

Subject: City of Ottawa's Response to the Ontario Housing Affordability Task Force Report Recommendations

File Number: ACS2022-PIE-EDP-0008

**Report to Planning Committee on 10 March 2022
and Council 30 March 2022**

**Submitted on February 28, 2022 by Stephen Willis, General Manager, Planning,
Real Estate and Economic Development Department**

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Ward: Citywide

**Objet : Réponse de la Ville d'Ottawa aux recommandations du rapport du
Groupe d'étude sur le logement abordable de l'Ontario**

Dossier : ACS2022-PIE-EDP-0008

Rapport au Comité de l'urbanisme

le 10 mars 2022

et au Conseil le 30 mars 2022

**Soumis le 28 février 2022 par Stephen Willis, Directeur général de la planification,
des biens immobiliers et du développement économique**

**Personne ressource : Meagan Brodie, Agent de rédaction et d'interprétation des
règlements municipaux**

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATIONS

That the Planning Committee recommend Council approve the following:

- 1. Receive this report and approve the City's response to the fifty-five Ontario Housing Affordability Task Force recommendations as shown in Document 1;**
- 2. Direct the General Manager, Planning, Real Estate and Economic Development to submit the City's response to the Ministry of Municipal Affairs and Housing; and**
- 3. Request that Mayor Watson or his delegate, on behalf of Council, make representations as needed to the Minister of Municipal Affairs and Housing detailing the City's position.**

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'urbanisme recommande au Conseil d'approuver ce qui suit :

- 1. Prendre connaissance du présent rapport et approuver la réponse de la Ville aux 55 recommandations du Groupe d'étude sur le logement abordable de l'Ontario, comme l'indique le document 1;**
- 2. Enjoindre au directeur général de Planification, Immobilier et Développement économique de soumettre la réponse de la Ville au ministère des Affaires municipales et du Logement; et**
- 3. Demander au maire Jim Watson ou à son représentant, au nom du Conseil municipal, de communiquer ses observations au ministre des Affaires municipales et du Logement, au besoin, pour expliquer la position de la Ville.**

EXECUTIVE SUMMARY

The Ontario Housing Affordability Task Force was appointed by the province to help the government identify and implement real solutions to quickly increase the supply of market housing in Ontario. On February 8, 2022, the Task Force published a report containing 55 recommendations directed at all levels of government. It is expected that the province will explore implementing many of these recommendations through legislative and policy changes in the near future.

City staff have reviewed the recommendations and agree that bold action from all levels of government, including the City of Ottawa, is required to address the housing supply crisis in Ontario. The primary provincial recommendation sets a target of 1.5 million new homes constructed in Ontario in the next 10 years. To achieve this, the recommendations focus on making more land available for construction, cutting red tape in the planning approvals process, reducing costs to build, buy and rent, and incentivizing greater densities.

Significant changes to zoning, planning approvals, development charges, heritage matters, and planning appeals are among the recommendations. For example, the Task Force proposes introducing Province-wide zoning standards and a new development charge exemption for units planned to be affordable for at least 40 years.

This report outlines staff's position on each of the recommendations and recommends that they be shared with the Ministry of Municipal Affairs and Housing for their consideration. Given the considerable impact that these recommendations, if implemented, would have on the City's budget and operations, it is also recommended that the Mayor or his designate make representations to the Minister of Municipal Affairs and Housing as required to advance the City's position.

RÉSUMÉ

Le Groupe d'étude sur le logement abordable de l'Ontario a été créé par la province pour aider le gouvernement à trouver et à mettre en place de véritables solutions pour accroître rapidement le nombre de logements en Ontario. Le 8 février 2022, le Groupe d'étude publiait un rapport contenant 55 recommandations destinées à tous les paliers de gouvernement. On s'attend à ce que la province envisage la possibilité de suivre, dans un futur proche, bon nombre de ces recommandations par le biais de changements législatifs et politiques.

Le personnel de la Ville a examiné ces recommandations. Il est d'avis que des mesures décisives sont nécessaires de la part de tous les paliers de gouvernement, y compris la Ville d'Ottawa, pour surmonter la crise du logement observée en Ontario. La principale recommandation consiste à fixer un objectif d'un million et demi de nouveaux logements construits en Ontario dans les dix années à venir. Pour y parvenir, les recommandations consistent essentiellement à mettre à disposition un plus grand nombre de terrains constructibles, à réduire les formalités administratives dans le processus d'approbation des demandes d'aménagement, à réduire les coûts de construction, d'achat et de location, et à encourager des densités plus élevées.

D'importants changements apportés au zonage, aux approbations d'aménagement, aux redevances d'aménagement, aux considérations patrimoniales et aux appels en aménagement sont autant de facteurs évoqués dans les recommandations. À titre d'exemple, le Groupe d'étude propose l'application de normes de zonage à l'échelle provinciale et d'une nouvelle dispense de redevances d'exploitation pour les logements à vocation abordable pour au moins 40 ans.

Le présent rapport décrit la position proposée par le personnel pour chacune des recommandations et recommande qu'elle soit soumise à l'examen du ministère des Affaires municipales et du Logement. Compte tenu de l'incidence considérable que ces recommandations, si elles étaient suivies, auraient sur le budget et les opérations de la Ville, il est également recommandé que le maire ou son représentant fasse au besoin des représentations au ministre des Affaires municipales et du Logement, pour faire valoir la position de la Ville.

BACKGROUND

The Ontario Housing Affordability Task Force was appointed in December 2021 and formed part of the Province's ongoing three-part consultation with industry, municipalities and the public to help the government identify and implement real solutions to address the housing supply crisis. The Task Force was comprised of industry professionals representing not-for-profit housing, Indigenous housing, real estate, development, financial markets, and economic sectors.

The mandate of the Task Force was to explore measures to address housing affordability by:

- Increasing the supply of market rate rental and ownership housing;
- Building housing supply in complete communities;
- Reducing red tape and accelerating timelines;
- Encouraging innovation and digital modernization, such as in planning processes;
- Supporting economic recovery and job creation; and
- Balancing housing needs with protecting the environment.

The final Report was published on February 8, 2021 (the "Report") and includes 55 recommendations directed at all levels of government to address housing supply.

Specifically, it calls on the Province to set a target to build 1.5 million new homes in the next 10 years. The Report notes, “It is now clear that we do not have enough homes to meet the needs of Ontarians today, and we are not building enough to meet the needs of our growing population.”

DISCUSSION

The Task Force consulted over 140 organizations and individuals, including industry associations, labour unions, social justice advocates, elected officials at the municipal level, academics and research groups, and municipal planners. The Report notes that all sectors are united on the primary message: more supply is key.

The recommendations in the Report centre around the following themes:

1. Focus on getting more homes built;
2. Making land available to build;
3. Cut the red tape so we can build faster and reduce costs;
4. Reduce the costs to build, buy and rent;
5. Support and incentivize scaling up housing supply.

The recommendations cover all steps of the development process, from planning approvals and appeals to construction. The Report does not, however, discuss other market realities that impact the supply of shovel-ready affordable land, such as low interest rates, foreign ownership, carrying costs, product shortages and blind bidding and speculation. With respect to rental housing, the Report is also silent on reforms of the Landlord and Tenant Board and monitoring the long-term impacts of concentrated rental ownership (i.e. REITs).

The Report’s primary limitation is that it does not address the need for or the mechanisms to support affordable housing – that is, housing units provided at below-market rates, usually with government support. It is critically important to address the broader housing needs of Ottawa residents who live on low incomes and struggle to find and maintain affordable housing, placing them at risk of housing loss and/or homelessness. Access to suitable, adequate and affordable housing is foundational, a key social determinant of health and wellness, allowing people to fully participate in the economic, social and cultural life of the City.

The City's wait list for rent geared to income housing is increasing annually and homelessness is on the rise. High rents in the private market, loss of affordable housing stock through lack of supply, demolition/renovation, gentrification, and other provincial policies (e.g. removal of rent control) have contributed to a growing housing crisis.

The Report notes, and the City agrees, that non-profit housing providers face many of the same barriers to development as their for-profit counterparts; however, the report does not meaningfully account for other legislative tools like inclusionary zoning, inter-jurisdictional partnerships, or public-private partnerships that could also support affordable housing development.

The City of Ottawa is actively working to implement Inclusionary Zoning, a new planning tool that will require certain categories of new development to include affordable units. With several other Ontario municipalities also looking to implement Inclusionary Zoning, the Province should consider complementary forms of support.

Collaboration with other levels of government, such as tax incentives or home ownership savings plans, could further incentivize affordable housing development or better utilize existing services. Further, public-private partnerships that incorporate a reasonable return on investment could create new opportunities for affordable housing development. This could include building on surplus municipal land, building on lands purchased by municipalities and community land trusts.

However, effectively addressing the housing needs of people living on very low incomes in the city also requires increased, predictable and long-term funding from all levels of government through capital grants that provide the needed depth of affordability for residents over the long term. Increased funding in flexible and portable housing subsidies to take advantage of the existing market rental housing stock, and incentives for non-profit developers (e.g. access to land, waivers and/or reductions in development charges, property tax reductions/exemptions, etc.) would also be beneficial. Funding must also be available to provide needed support services to create healthy, mixed income, sustainable communities.

Overview of the City's Position

The Task Force Report details an affordable housing crisis that exists across the province, including Ottawa. It points to inefficiencies in the land development process, from planning application to construction, that contribute to the crisis. Planning approval at the municipal level is only one factor in housing affordability, balanced within other larger market and legislative forces.

Ottawa's New Official Plan signals that Ottawa is well positioned to address many of the issues raised in the Report to create a more supportive environment for multi-unit housing. Further, by addressing these issues through our Official Plan process, the City has properly considered local conditions and contexts. For example, the New Official Plan already supports greater building heights and densities where appropriate, such as around hubs and major transit station areas.

The City, through a culture of continuous improvement, strives to have an efficient and value-added planning process. Staff continually work to guide simpler development applications more efficiently through the system, details of which will be provided in the annual Delegated Authority Report. For some larger or more complex development applications, the planning process adds considerable value: it takes the time to resolve important issues such as land use compatibility, tree preservation, site servicing, drainage and quality urban design, while fostering trust between industry, the public and the City. The City does not support recommendations in the Report that would rush development applications or create efficiencies at the expense of meaningful engagement.

Conservation of heritage resources is considered a matter of provincial interest and is required by the Provincial Policy Statement: The City does not agree with the recommended changes to the *Ontario Heritage Act*. The focus on heritage conservation as a barrier to the creation of new housing is given significant weight in the Report, yet the approximately 10,000 designated and listed properties in the City of Ottawa represent a fraction of all properties in the city. In addition, Bill 108, the *More Homes More Choice Act 2019*, introduced significant changes to the *Ontario Heritage Act* ("OHA"), such as the ability of a property owner to object to a Heritage Register Listing and new appeal rights for individual property designations under Part IV of the OHA, which only came into force on July 1, 2021 and addresses some of the issues in the Report. The province should wait to see how Bill 108 affects heritage planning before imposing new changes.

The Report acknowledges that part of the cost of development lies in Development Charges and Parkland Dedication/Cash-in-Lieu fees. The recommendation in the Report to exempt more categories of development from these fees could have significant adverse impacts on the City's finances. For this reason, staff have included alternative proposals.

Other recommendations related to improvements to the Building Code, for example clarifying the role of each required approval, and addressing the financial system's

impact on housing (e.g. surety bonds versus letters of credit) are worthy of further discussion with municipalities and industry experts.

The City appreciates the Task Force's ambitious approach to increase housing supply in Ontario, however, do not agree with those recommendations that completely remove local context considerations or create meaningful barriers to participation in the development approvals process. Lastly, the City believes that the Province could do more to communicate the benefits of intensification throughout Ontario.

The City's detailed position on all 55 of the Task Force's recommendations can be found in Document 1.

Heritage

Staff does not support the recommended changes to the *Ontario Heritage Act*, discussed more fully in Document 1 under recommendations 16 and 17.

RURAL IMPLICATIONS

There are no rural implications from this Report.

CONSULTATION

No public consultation took place for this Report.

COMMENTS BY THE WARD COUNCILLORS

This is a city-wide report – not applicable.

LEGAL IMPLICATIONS

There are no legal impediments to the submission by the City of comments in response to the Housing Affordability Task Force report. Should legislation be introduced following this report, there will likely be the opportunity to submit further comments.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications.

FINANCIAL IMPLICATIONS

There are no financial implications from the report recommendations. Financial impacts are subject to the final implemented recommendations which will be quantified and communicated back to Committee and Council as part of an updated task force report or during the annual budget process.

ACCESSIBILITY IMPACTS

There are no accessibility impacts.

TERM OF COUNCIL PRIORITIES

If implemented, the subject recommendations would have implications on the following Term of Council Priorities:

- Thriving Communities

SUPPORTING DOCUMENTATION

Document 1 Detailed Comments on the Ontario Housing Affordability Task Force's 55 Recommendations

DISPOSITION

The General Manager, Planning, Real Estate and Economic Development Department will make submissions to the Minister of Municipal Affairs and Housing in writing detailing the City's position on the Ontario Housing Affordability Task Force's recommendations.

Document 1 – Detailed Comments on the Ontario Housing Affordability Task Force’s 55 Recommendations

Task Force Recommendation	Comments	Recommended City Position
<i>Focus on getting more homes built</i>		
1. Set a goal of building 1.5 million new homes in ten years.	This is an incredibly ambitious goal. Local concerns are based on the capacity of the construction sector to ramp up production.	The City has no position on this.
2. Amend the <i>Planning Act</i> , Provincial Policy Statement (PPS) and Growth Plans to set “growth in the full spectrum of housing supply” and “intensification within existing built-up areas” of municipalities as the most important residential housing priorities in the mandate and purpose	Provincial Policy Statement 2020 already contains policies on housing supply, range of unit types, and accommodating residential growth in Section 1.4. These policies are frequently relied on when dealing with intensification. Stronger language elsewhere in the Provincial Policy Statement that reinforces these objectives or gives them priority would be welcome.	The City has no concerns since we feel this is not meaningfully different than the existing Provincial Policy Statement.
3. Limit exclusionary zoning in municipalities through binding provincial action: <ol style="list-style-type: none"> allow as of right residential housing up to four units and up to four storeys on a single residential lot; Modernize the Building Code and other policies to 	The New Official Plan sets ambitious targets for intensification in Tables 3a (“Hubs, Mainstreets and Protected Major Transit Station Area (PMTSA) Density and Large Dwelling Requirements”) and 3b (“Neighbourhood and Minor Corridor Residential Density and Large Dwelling Targets”). These targets,	The City supports the intent of the proposal and has taken up this challenge in adopting our new Official Plan. The City does not see the need for the province to impose a solution on municipalities, but further clarity in direction and the Provincial Policy Statement would be appropriate.

	<p>remove any barriers to affordable construction and to ensure meaningful implementation (e.g., allow single-staircase construction for up to four storeys, allow single egress, etc.).</p>	<p>together with Policy 3.1 (Support Intensification) will make exclusionary zoning difficult to support going forward. The New Official Plan also includes policies that support a shift to form-based zoning and a mixture of typologies (Section 4.2.1), as well as policies to protect the existing rental housing supply (Section 4.2.3). Taken together, the New Official Plan supports multi-unit forms in all residential areas.</p>	<p>The City has no concerns with new options for housing construction being introduced into the Building Code.</p>
<p>4. Permit as of right conversion of underutilized or redundant commercial properties to residential or mixed residential and commercial use.</p>	<p>The City already designates many commercial areas as mixed use. Where this has not been done, there is usually a land use compatibility concern with adjacent land uses.</p>	<p>The City has no concerns with this proposal, provided there are appropriate checks and balances to address land use compatibility between sensitive land uses and industrial uses that may be adjacent.</p>	
<p>5. Permit as of right secondary suites, garden suites, and laneway houses province-wide</p>	<p>The City already has broad permissions that match this recommendation. In accordance with Section 16(3) of the <i>Planning Act</i>, secondary dwelling units and coach houses are listed as Generally Permitted Uses in Section 3.1 of the existing Official Plan. Sections 133 (Secondary Dwelling Units) and 142 (Coach</p>	<p>The City has no concerns with this recommendation.</p>	

	<p>Houses) of Zoning By-law 2008-250 implement this policy.</p> <p>The New Official Plan carries over this permission in Policies 4.2.1 (Enabling greater flexibility and an adequate supply and diversity of housing options throughout the City).</p>	
6. Permit as of right multi-tenant housing (renting rooms within a dwelling) provide-wide.	<p>The City already has broad permissions that match this recommendation. "Rooming Units" are broadly permitted in the Zoning By-law.</p> <p>The New Official Plan Policy 4.2.3 (Protect Existing Rental Housing Stock and Support the Production of more Rental Units) prohibits amendments that would result in a net loss of rooming units in a particular area.</p>	<p>The City supports the intent of this recommendation, but there needs to be checks and balances to prevent excessive numbers of units in buildings without the proper amenities and municipalities still need some zoning controls.</p>
7. Encourage and incentivize municipalities to increase density in areas with excess school capacity to benefit families with children.		<p>The City has no concerns with this recommendation.</p>
<i>Align investments in roads and transit with growth</i>		
8. Allow as of right zoning up to unlimited height and unlimited density in the immediate proximity of individual major transit stations within two years if	<p>The New Official Plan designates 26 Protected Major Transit Station Areas and includes density targets for people, jobs and units per hectare. The height direction in</p>	<p>The City supports direction for more height at transit stations but the ultimate decision should be made locally.</p>

	<p>municipal zoning remains insufficient to meet provincial density targets.</p>	<p>the Official Plan for these areas vary based on local context. Further, building heights in the downtown core and inner urban Protected Major Transit Station Areas must still respect central views of Parliament.</p>	
<p>9. Allow as of right zoning six to 11 storeys with no minimum parking requirements on any streets utilized by public transit (including streets on bus and streetcar routes).</p>	<p>The wording “any streets utilized by public transit” in the recommendation is very broad and could include many neighbourhood streets utilized by individual bus routes where six to 11 storeys is not appropriate. The New Official Plan generally allows taller buildings and greater density near “frequent” street transit.</p> <p>Otherwise, this language most aligns with the City’s minor corridor, mainstreet, and hub designations. The New Official Plan Table 7 (“Minimum and Maximum Height Overview Based on Official Plan Policy”) generally sets a maximum height of four storeys for Minor Corridors across the City, while Mainstreets allow for heights up to 40 storeys depending on local context. Hubs have the greatest height permissions across the City, with a maximum of 40 storeys everywhere except the</p>	<p>The City believes this should be a local decision by Councils and not provincially-imposed. However, stronger language in the Provincial Policy Statement supporting more height in areas well served by transit is reasonable.</p>	

	Downtown Core, where even greater heights are permitted.	
10. Designate or rezone as mixed commercial and residential use all land along transit corridors and redesignate all Residential Apartment to mixed commercial and residential zoning in Toronto.	This does not apply to Ottawa.	The City has no comment.
11. Support responsible housing growth on undeveloped land, including outside existing municipal boundaries, by building necessary infrastructure to support higher density housing and complete communities and applying the recommendations of this report to all undeveloped land.	The City is not clear what this recommendation means.	The City does not agree with changes to the existing growth management regime in the Provincial Policy Statement.
<i>Start saying “yes in my backyard”</i>		
12. Create a more permissive land use, planning, and approvals system: <ul style="list-style-type: none"> a. Repeal or override municipal policies, zoning or plans that prioritize the preservation of physical character of neighbourhood 	The City appreciates the issues that come with trying to define and preserve “character” in individual neighbourhoods, but suggests that a more balanced approach is required. The City has introduced several zoning tools, such as the Streetscape Character Analysis and the Mature Neighbourhoods Overlay, to ensure that new	The City does not agree with a complete override of these tools. Rather, the focus should be on removing barriers to modest intensification while retaining qualities people value such as room for trees, attractive streetscapes, and compatible building forms.

	<p>development of any size is compatible with the surrounding neighbourhood context.</p> <p>It is not clear whether this recommendation would repeal or override Heritage Conservation District Plans. The conservation of heritage resources is vital to creating sustainable, vibrant, livable communities. There are 21 Heritage Conservation Districts designated under Part V of the <i>Ontario Heritage Act</i> in Ottawa, most of which have Heritage Conservation District Plans or other guideline documents that recognize the cultural heritage value and attributes of these areas as well as provide guidance for alterations and new construction. These documents do not prioritize neighbourhood character over new housing and are aligned with growth direction in Secondary Plans and the Official Plan. These plans contemplate growth and change in the Heritage Conservation District such as additions, new construction and infill, and are not concerned with use or number of units. They provide a roadmap for the creation of new housing that also recognizes the unique sense of place that</p>	Individual municipalities are in the best position to identify which of their tools are working and which are being used as barriers to intensification. The City believes that intensification can be achieved while preserving character.
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	<p>makes these neighbourhoods special. It is unclear whether this recommendation would also extend to repealing designation by-laws under the <i>Ontario Heritage Act</i>.</p>	
b. Exempt from site plan approval and public consultation all projects 10 units or less that conform to the Official Plan and require only minor variances.	<p>The City's Site Plan Control By-law 2014-256 exempts certain forms of residential development from needing Site Plan Approval, including developments with up to 6 units where conditions are met. For larger infill, Site Plan Approval provides the opportunity to address matters such as drainage, exterior materials, landscaping, parking and waste management.</p> <p>The City does deal with routine complaints about drainage impacts from infill development and needs a tool to manage this issue.</p>	<p>The City has no objection to this proposal provided that the City is given some other regulatory tool to manage urban drainage issues.</p>
c. Establish province-wide zoning standards, or prohibitions, for minimum lot sizes, maximum building setbacks, minimum heights, angular planes, shadow rules, front doors, building depth, landscaping, floor space index and heritage view cones, and planes; restore	<p>Most zoning standards are context-specific, best left to be determined, amended, and enforced by each municipality. Several of the standards listed, such as allowing up to 4 storeys on any residential lot, could directly impact the compatibility, sustainability and livability of new infill and greenfield housing, and their</p>	<p>Staff have concerns regarding the recommendation for province-wide zoning standards, as this approach does not allow for context-specific regulations that are tied to the City's Official Plan. Staff could support Provincial requirements that preserve local discretion while placing restrictions on the ability of by-</p>

<p>pre-2006 site plan exclusions (colour, texture, and type of materials, window details, etc.) to the <i>Planning Act</i> and reduce or eliminate minimum parking requirements;</p>	<p>standardization may erode relationships between new and existing residents, developers, and the City. Most standards are better addressed at the neighbourhood scale, accounting for local context and area-specific planning goals identified in the Official Plan. For example, Ottawa has established considerations related to views of Parliament in the Central Area which need to be considered when determining appropriate built form.</p> <p>However, Provincial guidance on certain zoning standards that preserves local contextual flexibility while limiting the passage of zoning rules that have the effect of restricting housing choice and opportunity could provide a helpful base of support for local zoning efforts to increase housing supply, density and diversity within neighbourhoods.</p>	<p>laws to unreasonably limit density and diversity of housing supply, as well as the removal of minimum parking requirements for certain classes of development. The City would welcome the opportunity to work with the province on a mutually-agreeable framework.</p> <p>Staff also have concerns with restoring pre-2006 site plan exclusions, as having an opportunity to comment on building design and quality has direct benefits for the public realm and city image.</p>
<p>d. Remove any floorplate restrictions to allow larger, more efficient high-density towers.</p>	<p>Urban Design Guidelines for High-Rise Buildings approved by Council in May 2018 provide non-binding direction for achieving appropriate high-rise development, including floor plate size. The Guidelines are applied contextually during the</p>	<p>The City supports more discussion Province-wide about appropriate flexibility in design but does not support outright prohibition on using this tool.</p>

	<p>review of development applications to ensure that new high-rise buildings are compatible with the surrounding context, create attractive public spaces by contributing to the skyline, respond to the physical environment and microclimate, and offer long term livability for residents through reasonable provision of natural light, fresh air, and views. Removing floor plate restrictions entirely could result in high-rise development that does not meet these objectives. The City's New Official Plan supports high-rise development with small floor plates but also provides opportunities and clarifies conditions when larger floor plates could be appropriate, such as when there are increased separation distances between high-rise towers. Removing floor plate restrictions entirely could adversely impact the quality of life for all, limiting the overall development potential in a community while maximizing the potential on one lot.</p>	
13. Limit municipalities from requesting or hosting additional public meetings beyond those that are	The City acknowledges that public meetings can add more time to a process, but they are	Rather than eliminate these meetings, the City suggests the Province consider giving appeal rights if the request is unreasonable. The City

required under the <i>Planning Act</i> .	often required to address valid issues.	continues to see the value in public consultation.
14. Require that public consultations provide digital participation options		The City supports this proposal.
15. Require mandatory delegation of site plan approvals and minor variances to staff or pre-approved qualified third-party technical consultants through a simplified review and approval process, without the ability to withdraw Council's delegation	City Staff already have delegated authority to approve or refuse site plan control under certain circumstances (i.e. Councillor approval). However, there is value to more complex or controversial applications being heard by Council. Further, it is not clear whether a different third-party approval body for minor variances would introduce efficiencies.	The City supports delegated authority but does not support that it be mandatory.
16. Prevent abuse of the heritage preservation and designation process by...	The City does not believe that there is "abuse of the heritage preservation and designation process" in Ottawa, and the report does not provide clear evidence of widespread abuses that are impacting the provision of housing in Ontario. Since the City of Ottawa began listing properties under Section 27 of the <i>Ontario Heritage Act</i> in 2014, 39 notices of demolition have been received and none of these buildings have been designated. In its new Official Plan, the City has provided policy that explicitly states that	

	<p>heritage conservation is not intended to discourage intensification or limit housing choice. Further, recent Heritage Conservation District Plans include language that acknowledges that HCDs are intended to change and that new development will and should occur. The Heritage Conservation District Plans' policies and guidelines are intended to guide change in these districts, not stop change.</p>	
<p>a. Prohibiting the use of bulk listing on municipal heritage registers;</p>	<p>It is unclear what is meant by bulk listing, this term does not appear in the <i>Ontario Heritage Act</i> or Ontario Heritage Toolkit, what would the limit be on listing at one time? The amendments to the OHA that were proclaimed into force in July 2021 through Bill 108 have created a more rigorous system for listing non-designated properties on the Heritage Register including requirements for a statement explaining why the municipality believes the property to be of cultural heritage value or interest and the ability for property owners to object to listings.</p> <p>A robust heritage register, often developed through multiple listings, creates more certainty</p>	<p>The City does not agree with this recommendation. Municipalities are still adjusting to recent changes to the <i>Ontario Heritage Act</i> which the City believes are sufficient to address the concern.</p>

	<p>for property owners and limits the number of reactive designations undertaken in the municipality. It ensures that heritage planning staff are involved in the planning process at the earliest possible stage to identify any heritage issues before a planning application is submitted.</p>	
<p>b. Prohibiting reactive heritage designations after a <i>Planning Act</i> development application has been filed.</p>	<p>The changes to the <i>Ontario Heritage Act</i> in 2021 have already addressed this issue by linking processes under the <i>Ontario Heritage Act</i> with the <i>Planning Act</i> through “prescribed events.” The City suggests allowing additional time to determine if this process is effective in achieving the goal set out in this recommendation.</p> <p>Timelines under the <i>Ontario Heritage Act</i> have always been strict and subject to a deemed approval if a decision is not made in the required time period. The newly imposed timelines through recent changes to the <i>Act</i> reduce the potential delays a developer might face due to reactive designation. In addition, the City of Ottawa has a robust heritage register of property that may have cultural heritage value, this register ensures property</p>	<p>The City does not agree with this recommendation. Municipalities are still adjusting to recent changes to the <i>Ontario Heritage Act</i> which the City believes are sufficient to address the concern.</p>

	<p>owners are aware of the potential cultural heritage value of their property at the pre-consultation stage.</p>	
<p>17. Requiring municipalities to compensate property owners for loss of property values as a result of heritage designations, based on the principle of the best economic use of land.</p>	<p>This recommendation assumes that heritage designation results in a loss of property value and the Task Force report does not provide any evidence for this assertion.</p> <p>Section 1.7.1. e of the PPS states that “Long term economic prosperity should be supported by encouraging a sense of place, by promoting well-designed built form and cultural planning and by conserving features that help define character, including built heritage resources and cultural heritage landscapes.</p> <p>This recommendation does not recognize the benefits of heritage conservation that cannot be quantified by land value as outlined in the PPS.</p> <p>In general, research in Ontario and around the world illustrates that heritage designation does not result in a decrease in property values. Further, studies such as Hientzelman and Altieri (2013) that do suggest a reduction in property values related to heritage designation,</p>	<p>The City does not agree with this recommendation as it reduces the benefits of heritage designation to the potential economic value of the property and will significantly impact heritage conservation, a matter of provincial interest in Ontario.</p>

are based in the United States and presuppose that no alterations or intensification are possible on designated properties, conditions not reflective of the planning context in Ontario where heritage properties are frequent sites of development. Others, such as Gould-Ellen and McCabe (2017) group the costs associated with heritage conservation regulation alongside other, more common restrictions such as zoning by-laws, arguing for integrated processes which allow for the balancing of conservation costs and benefits within broader planning frameworks. This recommendation would reduce the ability of municipalities to make integrated decisions on heritage related development, prioritizing the interests of private property owners over the social, cultural and economic benefits that heritage conservation provides. A list of relevant sources is provided below.

There are myriad examples in Ottawa and Ontario of successful redevelopments that dramatically increase the density and property value on a site while conserving valuable heritage resources. For

example, the City of Ottawa has a Community Improvement Plan related to heritage conservation that provides data illustrating that the conservation of heritage resources and development are mutually beneficial. A recently approved example includes the retention of two heritage buildings and the construction of a new seven storey residential building resulting in 67 new residential units and an increase in property value before and after development of \$19,778,000.

Finally, it is unclear how compensation will be determined. Who will determine the “best economic use of land”? Will it be determined by direction in the Official Plan? How will disputes be resolved?

References

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Ellen, I., & McCabe, B. (2017). Balancing the Costs and

	<p>Benefits of Historic Preservation. In L. Fennell & B. Keys (Eds.), <i>Evidence and Innovation in Housing Law and Policy</i> (pp. 87-107). Cambridge: Cambridge University Press. doi:10.1017/CBO9781316691335.005</p> <p>Heintzelman, M. D., & Altieri, J. A. (2013). Historic preservation: Preserving value?. <i>The Journal of Real Estate Finance and Economics</i>, 46(3), 543-563.</p> <p>Rypkema, Donovan. <u>The Economics of Historic Preservation</u>. 2014</p> <p>Shipley, Robert. "Heritage Designation and Property Values: Is there an Effect?" <i>The International Journal of Heritage Studies</i>. Vol. 6 No. 1 2000</p> <p>Zahirovic-Herbert. V., Chatterjee. S., "Historic Preservation and Residential Property Values: Evidence from Quantile Regression" <i>Urban Studies</i>, Vol. 49 No. 2, 2012</p>	
18. Restore the right of developers to appeal Official Plans and Municipal Comprehensive Reviews	While preparing the New Official Plan, the City engaged in over 2.5 years of consultation with residents and stakeholders, completing 157 engagement activities. A variety of tools and tactics including Discussion	The City does not agree with this recommendation and it feels that the Minister already has appropriate powers to address reasonable concerns raised by landowners.

	<p>Papers, reports to Council, surveys, Open Houses, targeted stakeholder engagement, advertisements, and community outreach helped ensure that consultation was accessible and fulsome. The City is confident that its process gave everyone the opportunity to meaningfully engage. Reinstating the right to appeal is not necessary.</p>	
<i>Cut the red tape so we can build faster and reduce costs</i>		
19. Legislate timelines at each stage of the provincial and municipal review process, including site plan, minor variance, and provincial reviews, and deem an application approved if the legislated response time is exceeded.	<p>The current timelines are out of sync with the regulations requiring circulation and seeking public comment. This proposal is impossible to implement without more realistic timelines and significant resource enhancements by municipal governments. If implemented, this recommendation will force municipalities to issue many more refusals rather than take the time to resolve issues.</p>	The City does not agree with this recommendation.
20. Fund the creation of “approvals facilitators” with the authority to quickly resolve conflicts among municipal and/or provincial authorities and ensure timelines are met.		The City supports this recommendation.
21. Require a pre-consultation with all relevant parties at which the municipality sets	<p>The pre-application recommendations generally</p>	The City could support the proposal related to pre-consultation provided there

<p>out a binding list that defines what constitutes a complete application; confirms the number of consultations established in the previous recommendations; and clarifies that if a member of a regulated profession such as professional engineer has stamped an application, the municipality has no liability and no additional stamp is needed.</p>	<p>reflect the City's existing practices.</p> <p>Clarification of liability would be helpful and in the City's interest.</p>	<p>are reasonable exceptions to deal with new, unforeseen issues.</p> <p>The City supports clarification of liability.</p>
<p>22. Simplify planning legislation and policy documents</p>		<p>The City has no concerns with this recommendation.</p>
<p>23. Create a common, province-wide definition of plans of subdivision and standard set of conditions which clarify what may be included, require the use of standard province-wide legal agreements, and where feasible, plans of subdivision</p>		<p>In principle, the City supports exploring this approach.</p>
<p>24. Allow wood construction of up to 12 storeys.</p>		<p>The City supports exploring this through a Building Code review, provided the changes also address fire protection and life safety requirements.</p>
<p>25. Require municipalities to provide the option of pay</p>	<p>The City is already in discussions with Greater Ottawa</p>	<p>The City does not oppose this recommendation, but the City</p>

on demand surety bonds and letters of credit.	Home Builder's Association about a pilot project to try pay-on-demand surety bonds on a small number of development applications involving developers the City has a good track record with, and on projects that are not complex. Staff will provide a memo to Planning Committee on this pilot project once negotiations have progressed further.	would need some protection to ensure bondholders act reasonably to provide municipal access to funds if there are issues.
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Prevent abuse of the appeal process

26. Require appellants to promptly seek permission ("leave to appeal") of the Tribunal and demonstrate that an appeal has merit, relying on evidence and expert reports, before it is accepted.	This recommendation appears similar to Bill 139's, <i>Building Better Communities and Conserving Watersheds Act, 2017</i> , introduction of appeal "validation," which was short-lived. Related procedural rules or other support would benefit this recommendation.	The City has no concerns provided the province restores an office to advise community organizations or other stakeholders on the mechanics of filing a proper appeal. Resources would also need to be provided to the Ontario Land Tribunal so that an expeditious review of the material providing on the "leave" application could be done and not cause delay.
27. Prevent abuse of process: <ol style="list-style-type: none"> <li data-bbox="236 1524 665 1900">Remove right of appeal for projects with at least 30% affordable housing in which units are guaranteed affordable for at least 40 years; 		The City has no concerns with this recommendation provided the province include guidance on implementation, such as what is considered "affordable" and tracking the

		affordable units for the affordability period.
b. Require a \$10,000 filing fee for third-party appeals;		The City is concerned that this amount is overly prohibitive for smaller stakeholder groups.
c. Provide discretion to adjudicators to award full costs to the successful party in any appeal brought by a third party or a municipality where its Council has overridden a recommended staff approval.	The Tribunal already has powers to award costs for abuse of process, and the existing rules need not be changed	The City does not agree with this recommendation.
28. Encourage greater use of oral decisions issued the day of the hearing, with written reasons to follow and allow those decisions to become binding the day that they are issued.	The Tribunal already has the power to issue oral decisions; a procedure that binds those decisions the day they are issued is welcome.	The City supports this recommendation.
29. Where it is found that a municipality has refused an application simply to avoid a deemed approval for lack of decision, allow the Tribunal to award punitive damages.	The Tribunal already has the power to award costs. Punitive level damages are unreasonable.	The City feels this recommendation is unnecessary and opposes it.
30. Provide funding to increase staffing (adjudicators and case managers), provide market-competitive salaries, outsource more		The City supports this recommendation.

matters to mediators, and set shorter time targets.		
31. In clearing the existing backlog, encourage the Tribunal to prioritize projects close to the finish line that will support housing growth and intensification, as well as regional water or utility infrastructure decisions that will unlock significant housing capacity.	The City understands the importance of development application and infrastructure-related appeals being resolved in a timely matter but notes that general appeals of regulations or policy can also create efficiencies and add clarity in the long-term.	The City has no concerns with this recommendation provided there are checks and balances in the system to ensure that this does not result in a diminished case capacity for Eastern Ontario and small municipalities. In its submission on Bill 108, the City previously recommended striking a separate panel for regions outside of the GTA.
<i>Reduce the costs to build, buy and rent</i>		
32. Waive development charges and parkland cash-in-lieu and charge only modest connection fees for all infill residential projects up to 10 units or for any development where no new material infrastructure will be required.	City Council has consistently indicated its ongoing support of the principle that "growth should pay for growth" and this should continue to be the underlying objective. The quantum of a development charge is based on the capital cost of growth-related infrastructure and regulated service standards. If this source of revenue is not available, the cost of growth would have to be offset by property taxes and user rates. Housing affordability involves many factors, staff agree with the principle outlined by AMO in their response to the Ontario Housing Crisis that " <i>The Province must work with</i>	The City does not agree with the recommendation to waive development charges in order to provide financial incentives to increase the supply of housing units. Intensification can result in the need for new infrastructure or the expansion of existing services, therefore, infill development should continue to be eligible to be funded from development charges. Current legislation does not allow incentives to be funded from other types of growth. There is also no guarantee that waiving the payment of development charges on all infill residential projects up to

<p><i>municipalities to dispel myths about development charges, property taxes, and user fees by promoting how they are critical to creating livable homes and communities. Growth must pay for growth.</i>" Ultimately, unless there is a reduction in growth-related project costs, there will continue to be a requirement in the future to increase development charge rates.</p> <p>While development charges are often identified as a major input to increased housing costs, they are in fact a cost recovery mechanism that directly provides for the required servicing to accommodate greenfield development, intensification, and redevelopment. In addition, many factors influence the cost of housing such as: land costs, construction costs, housing demand, interest rates, mortgage financing, financial speculation, income levels, access to job opportunities, consumer confidence, government regulations and broader economic conditions, which are all determinants of housing prices. The City has used existing policies allowed under the current legislation to create area-specific rates in</p>	10 units will be reflected in lower housing prices.
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	<p>locations where the growth-related infrastructure requirements are significantly different than other areas. In the future, by utilizing area-specific charges, staff believe the City will be able to continue to provide a differentiation by geographic area based on where development can be anticipated to occur.</p> <p>The overall growth-related capital program identified in <u>the development charges background study</u> is already limited by mandatory deductions, service level restrictions and ineligible service categories that are imposed by the <i>Development Charges Act</i>. If development charges are waived as per this recommendation, it means these growth-related capital costs will be passed on to existing and future homeowners and businesses through higher property taxes and user fees to offset the revenue shortfall.</p>
33. Waive development charges on all forms of affordable housing guaranteed to be affordable for 40 years.	<p>The City already has a policy framework for directly supporting affordable housing initiatives using non-statutory development charge exemptions to provide direct financial support to specific</p> <p>The City is supportive of this recommendation, however, it is dependent on meeting the definition of affordable as determined by the City Treasurer (with guidance from staff).</p>

	<p>community groups and by collecting development charges to fund local initiatives. In the future, the City will also utilize the full historical level of service cap for Affordable Housing to maximize the growth-related cost recovery for this component of the overall charge.</p>	
34. Prohibit interest rates on development charges higher than a municipality's borrowing rate.	<p>Municipalities should have the option to align their development charge policies with the actual inflationary cost associated with constructing growth-related capital projects. If growth is to pay for growth, then the corresponding capital costs need to be recovered. If the interest rate methodology is mandated by the Province, then this may result in the downloading of funding of growth-related infrastructure to the municipal sector. The City would have to then use alternative sources of financing or reduce overall service levels to fund the difference in interest rates. Municipalities should be allowed to continue to apply the actual annual inflationary impact on growth-related construction costs to respond to current market conditions.</p>	<p>The City does not support the imposition of an interest rate methodology by the Province.</p>

<p>35. Regarding cash in lieu of parkland, s. 37, Community Benefit Charges, and development charges:</p> <p>a. Provincial review of reserve levels, collections and drawdowns annually to ensure funds are being used in a timely fashion and for the intended purpose, and, where review points to a significant concern, do not allow further collection until the situation has been corrected;</p>		<p>The City has no concerns with this recommendation.</p>
<p>b. Except where allocated towards municipality-wide infrastructure projects, require municipalities to spend funds in the neighbourhoods where they were collected. However, where there's a significant community need in a priority area of the City, allow for specific ward-to-ward allocation of unspent and unallocated reserves.</p>		
<p>36. Recommend that the federal government and provincial governments update HST rebate to</p>	<p>This is not a municipal matter.</p>	<p>The City has no comment.</p>

<p>reflect current home prices and begin indexing the thresholds to housing prices, and that the federal government match the provincial 75% provincial rebate and remove any clawback.</p>		
<p><i>Make it easier to build rental</i></p>		
<p>37. Align property taxes for purpose-built rental with those of condos and low-rise homes.</p>		<p>The City supports this recommendation.</p>
<p><i>Making homeownership possible for hardworking Ontarians who want it</i></p>		
<p>38. Amend the <i>Planning Act</i> and <i>Perpetuities Act</i> to extend the maximum period for land leases and restrictive covenants on land to 40 or more years.</p>		<p>The City supports this recommendation.</p>
<p>39. Eliminate or reduce tax disincentives to housing growth.</p>	<p>This is not a municipal issue.</p>	<p>The City has no comment.</p>
<p>40. Call on the Federal Government to implement an Urban, Rural and Northern Indigenous Housing Strategy.</p>		<p>The City supports this recommendation.</p>
<p>41. Funding for pilot projects that create innovative pathways to homeownership for Black, Indigenous and</p>		<p>The City supports this recommendation.</p>

marginalized people and first-generation homeowners.		
42. Provide provincial and federal loan guarantees for purpose-built rental, affordable rental and affordable ownership projects.	As the recommendation specifies provincial and federal loan guarantees, implementation would not impact City finances.	The City supports this recommendation.
<i>Support and incentivize scaling up housing supply</i>		
43. Enable municipalities, subject to adverse external economic events, to withdraw infrastructure allocations from any permitted projects where construction has not been initiated within three years of building permits being issued.	This is not a problem in the City of Ottawa.	The City has no concerns.
44. Work with municipalities to develop and implement a municipal services corporation utility model for water and wastewater under which the municipal corporation would borrow and amortize costs among customers instead of using development charges.	This recommendation goes beyond the scope of affordable housing and requires all municipal governments to create a separate corporate utility model for water/wastewater. Such a model would have wide-ranging impacts on local budgets, require council approval and a detailed analysis and business plan.	The City does not agree with this recommendation.
<i>Create the Labour Force to meet the housing supply need</i>		

45. Improve funding for colleges, trade schools, and apprenticeships; encourage and incentivize municipalities, unions and employers to provide more on-the-job training.	These recommendations are not directly related to the City, but the City acknowledges the risk of the supply of skilled trade to housing projects and municipal infrastructure projects.	The City supports these recommendations.
46. Undertake multi-stakeholder education program to promote skilled trades.		
47. Recommend that the federal and provincial government prioritize skilled trades and adjust the immigration points system to strongly favour needed trades and expedite immigration status for these workers and encourage the federal government to increase from 9,000 to 20,000 the number of immigrants admitted through Ontario's program.		
<i>Create a large Ontario Housing Delivery Fund to align efforts and incent new housing supply</i>		
48. The Ontario government should establish a large "Ontario Housing Delivery Fund" and encourage the federal government to match funding. This fund should reward:	If the Province is prepared to invest in a new funding model for municipalities, the City feels that funding could be directed to better purposes such as a program whereby the province matches (at a minimum) annual	The City does not agree with this recommendation as currently proposed. The City recommends that the Provincial government match (at a minimum) annual municipal investments in

<p>a) annual housing growth that meets or exceeds provincial targets,</p> <p>49. b) reductions in total approval times for new housing, c) the speedy removal of exclusionary zoning practices.</p>	<p>municipal investments in affordable housing (e.g. as per its Long-Range Financial Plan, the City is investing \$17 million in 2022 and is expecting up to \$5.6 million from the Province for affordable housing).</p> <p>City is not opposed to this item but is opposed to tying these outcomes to a proposed funding model.</p>	<p>affordable housing as per a Long-Range Financial Plan as an alternative.</p>
<p>49. Reductions in funding to municipalities that fail to meet provincial housing growth and approval timeline targets.</p>		

Sustain, focus measure, monitor, improve

<p>50. Fund the adoption of consistent municipal e-permitting systems and encourage the federal government to match funding. Fund the development of common data architecture standards across municipalities and provincial agencies and require municipalities to provide their zoning by-laws with open data standards. Set an implementation goal of 2025 and make funding conditional on established targets.</p>	<p>The City's Zoning By-law is currently undergoing a modernization process to enable the by-law to be interpreted more readily through digital platforms and geomatics and is freely available online in both official languages; however, technology that creates efficiencies across the province, standardizes commonly used terms and definitions and helps housing providers better understand and navigate municipal regulations is welcome.</p> <p>A new Provincial interface should account for the fact that zoning by-laws are amended regularly, are arranged</p>	<p>The City supports this recommendation.</p>
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	<p>differently in each municipality and may not always be available in both official languages. Likewise, a universal e-permitting/commenting system could create efficiencies and predictability for developers.</p>	
51. Require municipalities and the provincial government to use the Ministry of Finance population projections as the basis for housing need analysis and related land use requirements.	<p>If the Province re-opens appeals to Comprehensive Reviews of Official Plans, this standardization requirement will reduce the City's risk of appeals over population projections. Standardized methodologies across Ontario would benefit municipalities.</p>	The City supports this recommendation.
52. Resume reporting on housing data and require consistent municipal reporting, enforcing compliance as a requirement for accessing programs under the Ontario Housing Delivery Fund.	<p>City has no issues with implementation of consistent reporting and enforcing compliance as a requirement for accessing provincial funding. The New Official Plan already contains annual reporting requirements for intensification, and a future Inclusionary Zoning scheme will require regular reporting on the local rental and ownership housing markets.</p>	The City is not supportive of recommendation #48, to establish an Ontario Housing Delivery Fund as currently proposed, but is supportive of implementing consistent reporting and enforcing compliance as a requirement to access provincial funding.
53. Report each year at the municipal and provincial level on any gap between demand and supply by housing type and location and make underlying data	<p>Measuring supply is reasonable. Measuring demand is very difficult and the City would need more provincial direction on methodology. This would</p>	In principle, the City has no objections to this recommendation provided the province provides further

freely available to the public.	require more resources in monitoring.	direction on measuring demand.
54. Empower the Deputy Minister of Municipal Affairs and Housing to lead an all-of-government committee, including key provincial ministries and agencies, that meets weekly to ensure our remaining recommendations and other productive ideas are implemented.		The City supports this recommendation.
55. Commit to evaluate these recommendations for the next three years with public reporting on progress.		The City supports this recommendation.