

October 16, 2023

Minister of Municipal Affairs and Housing Paul Calandra

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Via email: minister.mah@ontario.ca and housingsupply@ontario.ca

CC: Members of Provincial Parliament

Subject: Responding to the Housing Affordability Task Force's Recommendations

Minister of Municipal Affairs and Housing Paul Calandra:

Thank you for welcoming feedback on the Housing Affordability Task Force's [recommendations](#) in your [letter of September 15, 2023](#). We hope you will soon extend the invitation to comment to the broader community and, in particular, First Nations.

We appreciate your noting the high level of housing starts province-wide which we hope you interpret as evidence of our appreciating the need to align housing supply with the population¹. Within the scope of ensuring adequate housing supply, we flag the following three urgent needs: 1) protecting our existing housing from loss due to flooding, fire and other disasters², 2) ensuring that municipalities are properly funded to provide the required infrastructure to support development³, and 3) permitting municipalities more flexibility in taxing under-developed lands⁴.

As many experts inform us that focusing on supply without considering affordability will not fix our housing crisis⁵, we implore you to broaden your focus:

- 1) Define key terms, and in particular "affordable housing" as a percentage of household income;
- 2) Set and track targets for the creation of affordable and supportive housing units; 3) Provide government funding for co-operative, social and supportive housing⁶; 4) Decouple the price of land from up-zoning⁷;
- 5) Protect the affordable tenure of residential tenancies by
 - a) subjecting all rentals to the Rent Increase Guideline and aligning the Rent Increase Guideline limit with the rate of inflation⁸;
 - b) restricting the kinds of capital expenditures eligible for above-guideline rent increases⁹;
 - c) respecting municipalities' rental replacement legislation¹⁰; and
 - d) providing prompt legal remedy, where needed¹¹; and
- 6) Permit Inclusionary Zoning to be an effective tool¹² by
 - a) eliminating provincial limits on location, set aside rates and maximum tenure, and b) allowing municipalities to enact Inclusionary Zoning legislation that meets or exceeds any minimum provincial requirements.

Finally, please respect the roles identified by the Auditor General in her [August 2023 report](#): *"In Ontario, normal land-use planning processes involve policy direction at the provincial level and co-ordination between multiple ministries and municipal decision-makers. ... This is a multi-step process that involves budgeting, demographic studies, ... approval and adoption by*

town and regional councils as well as input from the locally affected public. The Ontario public is to be consulted via the Environmental Registry of Ontario before the Minister approves an Official Plan” (P. 23).

Any process that permits *the implementation* of provincial policy or zoning at a local level by any body (Minister, Facilitator, or “Strong Mayor”) beyond the responsible regions and municipalities may be seen as unlawful or undermining democracy. Such a process is, therefore, likely to be challenged, thus slowing, not hastening the change we need.¹³

Sincerely,

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David Lubell, Waterloo
Gail Schenk, Kitchener
Grand River Environmental Network
Hal Jaeger, Kitchener
Hamilton 350
Hélène Beaulieu, Waterloo
Jane Atos, Kitchener
Joan Faux, Paris
John Ryrie, Kitchener
Keep the Greenbelt Promise
Kevin Thomason, Sunfish
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Kim Madden, Hamilton
Kitchener-Waterloo Chapter, Council of
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Laura New, Kitchener
Marilyn Hay, Kitchener
Mary Jackes, Waterloo
Mike Marcolongo, Guelph
Peggy Nickels, Kitchener
Smart Growth Waterloo Region
Sheldon Atos, Kitchener
Steve Chalastra, Hamilton
Sue Savor, Kitchener
Yvonne Fernandes, Kitchener

We will send an updated version with endorsements received until October 27, 2023.

¹ An example from Kitchener (in Waterloo Region), prior to the introduction of Bill 23 in October 2022: Kitchener exempted development charges in its downtown for decades to spur development ([A multi-billion dollar development boom in Waterloo, Canada](#), Waterloo EDC, updated March 1, 2023). In April 2021, Kitchener eliminated exclusionary zoning and permitted garden suites/laneway houses.

In August 2022, [Waterloo Region adopted Official Plan Amendment 6](#), which aims at providing more housing than targeted in Bill 23. The [Waterloo Region Official Plan \(ROP\)](#) aims at accommodating an additional 323,000 people (Chapter 1, Page 1). Bill 23 directs Cambridge, Kitchener and Waterloo to aim at building [70,000 new housing units](#), which, at the Ontario average of [2.58 people per household](#), could theoretically accommodate 180,600 people. As today’s new units include a greater proportion of smaller apartments than the existing housing stock, the Bill 23 targets actually accommodate fewer people. The ROP also provides for significant opportunity for multiple-unit housing throughout the Region and particularly along transit routes (Section 3.A Housing, particularly pages 1-3). ² Conservation Authorities, which had managed this work previously, had their jurisdiction, finances and permission to share guidance on responsible development to municipalities stripped or curtailed under Bill 23. ³ Municipalities’ revenue from Development Charges and Parkland Dedication Fees was reduced under Bill 23. ⁴ The MPAC assessment system incentivizes holding properties in less developed states, whereas taxes based on permitted Floor Space Ratios encourage early development ([Property Taxes and the Timing of Urban Land Development](#), John Anderson, November 1986).

⁵ The experts include [Martine August](#), [Patrick Condon](#), [Brian Doucet](#), [Leilani Farha](#), [Federal Housing Advocate Marie Josée Houle](#), [Dawn Cassandra Parker](#), [Stephen Pomeroy](#), [Ricardo Tranjan](#), [Philip Zigman](#), [Advocacy Centre for Tenants Ontario](#), [ACORN \(Association of Community Organizations for Reform Now\)](#), [Canada Mortgage and Housing Corporation](#), [Canadian Centre for Housing Rights](#), [Co-operative Housing Federation of Canada](#), [Ontario Human Rights](#)

[Commission](#) and [Social Development Centre Waterloo Region](#).

⁶ [Prioritizing people over profit is the way forward on the housing crisis](#), Federal Housing Advocate Marie-Josée Houle, September 7, 2023.

⁷ [How controlling land prices could help solve the housing crisis](#), Patrick Condon, January 17, 2022 and [Letter to the Standing Committee for Bill 23](#), Dawn Cassandra Parker, November 10, 2022.

⁸ The Province exempted residential units created after November 15, 2018 from compliance with the Rent Increase Guideline. The Province also caps the Rent Increase Guideline at 2.5%, regardless of the rate of inflation. Subsequently, from October 2018-October 2022, average rents in Ontario increased by [8% beyond inflation](#) and landlords subjected to the Rent Increase Guideline experienced an [8% loss of revenue relative to inflation](#). Tenants not protected by the Rent Increase Guideline have received [annual rent increases of 25%](#).

⁹ [Above Guideline Rent Increases in the Age of Financialization](#), Philip Zigman & Martine August, February 2021.

¹⁰ Bill 23 permits the Minister to “make regulations imposing limits and conditions on the powers of a local municipality to prohibit and regulate the demolition and conversion of residential rental properties”. As the regulations have not been released, municipalities may be hesitant to proceed. See also recommendations from ACORN in [submission of May 19, 2023](#).

¹¹ [Administrative Justice Delayed, Fairness Denied](#), Ombudsman of Ontario Paul Dubé, May 2023.

¹² See recommendations in [Inclusionary Zoning: Best Practice](#), Sean Meagher, 2019.

¹³ For example, the Regions of Halton, Hamilton, Ottawa and Waterloo followed provincial legislation and policy, engaged their communities, and heeded expert advice about the [publicly-borne and environmental costs](#) and [unaffordability](#) of low-density greenfield development before establishing their 2022 ROP amendments. The Ministry of Municipal Affairs and Housing [threatened](#) and ultimately overrode the ROP decisions, ordering (further) urban boundary expansions. The Ministry’s decision in Hamilton is being challenged via the courts. The [Auditor General](#) and [Integrity Commissioner](#) critiqued the Greenbelt land removals, and [the compulsory boundary expansions are being challenged. The RCMP has launched an investigation](#) and the [Auditor General is now reviewing the government’s Ministerial Zoning Orders](#).