

25 May 2023

VIA E-MAIL: steve.clark@pc.ola.org growthplanning@ontario.ca

Hon. Steve Clark Minister of Municipal Affairs and Housing Provincial Land Use Plans Branch 777 Bay Street, 13th Floor Toronto Ontario M7A 2J3

ERO Nr. 019-6813:

Review of Proposed Policies adapted from A Place to Grow and Provincial Policy Statement to form a new Provincial Planning Policy Instrument

Dear Minister:

The Federation of North Toronto Residents' Associations ("FoNTRA') is an umbrella organization representing over 30 residents' associations in central Toronto engaged in public policy debates on planning and development issues that directly affect our members. Its interventions are guided by pursuing the following goals: 1) rational and stable statutory planning framework; 2) local and regional planning that engages all stakeholders, without ad hoc provincial overrides; 3) intelligent density distribution that fosters complete communities and efficient public transport networks; 4) balancing housing supply with real demand; and, 5) resilient and ecological development patterns with compact communities.

The rationale for this latest legislative initiative has been described as follows: "Under the Planning Act, planning decisions shall be consistent with policy statements such as the PPS and shall conform with provincial plans like A Place to Grow. Given the importance of the PPS and A Place to Grow in guiding land use planning decisions in Ontario, ensuring that the policy framework <u>is housing-supportive is integral to the implementation of the</u> <u>Housing Supply Action Plan and meeting the target to construct 1.5 million new homes by</u> <u>2031</u>. In 2022, the government initiated a review on approaches for leveraging the housing supportive policies of both documents, removing barriers and continuing to protect the environment through a streamlined province-wide land use planning policy framework. The government received feedback on the following six themes: Residential land supply; Attainable housing supply and mix; Growth management; Environment and natural resources; Community infrastructure; Streamlined planning framework." (emphasis added)¹

FoNTRA appreciates the opportunity to bring to your attention its concerns regarding the proposed Provincial Planning Statement ("PPS") within the 'streamlined' planning system:

- 1. Ontario's Statutory Planning Framework has been rendered unstable by frequent significant changes and will be further weakened by the new PPS.
- 2. The Housing Affordability Task Force calls for depoliticizing the planning process while engaging itself in heavy-handed political interference.
- 3. The new PPS privileges housing supply at the expense of many other valid planning concerns and provincial interests, particularly climate change adaptation.

¹ https://ero.ontario.ca/notice/019-6813

- 4. The new PPS, rather than adapting, simply discards the essential elements of the current Growth Plan and encourages indiscriminate growth anywhere.
- 5. The new PPS and background studies lack essential information on specific housing needs by type and location for effective policy guidance.
- 6. The new PPS assumes housing needs identified by the Housing Affordability Task Force based on dubious statistics and without a mandate on affordability.
- 7. The new PPS relies on housing needs identified by the Housing Affordability Task Force which missed the substantial housing supply inventory.
- 8. The new PPS lacks policies on community and social housing and equates the housing affordability crisis with a housing supply crisis.

'STREAMLINED' PLANNING FRAMEWORK

COMMENT 1: Ontario's Statutory Planning Framework has been rendered unstable by frequent significant changes and will be further weakened by the new PPS

The planning framework context in which the new PPS must be considered is characterized by a flurry of uncoordinated legislative initiatives that create a perpetual confusion:

- DEC 2018 Bill 66: Restoring Ontario's Competitiveness Act
- MAY 2019 Bill 108: More Homes More Choice Act
- MAY 2019 More Homes, More Choices: Ontario's Housing Supply Action Plan
- MAY 2019 Growth Plan for the Greater Golden Horseshoe 2019
- AUG 2020 A Place to Grow: Growth Plan for the Greater Golden Horseshoe
- FEB 2020 Provincial Policy Statement 2020
- APR 2021 Bill 257: Supporting Broadband and Infrastructure Expansion Act 2021
- MAR 2022 Bill 109: More Homes for Everyone 2022
- DEC 2022 Bill 23: More Homes Built Faster Act, 2022
- APR 2023 Bill 97: Helping Homeowners, Protecting Tenants Act, 2023
- JUN 2023 New Provincial Planning Statement and repeal of the Growth Plan

To put this 'streamlining' into some historic context: Faced with similar issues in the 1960s and 1970s – lack of affordable housing and a planning system in need of updating – the John Robarts and the Bill Davis governments initiated a successful housing program through the *Ontario Housing Corporation*² (which was later stopped and downloaded without financial compensation by the Mike Harris government in the 1990s). Following the Ontario Economic Council's *Subject to Approval: Review of Municipal Planning in Ontario*³ in 1973, the government set up a *Planning Act Review Committee*, chaired by York University Professor and former Metro Planning Commissioner Eli Comay, which reported in 1977⁴. Its comprehensive and coordinated recommendations were further reviewed by consultants which resulted in a 1979 *White Paper on the Planning Act*⁵ supported by four

² https://digitalcommons.osgoode.yorku.ca/cgi/viewcontent.cgi?article=2446&context=rso

³ https://archive.org/details/subjecttoapprova00bous/page/n15/mode/2up

⁴ Report on the Planning Act Review Committee, Toronto, 1977

⁵ Government of Ontario, White Paper on the Planning Act, Toronto 1979

detailed *Background Papers* – all made available again in a public consultation process before the Planning Act was amended.

Ontario's Auditor General has noted the following related concerns: "Our audit concluded that the Ministry of Municipal Affairs and Housing (Ministry) does not have effective procedures and systems in place to ensure that land use planning in the Greater Golden Horseshoe is consistent with good land-use planning practices, the purposes and objectives of the Planning Act, and the Growth Plan for the GGH. Ontario's land-use planning laws and provincial plans are, for the most part, consistent with those established elsewhere in Canada. However, numerous changes to Growth Plan policies have created instability in the planning process. They challenge municipalities' ability to implement provincial policies in their local plans. In addition, the Province's frequent use of MZOs creates inconsistencies and an actual or perceived unfairness concerning how policy is applied. Recently the Province expanded its power to override local authority, legislating increased powers to MZOs and is using them much more frequently. Also, importantly, our audit found that opportunities remain for land-use planning to be better integrated with planning processes for infrastructure and services, such as highways, transit, schools, and hospitals."⁶

All this hyperactivity without overall comprehensive vision creates a planning chaos, both on a procedural and a substantive level.

COMMENT 2: The Housing Affordability Task Force calls for depoliticizing the planning process while engaging itself in heavy-handed political interference.

The Housing Affordability Task Force believes that" because *local councillors depend on the votes of residents who want to keep the status quo, the planning process has become politicized*" and, therefore, *"municipalities allow far more public consultation than is re- quired.*" Planning in the public sector is an inherently political activity and requires a careful balancing of the roles assigned to the various actors. Shifting all political power to the pro- vincial level, where politicians forming the government, evidently, depend on the financial support of developers, does not depoliticize the process but simply changes the political power landscape – further away from citizens and closer to the development industry.

The Association of Municipalities Ontario (AMO), in its submission regarding Bill 23, rejects many fundamental assertions that drive this current proposal:

"The assertion that the nationwide housing affordability crisis is the product of Ontario's land use planning and environmental protection framework, and municipalities slow to approve planning applications is objectively false. For decades, Ontario's housing supply in high growth regions has been determined by developers and land speculators managing supply to optimize price, and those who view housing units as solely an investment Previous governments have downloaded costs to municipalities and cut environmental protections to disastrous effect."⁷

The proper provincial role in local planning and, particularly, the discretionary powers exercised by the Minister have been the subject of extensive deliberations in various planning review exercises. For example, the *Planning Act Review Committee Report*, cited above, notes the following about the Minister's discretionary authority:

"This was perhaps the most appropriate legislative structure in the period when municipal and provincial planning were evolving to their present status. It was also probably the most expeditious way for the province to carry out its supervisory/approval role. We are not certain that this is the case today ... We also believe that when the Minister makes discretionary decisions, he should be required as a general rule to state the reasons for his decisions ... If, for example, the Minister choses to limit a municipality's planning autonomy in certain respects, the municipality and its residents should know why their autonomy has been circumscribed."

⁶ Office of the Auditor General of Ontario, Value-for-Money Audit: Land Use Planning in the Greater Golden Horseshoe, December 2021

⁷ https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Submissions/SC_HICP-LTR_AP_AMO_Submission_Bill%2023_More_Homes_Built_Faster_Act_20221116.pdf?_zs=90I6O1&_zl=mbAO2

The Minister's recent unilateral rewriting of Toronto's OPA 405 concerning the Yonge-Eglinton Secondary Plan without any explanation or consideration of the impacts, for example, on the infrastructure is a case in point regarding the provincial mismanagement of the Growth Plan. Concentrating additional growth in the Yonge-Eglinton Centre - the only designated Growth Centre that had already substantially exceeded the growth target – defeats the very purpose of the Growth Plan of balancing growth and intensification to support public transportation across the entire GGH (see chart below):

Figure 13: Number of Residents and Jobs Per Hectare in Urban Growth Centres,¹ 2016

Prepared by the Office of the Auditor General of Ontario

	# of Residents and	Jobs per Hectare	Difference		
litter Ormitt Orefer		True 12	between Actual	Actual,	
Urban Growth Centre	Actual	Target ²	and Target	as % of Target	
City of Toronto					
Downtown Toronto	357	400	(43)	89	
Etobicoke Centre	166	400	(234)	42	
North York Centre	485	400	85	121	
Scarborough Centre	163	400	(237)	41	
Yonge-Eglinton Centre	575	400	175	144	
Downtown Brampton	63	200	(137)	32	
Downtown Burlington	114	200	(86)	57	
Downtown Hamilton	185	200	(15)	93	
Downtown Kitchener	161	200	(39)	81	
Downtown Milton	40	200	(160)	20	
Downtown Mississauga	179	200	(21)	90	
Downtown Oshawa	96	200	(104)	48	
Downtown Pickering	57	200	(143)	29	
Markham Centre	60	200	(140)	30	
Midtown Oakville	31	200	(169)	16	
Newmarket Centre	57	200	(143)	29	
Richmond Hill-Langstaff Gateway	43	200	(157)	22	
Uptown Waterloo	131	200	(69)	66	
Vaughan Metropolitan Centre	26	200	(174)	13	
Downtown Barrie	51	150	(99)	34	
Downtown Brantford	53	150	(97)	35	
Downtown Cambridge	70	150	(80)	47	
Downtown Guelph	92	150	(58)	61	
Downtown Peterborough	99	150	(51)	66	
Downtown P cccbolodgin Downtown St. Catharines	93	150	(57)	6	

Grey shading indicates targets were not met.

Note: 2016 is the most recent Statistics Canada census data available.

1. Defined as existing or emerging downtown areas identified in Schedule 4 of the Growth Plan.

2. Municipalities are expected to meet the established targets by 2031 or earlier.

The new PPS even incorporates the concept of <u>routine</u> Ministerial Zoning Orders when MZOs were introduced into the Planning Act as a tool of last resort:

"Where the Minister of Municipal Affairs and Housing has made a zoning order, the resulting development potential shall be in addition to projected needs over the planning horizon established in the official plan. At the time of the municipality's next official plan update, this additional growth shall be incorporated into the official plan and related infrastructure plans."

COMMENT 3: The new PPS privileges housing supply at the expense of other valid planning concerns and provincial interests, particularly climate change adaptation

Planning is a synoptic activity where a range of issues have to be considered and difficult trade-offs decided. Simply bracketing out certain trendy issues from this often-messy process fundamentally distorts the planning outcomes. Climate change adaptation, for example, is addressed only superficially with these generalized policy directions in the new PPS:

"Planning authorities shall plan to reduce greenhouse gas emissions and prepare for the impacts of a changing climate through approaches that: a) support the achievement of compact, transit-supportive, and complete communities; b) incorporate climate change considerations in planning for and the development of infrastructure, including stormwater management systems, and public service facilities; c) support energy conservation and efficiency; d) promote green infrastructure, low impact development, and active transportation, protect the environment and improve air quality; and e) take into consideration any additional approaches that help reduce greenhouse gas emissions and build community resilience to the impacts of a changing climate" ⁸

At the 2021 UN Conference on Climate Change in Glasgow, world cities were called upon to double public transportation during this decade to reach 1.5°C target.⁹ This would require in Toronto a more even distribution of densities instead of accommodating most of the growth along the Yonge corridor with the overloaded Line 1 subway (see chart below):

		# of Residents and	l Jobs per Hectare	Difference	
Major Transit Station Area (MTSA) ²	# of Stations	Actual	Target ^a	between Actual and Target	Actual, as % of Target
Subways					
Yonge-University Spadina Subway	32	456	200	256	228
Bloor-Danforth Scarborough Subway Extension	1	107	200	(93)	54
Bloor-Danforth Subway	31	164	200	(36)	82
Toronto-York Spadina Subway Extension	6	29	200	(171)	15
Sheppard Subway	5	182	200	(18)	91
Light Rail Transit (LRT)					
Hamilton LRT	14	94	160	(66)	59
Sheppard East LRT Phase 1	26	78	160	(82)	49
Eglinton LRT Phase 1	25	102	160	(58)	64
Finch West LRT Phase 1	19	73	160	(87)	46
Hurontario LRT	22	109	160	(51)	68
ION LRT Phase 2	7	35	160	(125)	22
Waterloo ION LRT	19	75	160	(85)	47
GO Transit Rail Stations					
GO Barrie	10	185	150	35	123
GO Kitchener	8	263	150	113	175
GO Lakeshore East	10	196	150	46	131
GO Lakeshore West	11	189	150	39	126
GO Stouffville	5	365	150	215	243
Bus Rapid Transit (BRT)					
Mississauga Transitway	11	29	160	(131)	18
VIVA Blue	17	52	160	(108)	33
VIVA Orange	12	46	160	(114)	29
VIVA Purple	20	49	160	(111)	31

Figure 14: Comparison of Actual and Target Density for Major Transit Station Areas, 2016¹ Prepared by the Office of the Auditor General of Ontario

Grey shading indicates targets were not met.

1. Most recent Statistics Canada data is from 2016.

 The Growth Plan that was in effect in 2016 did not require municipalities to plan for a minimum density target in MTSAs. The 2017 amendments to the Growth Plan introduced minimum density targets that apply to subways, LRT, BRT and GO Transit Rail Stations.

 Calculated as the sum of the number of residents and the number of jobs divided by the area covered by the line. Additionally, some municipalities have proposed alternative density targets for some MTSAs (subject to Minister's approval) that have not yet been approved.

Even before these latest proposals to 'streamline' the planning process, the *Ontario Professional Planners Institute*, added its voice to express concerns about the potentially unintended consequences of the many ill-conceived changes:

"We strongly support your policy objective of tackling the housing affordability and supply challenges in the Province of Ontario. However, our membership is very concerned with some provisions in Bill 23, particularly ones that limit meaningful public engagement, impede protections for the environment and negatively impact coordination of infrastructure

⁸ Proposed Provincial Planning Statement, Section 2.9.1

⁹ UN Conference on Climate Change: Press Release of 10 November 2021 by C40 Cities

and growth planning across regions. As planners, our fundamental role is ensuring all those considerations are incorporated in planning decisions in order to appropriately protect the public interest. Good planning is the key to building great communities. It's the informed thinking that is needed to plan successful and livable urban, suburban, and rural communities while balancing short-term and long-term public needs over the next two, 10, or 30 years.⁷¹⁰

The Auditor General, in her recent report on the status of the environment, notes that the government lacks consolidated environmental data to guide policy decisions that impact the environment negatively, including impacts caused by development:

"A warming climate from increased global greenhouse gas emissions has raised Ontario's surface air temperature, in turn reducing Great Lakes ice cover and increasing the number of weather-related disasters. Although the trend of converting natural land cover for human use is slower than in the centuries following European settlement, remaining wetlands and forests continue to be lost, invasive species are spreading, and more native species continue to be classified as at risk."¹¹

The new PPS fails to connect housing and density, to transportation, environmental, or climate change issues in a manner that could effectively guide planning processes.

GROWTH PLAN ADAPTATION

COMMENT 4: The new PPS, rather than adapt, simply discards the essential elements of the current Growth Plan and encourages indiscriminate growth anywhere.

In Ontario, historic accidents and coincidences have led to the creation of a curious mix of provincial planning legislation, policies, and plans which create uncoordinated layers of requirements addressing similar or identical issues. The policies and processes arising from the *Planning Act, City of Toronto Act, Places to Grow Act, Heritage Act, Greenbelt Act, Provincial Policy Statement,* etc., FoNTRA concurs, need to be much better coordinated in order to offer all stakeholders more seamless guidance with coordinated review/approval processes. However, since these policies and plans are constantly updated - and upper-tier and lower-tier Official Plans need to be brought into conformity – a permanent transition period has been created where policies are in an almost constant flux. Unfortunately, the Growth Plan, which had been introduced as a bold reginal planning instrument, has more recently been mismanaged if not neglected by the Province. And now, minimum growth targets and restrictions on settlement expansions are to be dropped.

The Auditor General notes the absence of relevant data needed to monitor and guide intensification and housing supply in the Greater Golden Horseshoe:¹²

- "Since 2015, the Ministry has not measured or publicly reported on the effectiveness of land-use planning in achieving the goals of the Growth Plan.
- Many municipalities are falling short of 2006 Growth Plan targets.
 - For example, only three of 20 single- and upper-tier municipalities in the GGH met the target to focus 40% of new residential developments per year in already-developed areas from 2015 to 2019.
- The Ministry did not have consistent and timely information to accurately measure whether municipalities are meeting certain Growth Plan targets.
- Municipalities face challenges implementing the province's Growth Plan policies because of numerous changes to land-use policies (five amendments in nine years) and insufficient guidance from Ministry staff. They are challenged to ensure planning documents are up to date.
- Some Minister's Zoning Orders (MZOs) disrupt planning processes and undermine the goals of the Growth Plan.

¹⁰ OPPI Letter to Minister Clark, 24 November 2022

¹¹ Office of the Auditor General of Ontario, The State of the Environment in Ontario, May 2023

¹² https://www.auditor.on.ca/en/content/news/21_summaries/2021_summary_AR_LandUse.pdf

- For example, 13 of 44 MZOs issued between March 2019 and March 2021 would permit development in areas that may not have existing or planned municicpal services such as water and wastewater ssystems impacting local land-use and fiscal planning processes.
- Opportunities exist to better coordinate land-use planning with planning for critical infrastructure, such as highways, transit, schools, and hospitals.
- Some municipal planning policy submissions could have benefitted from additional circulation to other ministries for input to ensure the other ministries land-use interests were considered.
- Bill 229 amendments to the Conservation Authorities Act and Planning Act will give the Natural Resources Minister authority to issue development permits in flood and erosion-prone areas. Prior to the amendment, conservation authorities had the sole authority.
- MZOs are being used to fast track development and bypass normal planning processes that ensure sufficient due diligence through studies and public consultation. From March 2019 to March 2021, 44 MZOs were issued. Prior to this, MZOs were issued about once a year.
- There is no formal process that interested parties are required to follow to request an MZO, and there are no established criteria against which the Minister assesses requests for MZOs. Seventeen of the 44 MZOs were issued to the same seven development companies or group of companies.
- MZOs have become even more powerful with recent legislative amendments. For example, in 2021, Bill 257 amended the Planning Act to provide that MZOs are not required and are deemed to never have been required to be consistent with the Provincial Policy Statement, which all land-use decisions are required to be consistent with."

The most recent MZO¹³ was issued by the Minister on 12 May 2023 in order to double Mississauga's Lakeview Village development, approved in 2021 for 8,050 residential units, to 16,000 units with unlimited heights and no consideration of infrastructure.

ONTARIO'S HOUSING SUPPLY

COMMENT 5: The new PPS and the background studies lack essential information on specific housing needs by types and locations for effective policy guidance.

Ontario's housing and household characteristics in 2021 were as follows:¹⁴

Population	14,223,942
Total private dwellings	<u>5,929,25</u> 0
 Total private dwellings occupied by usual residents 	5,491,201
Single-detached house	2,942,990
Semi-detached house	303,260
Row house	505,265
Apartment or flat in duplex	181,030
Apartment in a building that has fewer than five storeys	548,785
 Apartment in a building that has five or more storeys 	984,665
Other single-attached house	10,220
Movable dwelling	14,885
 Total private households by size 	5,491,201
1 Person	1,452,540
2 Persons	1,798,040
3 Persons	872,480
4 Persons	825,445
<u>5 or more Persons</u>	542,700
Average household size	2.6

¹³ https://www.ontario.ca/laws/regulation/r23091

¹⁴ https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/details/page.cfm?Lang=E&Search-Text=Ontario&DGUIDlist=2021A000235&GENDERlist=1,2,3&STATISTIClist=1&HEADERlist=0

Remarkably, 3,250,580 or 59% of the total households are 1- and 2-person households, while 2,942,990 or 54% of the total private dwellings are single-detached houses. This suggests that additional sprawl with settlement expansions to build more low-density subdivisions on agricultural land and requiring new highways may not be a high priority, as the PPS implies. No guidance has been provided on strategies to achieve affordable housing and the specific unit-types needed near the centres of large cities where housing prices are escalating much more rapidly than elsewhere in the Province.

COMMENT 6: The new PPS assumes housing needs identified by the Housing Affordability Task Force based on dubious statistics and no mandate on affordability.

After a hasty eight-week study over Christmas 2021 where sloganeering substituted for hard data and professional analysis, the Housing Affordability Task Force proclaimed:

"Today, Ontario is 1.2 million homes – rental or owned – short of the G7 average. With projected population growth, that huge gap is widening, and bridging it will take immediate, bold and purposeful effort. And to support population growth in the next decade, we will need one million more homes ... Shortages of supply in any market have a direct impact on affordability. Scarcity breeds price increases. Simply put, if we want more Ontarians to have housing, we need to build more housing in Ontario. Ontario must build 1.5 million homes over the next 10 years to address the supply shortage".

The Housing Affordability Task Force also offered no information on how to produce affordable housing since it had no mandate to study housing affordability:

"Ontario's Minister of Municipal Affairs and Housing tasked us with recommending ways to accelerate our progress in closing the housing supply gap to improve housing affordability ... Affordable housing (units provided at below-market rates with government support) was not part of our mandate ... We note that government-owned land was also outside our mandate."¹⁶

Dr. Brian Doucet, Canada Research Chair in Urban Change and Social Inclusion and Associate Professor in the School of Planning, University of Waterloo, points out some fundamental flaws in the statistical evidence underlying the Housing Affordability Task Force's recommendation and provided by Scotiabank:¹⁷

"The report outlines that 1.5 million new homes are needed over the coming decade. There are two issues with this. The first is whether all these homes are actually necessary to keep pace with growth. The report claims that Ontario is 1.2 million houses short of the G7 average. This is based on data showing that Canada has the lowest number of houses per 1,000 people of any G7 nation. But the number of dwellings per 1,000 people is not a very useful metric, particularly for comparisons between places, because people reside in households. If all 1,000 people live alone, then 1,000 dwellings are required. But if they all reside in households of five, then only 200 dwellings are required. Dividing those 1,000 people by the average household size of the jurisdiction where they live paints a very different picture about housing needs and can help to interpret differences in rates of housing supply between cities, provinces and countries. These differences in average household size mean those same 1,000 people require an average of 507 dwellings in Germany and 441 in Japan. In Canada, because of our larger average household size of 2.47 people, this figure is only 405.

It should also be noted that Ontario's average household size is significantly larger than the Canadian average — at 2.58 people per household, it is the second-highest in the country after Alberta. Between 2006 and 2016, the number of households in Ontario rose by 614,415. During that same 10-year span, there were 689,625 new occupied dwellings. Some of these replaced existing homes, but most condos, apartments and new developments constituted significant net gains. While we will need to wait for further data from

¹⁵ Report of the Ontario Housing Affordability Task Force, 08 February 2022

¹⁶ Report of the Ontario Housing Affordability Task Force, 08 February 2022

¹⁷ https://www.scotiabank.com/ca/en/about/economics/economics-publications/post.other-publications.housing.housing-note.housing-note--may-12-2021-.html

Statistics Canada on the actual number of households in 2021, Ontario's population grew by an average of 155,090 per year between 2016 and 2021. If the average household size remains similar, this is roughly 60,000 new households per year, well short of the 150,000 annual new dwellings the report calls for. It is also lower than the average of 79,085 housing starts per year between 2016 and 2021.⁷¹⁸

Data does also not support the popular narrative propagated by the Housing Affordability Task Force that lack of supply is the cause of the affordability crisis, as noted by Dr. George Fallis, Professor emeritus of Economics and Urban Studies, York University:

"The task force had a very short timeline and could not do any original research. It accepted the dominant narrative that these huge price increases were because Ontario has not built enough houses to accommodate its growing population. Lack of supply is the cause, and the solution is to build more houses. This analysis is consistent with our economic intuition: Demand is growing and prices are rising, so the explanation must be that supply is not keeping up. Unfortunately, the data does not support this narrative. The 2021 Census reported that from 2011 to 2021, Ontario's population grew by 10.7 per cent and the number of occupied dwellings grew by 12.5 per cent. The same has been true for the past 30 years. From the late 1960s to the early 1980s, dwellings grew much faster than population, but the fact remains that new construction is still outpacing population growth. Many of the new units are high-rise condos, whereas many buyers want ground-related units. The problem is not so much the number of units being built as the type of unit. Because the excess of new building over population growth has declined, it is true that an increase in supply would moderate the price increases. But the lack of supply is not the sole explanation of price increases. As cities grow, as in Ontario, the price of housing rises - even with no constraint on supply. This is because dwelling units nearer the centre become relatively more attractive as the city spreads out. This is why housing is more expensive in larger cities."¹⁹

COMMENT 7: The new PPS relies on housing needs identified by the Housing Affordability Task Force which missed the substantial housing supply inventory.

The Regional Planning Commissioners of Ontario (RPCO) – an organization formed by 21 of Ontario's largest cities, regions, and counties - note that most of the housing units, supposedly, needed by 2031 are already in the development pipeline:

"In year two of the Province's ten-year goal to build 1.5 million homes, the Regional Planning Commissioners of Ontario (RPCO) has undertaken a housing supply inventory, which already constitutes 85% of the Provincial 2032 goal. Some proposed units will require infrastructure, but these numbers are intended to provide an indication of the status of units already approved and in the formal approval process. Municipalities representing the remaining 30% of Ontario's population would also have approved and proposed housing unit inventories. If they were included, the approved and proposed supply of housing units in the development approval process could exceed the 1.5 million Provincial target. Collaboration with all stakeholders on the importance of building a mix of unit types to achieve better housing affordability for Ontarians is critical. Addressing supply alone will not fix the problem.

The housing supply inventory is summarized as follows, and is presented in housing units prior to Provincial Bill 23:

Development Ready (Registered and Draft Approved)	331,632
Under Application or Proposed	731,129
Ministerial Zoning Order	64,199
As-of-right units (proxy)	<u>150,000</u>
Total housing unit inventory now (year 2 of 10)	1,276,960
Provincial Target by end 2031 (year 10)	1,500,000" ²⁰

¹⁸ Brian Doucet, 'Ontario's 'affordable housing' task force report does not address the real problems', THE CONVERSATION, 10 February 2022

¹⁹ George Fallis, A shortage of homes isn't the main reason house prices keep rising, Globe and Mail, 14 March 2022

²⁰ Regional Planning Commissioners of Ontario, News Release:' Regional Planning Commissioners of Ontario issue inventory of Ontario's unbuilt housing supply', Windsor, 07 March 2023

The population projections underlying the 2020 *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*²¹ estimate the 2021 population at 10,246,000 and the 2031 population at 11,788,000. Given an average household size of 2.6, this projected population growth of 1,542,000 would require 593,077 new housing units for the Greater Holden Horseshoe. Are we to believe that an additional 1,000,000 housing units are required between 2021 and 2031 to accommodate the growth in Ontario's communities outside of the Greater Golden Horseshoe?

The Province's own population projections²² for all of Ontario show a population growth of about 2,000,000 from 15,000,000 in 2021 to 17,000,000 in 2031. Given Ontario's average household size of 2.6, this would require an additional 769,231 housing units – or about half of the 1.5 million figure underlying the Province's growth policies.



Chart 1: Ontario population, 1971 to 2046

Sources: Statistics Canada for 1971–2021, and Ontario Ministry of Finance projections.

COMMENT 8: The new PPS contains no policies on community and social housing and equates the housing affordability crisis with a housing supply crisis.

The changes to the planning framework are largely driven by the government's false assertion: "We inherited a confusing and broken housing development system that's impossible for people and home builders to navigate and this has led to a housing shortage and skyrocketing housing prices and rents We cannot fix the housing shortage on our own, but we can cut red tape to make it easier to build new housing for people to rent or own."²³

Toronto, for example, continues to have a serious housing affordability crisis despite a very robust development pipeline, as recently reported by Toronto' Chief Planner:

"In total, 717,327 residential units and 14,484,961 million square metres of non-residential gross floor area (GFA) were proposed by projects with development activity between January 1, 2017 and June 30, 2022. Of this, 103,638 residential units and 3,087,319 square metres of non-residential GFA have been built. There were 203,793 residential units approved but not yet built, and an additional 409,896 units in projects still under review. Similarly, there was 5,483,875 square metres of non-residential GFA approved and not yet built, and a further 5,913,767 square metres in projects under review. In total, there are

²¹ Hemson Consulting Ltd., Greater Golden Horseshoe: Growth Forecasts to 2051, Technical Report, Toronto, 26 August 2020

²² https://www.ontario.ca/page/ontario-population-projections

²³ Government of Ontario, Housing Supply Action Plan, 2019

613,689 residential units and 11,397,642 m2 of non-residential GFA in projects that are either under review or active, indicating a continuation of strong development activity in Toronto in the coming years. If all of these residential units were realized over time, they would increase the total number of dwellings in the city by over one half.²⁴

Ontario's average rental rates of purpose-built and condo rental apartments have risen over the last year alone by 17.1% (see chart below).²⁵ The new PPS, however, contains no policies designed to actually create <u>affordable</u> housing.

			Average Ren					% Change \	(/Y	
PROV.	TOTAL			28	38	TOTAL	0B		28	
AB	\$1,461	\$981	\$1,307	\$1,628	\$1,668	13.4%	0.6%	13.0%	14.8%	7.3%
BC	\$2,541	\$1,904	\$2,168	\$2,857	\$3,342	13.2%	8.4%	11.0%	13.0%	6.4%
мв	\$1,463	\$1,066	\$1,310	\$1,588	\$1,914	12.6%	13.8%	14.6%	12.5%	5.6%
NS	\$2,167	\$1,723	\$2,029	\$2,368	\$2,586	20.8%	14.1%	22.7%	21.0%	33.69
ON	\$2,401	\$1,802	\$2,180	\$2,649	\$2,954	17.1%	19.0%	16.9%	15.8%	13.69
QC	\$1,839	\$1,329	\$1,589	\$2,035	\$2,340	12.2%	2.8%	9.8%	9.9%	6.0%
SK	\$1,097	\$856	\$1,034	\$1,173	\$1,351	8.0%	13.3%	8.7%	7.7%	7.0%
CA	\$1,937	\$1,395	\$1,749	\$2,127	\$2,402	10.9%	4.9%	10.1%	10.7%	6.8%

According to the government, social and affordable housing have been developed in the province in the past, as follows:

"Social housing was developed through federal or provincial government programs from the 1950s through 1995. Over 250,000 households live in social housing. About 185,000 pay a geared-to-income rent and the rest pay a moderate market rent.

Affordable housing programs since 2002 have led to the construction of about 21,800 rental units with rents maintained at or below 80% of Average Market Rent for at least 20 years. These units were built in both the community and market sector "²⁶

OVERALL CONCLUSIONS

In conclusion, FoNTRA believes that the proposed Provincial Planning Statement (PPS) and the simultaneous repeal of the Growth Plan for the Golden Horseshoe should not proceed since these initiatives are not only harmful but also entirely unnecessary:

- 1. The Ministry does not have effective procedures and systems in place to ensure that land use planning in the Greater Golden Horseshoe is consistent with good land-use planning practices, and opportunities remain for land-use planning to be better integrated with planning processes for infrastructure and services, such as highways, transit, schools, and hospitals, according to the Auditor General of Ontario.
- 2. The assertion that the housing affordability crisis is the product of Ontario's land use planning and environmental protection framework, and municipalities slow to approve planning applications is objectively false, according to the Association of Municipalities Ontario (AMO).

²⁴ Toronto Chief Planner and Executive Director, City Planning, Development Pipeline 2022, 13 February 2022

²⁵ https://rentals.ca/national-rent-report

²⁶ https://www.ontario.ca/page/community-housing-renewal-strategy

- 3. Data does not support the popular narrative that a lack of supply is the cause of the affordability crisis, and the solution is to build more houses, according to Professor Fallis of York University.
- 4. The housing supply inventory contains currently in year 2 of the province's 10-year horizon 1,276,960 units in 21 municipalities that represent 70% of the province's population, according to the Regional Planning Commissioners of Ontario (RPCO).
- 5. No valid statistical analysis supporting the call for 1.5 million new housing units by 2031 has been made public, according to Professor Doucet of the University of Waterloo.
- 6. Recent changes to the statutory planning framework limit meaningful public engagement, impede protections for the environment, and negatively impact coordination of infrastructure and growth planning across regions, according to the Ontario Professional Planners Institute.
- The new PPS eliminates density targets and removes restrictions on the expansion of municipal settlement boundaries, effectively, encouraging low-density sprawl on natural and agricultural land with car-reliant subdivisions – all moves directly counterproductive to intelligent climate change adaptation.
- 8. The exclusive focus on housing supply anywhere overlooks the basic requirement of the *Planning Act* that the Minister, in exercising his or her authority, shall have regard to all 20 provincial interests listed in the legislation, not just *"the adequate provision of a full range of housing, including affordable housing."*

FoNTRA, respectfully, urges the government to withdraw the proposed Provincial Planning Statement and to maintain the Growth Plan for the Greater Golden Horseshoe.

Sincerely yours,

Federation of North Toronto Residents' Associations

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The Federation of North Toronto Residents' Associations (FoNTRA) is a non-profit, volunteer organization comprised of more than 30 member organizations. Its members, all residents' associations, include at least 170,000 Toronto residents within their boundaries. The residents' associations that make up FoNTRA believe that Ontario and Toronto can and should achieve better development. Its central issue is not *whether* Toronto will grow, but *how*. FoNTRA believes that sustainable urban regions are characterized by environmental balance, fiscal viability, infrastructure investment and social renewal.