



Housing Affordability Task Force Report Response

The following is We Love Oakville's take on the proposed Housing Affordability Task Force report and its recommendations.

We Love Oakville supports recommendations that will simplify processes leading to reduced costs in the delivery of more affordable housing, with those reduced costs flowing through to the home buyer.

We Love Oakville is strongly opposed to recommendations that reduce local citizens input to factors that have a bearing on the quality of life within our community and also opposed to the gutting of Local Municipal planning authority. Both, unfortunately, comprise the underlying theme of the Task Force 31-page dissertation and the resultant recommendations.

While supply and demand market concepts are the basis for the task force recommendations (housing prices are high because demand exceeds supply), the report is lacking any analysis of what constitutes demand or the need to understand the demand dynamics and the role they play in creating this unaffordable housing market.

There is great concern that the growing demand for housing is artificially inflated by the growing investor segment of the equation; simply put, everyone NEEDS one house to live in - that's what houses are built for. Investors have seen an extremely attractive opportunity to make significant profits in a rising market. They now represent 25 % of the market, up from 16 % a decade ago, and are the largest component.

Home buyers who NEED homes to live in are in bidding wars with investors who WANT homes as part of an investment portfolio.

There will come a time when investors find better investment opportunities elsewhere and then what happens?

We Love Oakville is not proposing solutions to this dilemma but is genuinely concerned that the province did not examine and report on this aspect before proposing recommendations that are totally supply-side-oriented and attack the very fabric of community life.

The exclusion of this significant aspect is very concerning.

The proposed elimination of exclusionary zoning which will allow builders to decide what is best for a neighbourhood is also extremely concerning. This recommendation is presented with no supporting evidence that it will make housing more affordable. In fact, there is evidence from other jurisdictions beyond Ontario where this has been implemented that the results don't support improved affordability.

There is a housing affordability crisis in Ontario that must be addressed. Both home ownership and the ability to find rental accommodation are beyond the reach of many.

The following is We Love Oakville's response to that report. We Love Oakville strongly encourages and supports comprehensive actions to address this crisis. However, it has taken years for the situation to reach this point so it should be expected that it will take hard work, significant changes and time to make a difference.

A comprehensive identification of the various factors impacting housing affordability including a thorough analysis of those factors is absent from the Housing Affordability Task Force report.

Making it easier to build more housing units through radical changes that gut current planning processes and municipal authority is concerning.

As concerning is the absence of recommendations to ensure that more units are actually built.

As such, the process should be looked as one of step-by-step continuous improvement as opposed to one that can be rectified by a one-time introduction of a significant amount of regulatory change.

The following sections outline concerns with the report from the Housing Affordability Task Force. Also included is an Appendix containing We Love Oakville's reactions to 17 of the 55 task force's recommendations.

Concerns with the Housing Affordability Task Force Report

The Mandate

The task force mandate only addressed the supply aspect of the situation. It did not look at the demand side of the issue or the impact of:

- a. the current structure of real estate sales and marketing and how it contributes to the ever-increasing price of housing
- b. the influence of the historically low interest rates on housing affordability
- c. investors driving up prices and decreasing the availability of homes for people to purchase and live in. The investor component is now a demand element growing from 16% to 25% of the real estate market over the past decade in Ontario.
- d. the future potential impact if/when investors see other better opportunities

The Task Force

The task force was overwhelmingly made up of representatives tied to the housing industry that stand to gain financially from the changes they recommend. It is fully expected they will look at the problem through their own eyes of profitability in market-based housing. We would expect nothing less. The lack of any meaningful public and municipal representation is a major flaw. Given that developers' goals are maximizing profits for their owners how can a community be properly developed with this conflict of interest versus the goal of making housing affordable?

Given the complexity of the affordability issue and that it has been an on-going issue for years, it was an unreasonable mandate given to the task force. Two months during a pandemic and over the holiday season to investigate, study and deliver reasonable recommendations that have wide ranging impacts was clearly insufficient time to do a complete, proper review. It also raises suspicion that the outcome was pre-determined.

It removes things the community values so the developer can build

The report is titled Housing Affordability but the vast majority of its recommendations are focused on making it easier for developers and builders to make more money. Opening up more opportunities for developers to decide what to build, where to build and when to build when the industry is currently sitting on 250,000 build opportunities in the GTHA is hypocritical.

The task force seems to go out of its way to demonize the municipal and public's rightful roles in long-term land use planning. Citizens are viewed as annoyances in the process of developers achieving their goals so the recommended solution was to make it more difficult for them to be involved. Citizen concerns for their community and how it grows were cloaked as "nimbyism". Community character was viewed as something that gets in the way of developers so it was dismissed as having no relevance. We are stakeholders. These are our communities and we must have a say in alignment with the Provincial Planning Policy Statements about building strong and healthy communities, wise management of resources, and protecting public health and safety.

Heritage aspects were viewed only as obstructions to developers wanting to do whatever they wanted with no recognition of the history and importance of these structures and neighbourhoods.

The task force recommendations will have significant negative impacts on municipalities' provincially- approved densification plans. As an example, Oakville's Official Plan, *Livable Oakville*, meets the provincial intensification requirements and focuses more intense development in specific nodes and transit corridors to support transit viability. Allowing more intense development in other neighbourhoods will require increased taxes to cover the loss of transit revenues and increased automobile congestion.

If the province wants to increase intensification requirements it could set new quotas and, as in the past, allow municipalities to determine the optimal way to achieve the numbers.

It promotes urban sprawl

Any provincial legislation based on the recommendations would not just allow urban sprawl but encourage it.

Recommendations include creating a “more permissive land use, planning and approvals system”; housing growth on undeveloped land outside existing municipal boundaries; a province-wide standard set of rules for subdivisions; limiting public meetings on developments; and requiring a \$10,000 fee for filing development appeals.

None of those recommendations bode well for places where citizens appreciate and want to protect farmland and green space.

Already, the provincial government has the authority to determine where and how urban development happens. It can overturn long-standing land-use processes and municipal zoning to exploit natural areas and farms for expanded urban growth. They tried that with many urban and rural lands throughout the province. But public opinion forced them to back off much of the time.

The non-profit Ontario Federation of Agriculture Farmland has said that urban sprawl is threatening the viability and sustainability of productive farmland in Ontario. Based on data from the latest Census of Agriculture (2016), about 175 acres of farmland are being lost every day to urban development in our province – that’s five farms a week.

Along with farmland, significant wetlands, key shorelines and forests are being threatened by urban sprawl. Farmland and natural areas are vital for the future. Once a natural area is developed, it’s gone forever.

An unachievable goal?

The task force stated goal of building 1.5 million more housing units in the next 10 years is a radical objective. Statistics Canada shows that in Ontario, over the past 4 years, the average annual number of units built was 66,595. Achieving the stated goal would require a more than doubling of this number to 150,000 per year. It is not possible to achieve this number without a massive increase in the skilled trades that don’t exist now.

Many of the examples of issues that were cited by the task force are very Toronto-centric. It is not possible to apply the same structures and approaches across the entire province as proposed. Regulations cannot be applied in the same way for places such

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as the GTHA with a population in excess of 5 million compared to a more rural municipality like Nobleton with its 6,507 residents. Was the task force trying to address a province-wide issue or a GTHA issue?

There is little in the report that shows any commitment to hold developers accountable to increase the supply of affordable housing. No factual data is presented to support the argument that making life easier for developers will help housing affordability. Again, the industry is currently sitting on 250,000 build opportunities in the GTHA.

Appendix – Task Force Recommendations with Negative Impacts Noted

There are 55 recommendations in the Ontario Housing Affordability Report. The following are We Love Oakville reactions to 17 of them.

Task Force Recommendation 3:

- Limit exclusionary zoning in municipalities through binding provincial action to allow residential housing up to four units and up to four storeys on a single residential lot.
- Modernize the Building Code and other policies to remove any barriers to affordable construction and to ensure meaningful implementation. (e.g. allow single-staircase construction for up to four stories, allow single egress, etc.)

We Love Oakville Reaction:

- This recommendation is in direct conflict with municipalities provincially approved Official Plans that preserve, enhance, and protect the distinct character, cultural heritage, living environment, and sense of community of neighbourhoods.
- Safety issues regarding allowing multi-story buildings with only one means of egress.
- In many areas it is difficult to conceive how allowing four story/four-unit structures will provide affordable housing. As an example, it is a challenge within Oakville to purchase any property for less than \$1 million for one suitable for locating a four story/four-unit building. The purchase price of these units would likely be in excess of \$1 million which seems far from affordable.

Task Force Recommendation 8:

- Allow zoning of unlimited height and unlimited density in the area of individual major transit stations within two years if municipal zoning remains insufficient to meet provincial density targets.

We Love Oakville Reaction:

- Many Official Plans already have already designated major “growth nodes” around major transit hubs and meet the provincial intensification requirements through to the year 2051.
- If intensification were to occur in other areas it would have negative impacts on infrastructure costs and transit revenue resulting in increased transit costs and taxes along with increased car congestion.
- Major projects of “unlimited height & density” can’t always be pushed through without proper review to avoid long-term problems.

Task Force Recommendation 9:

- Allow “as of right” zoning of six to 11 storeys with no minimum parking requirements on any streets utilized by public transit (including streets on bus and streetcar routes.)

We Love Oakville Reaction:

- This recommendation would have massive negative impact on a significant number of smaller residential streets. Many buses run on streets other than main thoroughfares.
- A very large apartment/condo complex in the middle of established residential areas would destroy character.
- Many Official Plans coordinate land use and infrastructure requirements to ensure that the anticipated growth can be accommodated.
- Building in areas where the infrastructure is not in place to accommodate the growth is backwards and a recipe for disaster.
- Refer to #3. Also refer to #8 in terms of the negative impact on infrastructure costs, transit revenues and cost and taxes and traffic congestion.

Task Force Recommendation 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.

WE LOVE OAKVILLE Reaction 11:

- This would not only allow, but encourage, urban sprawl.
- Implementation of this recommendation ignores municipalities' Official Plans and endangers the Greenbelt and farmland.
- It doesn't clarify who would pay for the infrastructure but the assumption is that it would fall to the municipality, not the developers who would benefit from it.

Task Force Recommendation 12:

- Create a more permissive land use, planning and approvals system
- Repeal or override municipal policies, zoning or plans that prioritize preservation of physical characters of neighbourhood;
- Exempt from site plan approval and public consultation all projects of 10 units or less that conform to the Official Plan and require only minor variances
- Establish province-wide zoning standards or prohibitions for minimum lot sizes, maximum building setbacks, minimum heights, shadow rules, building depth, landscaping etc;
- Reduce or eliminate minimum parking requirements
- Remove restrictions to allow larger, more efficient high-density towers.

We Love Oakville Reaction 12:

- These are all very destructive to existing stable neighbourhoods;
- They would remove all local ability to maintain existing stable communities since all zoning requirements would be set by the province. Is it possible to create a single province-wide system that could accommodate the needs of the GTHA as well as small, more rural communities?

- We support the need for significantly more affordable housing but to do it in a planned, fair way that would not destroy existing communities.

Task Force Recommendation 13:

- Limit municipalities from requesting or hosting additional public meetings beyond those that are required under the Planning Act.

We Love Oakville Reaction:

- Since the recommendations state that the provincial government will take control of all aspects of local planning, they will be able to restrict how public consultations will happen and limit how many meetings take place to get valuable public input.
- These are our communities so we must have a say in alignment with provincial planning requirements about building strong and healthy communities, wise management of resources, and protecting public health and safety.

Task Force Recommendation 16:

- Prevent abuse of the heritage preservation/designation process by prohibiting bulk listing on municipal heritage registers and prohibiting reactive heritage designations after a development application has been filed.

We Love Oakville Reaction:

- Architectural Conservancy Ontario said the Task Force overreached its mandate when it waded into discussions of heritage. *“The task force comments and recommendations on heritage policy were offside, ill-Informed, and, if implemented, would have far-reaching and destructive consequences. Heritage property gives communities their identity. That is so important for local pride and tourism. Heritage is not in the way of housing, there are so many great examples of heritage buildings, augmented, adapted and used for housing.”*
- The task force provided no data showing how much housing was prevented by use of heritage designations and therefore lacks evidence to justify this recommendation.

Task Force Recommendation 17:

- Require municipalities to compensate property owners for loss of property value as a result of heritage designations, based on the principle of best economic use of land.

We Love Oakville Reaction:

- Municipal “compensation” means that all of us pay for it out of our local taxes.
- The value of heritage conservation can’t always be “based on the principle of best economic use of land.” Once an important heritage site is gone, it is gone forever.

- All land purchasers (including developers) need to do their homework on whether or not land they purchase can and should be developed – the same as everyone else.

Task Force Recommendation 18:

- Restore the right of developers to appeal Official Plans and Municipal Comprehensive Reviews.

We Love Oakville Reaction:

- This recommendation would allow developers the ability to do whatever they want where ever they want, regardless of the municipal plans that have been approved by the province.
- If a plan has gone through public consultation, municipal review and approval, regional review and approval and provincial review and approval why should a private company have any ability to appeal it?

Task Force Recommendation 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.

We Love Oakville Reaction:

- Understanding that there could be many variables (for example, a pandemic) that impact the approval process timeline, there is danger in setting specific timeframes for each stage of the process.
- Without developers' responsibility for timelines to build units, the goal of achieving more affordable housing is questionable.

Task Force 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.

We Love Oakville Reaction:

- Unanswered questions here include who would fund these roles, to which level of government would they be located, and to which be responsible?
- Wherever they are located they would incur a new cost to be borne by taxpayers.

Task Force Recommendation 23:

- Create a common, province-wide definition of plan of subdivision and standard set of conditions which require the use of standard province-wide legal agreements and subdivision plans, where possible.

We Love Oakville Reaction:

- Each municipality is unique and voters may have different priorities.

- This would completely wipe out local decision-making on all developments with a province-wide one-size-fits-all approach to growth. Per the 2021 census Toronto is at over 5.4 million people and Nobleton with a population of 6,507 is the 100th largest municipality in the province.
- Given the complexity of population size, urban/suburban and rural mix within each municipality it is difficult to imagine an effective set of definitions and conditions that would work across the entire province.
- There is no description of what the new standards would be or what cost savings would be achieved. But, taken in the context of other recommendations of this report, it would seem that developers and builders would face lower costs, with no guarantees those savings would ever be passed on to new home buyers.
- Nor are there guarantees that houses would be built where they are most needed, instead of where they can bring the highest return to developers.

Task Force Recommendation 27:

- Prevent abuse of process.
- Remove appeal rights for projects with at least 30% affordable housing when units are guaranteed affordable for at least 40 years.
- Require a \$10,000 filing fee for third party appeals.
- Provide discretion to adjudicators to award full costs to the successful party in any appeal brought by a third party or municipality where its council has overridden a recommended staff approval.

We Love Oakville Reaction:

- It's unfortunate that the Task Force sees current local appeal processes as "abuse".
- It's a municipality's responsibility to ensure planned development takes place.
- It's also our rights as citizens to see that we have a fair say in what happens in our community.
- The increase of the cost to file an appeal from \$400 to \$10,000 greatly reduces the ability of taxpaying citizens to have this fair say. The increase seems designed to eliminate appeals from any third party that lacks access to financial and legal resources comparable to that of developers.
- The punitive nature of part c) of the recommendation further reinforces this approach.

Task Force Recommendation 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.

We Love Oakville Reaction:

- These charges help cover costs to the municipality so that local taxpayers aren't burdened with additional taxes.

- There are no guarantees that any savings for the builders/developers will be passed on to buyers. This simply reduces costs for the builders.
- There is some concern that there could be locations with 10 infill units that may be beyond the infrastructure capacities and therefore incur municipal costs to be borne by taxpayers.

Task Force Recommendation 33:

- Waive development charges on all forms of affordable housing guaranteed to be affordable for 40 years.

We Love Oakville Reaction:

- The task force mandate didn't include addressing below-market-rate affordable housing. Since there has been no definition of what affordable means, we have to assume that they are referring to the general housing market.
- Much more definition of "affordability" is required as what it means needs to vary across the province. As well, details about how it will be monitored and enforced over ongoing 40-year periods is required.
- Without study and consultation across the province this recommendation leaves open the possibility of developers and builders having development charges waived without truly affordable housing being made available.

Task Force Recommendation 39:

- Eliminate or reduce tax disincentives to housing growth.

We Love Oakville Reaction:

- There is no explanation of what is the current issue in regards to taxes and its impact on affordable housing.
- The recommendation seems like a request from developers and builders to just do away with taxes that they pay.
- A negative outcome of these reductions would then likely pass costs on to the general resident tax payers.

Task Force Recommendation 44:

- Work with municipalities to develop and implement a municipal services corporation utility model for water and wastewater under which the municipal corporation could borrow and amortize costs among customers instead of using development charges.

We Love Oakville Reaction:

- There is no definition of "who" will work with municipalities. The assumption is that it would be builders and developers but more structure is required.
- Need a definition of "customers"
- A clear statement of how these costs would be allocated and timing of the amortization among "customers" to avoid municipalities being exposed to paying the cost of, and loan interest on, infrastructure without being the recipient of the potentially reduced development charges and municipal tax

revenues as a result of building being delayed. To this end, it should be noted that since 2019 there are over 250,000 approved building permits in the GTHA where no construction has started.

- There is nothing in the recommendation that indicates how it would result in more affordable housing for the consumer but it could reduce developer costs. The infrastructure costs would not disappear but instead would still be included in both the cost of new housing and the municipal taxes that home owners would pay.