot line. They also require that the unit not drain onto pathways, and is an inverter-driven variable speed model, which is more expensive but quieter than a fixed-speed model. Many other municipalities have no zoning restrictions on the placement of heat pumps.

**To support the development of ARUs, TAF recommends that the province leverage new authorities proposed in Bill 185 to remove excessive zoning restrictions on the placement of heat pumps and air conditioners.** This would remove barriers and reduce the cost and complexity of ARU projects, while enhancing the energy efficiency of these new dwellings, which, in turn, helps residents save on energy bills.

## *2. Exterior insulation*

ARU projects often involve significant renovations to the exterior of the building, which is an ideal time to consider the integration of exterior insulation in new cladding. However, many municipalities, have zoning barriers that complicate the installation of exterior insulation and cladding. For example, setback requirements and/or limitations on the Floor Space Index (FSI) can prevent the installation of exterior insulation, requiring approval from the local committee of adjustment and causing unnecessary project delays. The City of Toronto zoning bylaw has an allowance for insulation or cladding work to encroach up to 150 mm into a required setback, but most cities do not. Even in Toronto, exterior insulation and cladding measures often still require going through the committee of adjustment due to FSI limits. This barrier adds unnecessary bureaucratic hurdles for homeowners and can prevent much-needed improvements being made to improve energy efficiency and sustainability in existing buildings. Addressing these challenges is essential as retrofits play a crucial role in enhancing affordability by reducing energy costs for residents.

**To support the development of ARUs, TAF recommends that the province consider using new authorities proposed in Bill 185 to create province-wide allowances for exterior insulation and cladding to encroach up to 150 mm into setbacks and be exempted from FSI limitations.**

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## ***Public appeals of official plan and zoning by-law changes***

Alongside our comments and recommendations above, we share many of the concerns raised by the Canadian Environmental Law Association (CELA) in its submission to this engagement regarding the potential unintended consequences of proposed changes to the public's right to appeal the adoption and amendment of official plans and zoning by-laws. We agree that ensuring public participation in land use planning decisions is vital for fostering transparent, equitable and environmentally sound outcomes. We advocate for careful consideration of the concerns raised by CELA and urge the province to maintain avenues for public participation and recourse in planning processes.

In conclusion, TAF commends the efforts made by the province in Bill 185 to address housing affordability. The steps taken to tackle restrictive parking minimums and to expedite the building of additional residential units recognize the potential of these actions to not only enhance affordability but to encourage more sustainable development and transportation – ultimately reducing emissions across the province. By implementing TAF's recommendations to further cut red tape identified in this letter, the positive impacts of this legislation can be amplified even further. We appreciate the opportunity to provide feedback on this bill and remain committed to supporting initiatives that contribute to a more sustainable future for Ontario.

Sincerely,

Bryan Purcell



VP of Policy & Programs  
The Atmospheric Fund

## **About the Atmospheric Fund**

The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. Please note that the views expressed in this submission do not necessarily represent those of the City of Toronto or other GTHA stakeholders. We are experienced leaders and collaborate with stakeholders in the private, public and non-profit sectors who have ideas and opportunities for reducing carbon emissions. Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies and running programs. We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.