

## BRIEFING NOTE HS19-22

For Information or  For Approval

**Date:** April 27, 2022

**Purpose:** Ontario Affordability Task Force Report

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### *Alignment with Strategic Plan: Healthy, Sustainable Communities*

Maximize Impact  Removed Barriers  Seamless Access  Learn & Grow

Report HS19-22 provides details of the Ontario Housing Affordability Task Force report highlighting expert recommendations for additional measures to increase the supply of market housing to address the housing crisis, as well as AMO's response to the Task Force report and furthermore, that the report will be shared with District municipalities.

### **BACKGROUND:**

- The Housing Affordability Task Force is part of Ontario's ongoing three-part consultation with industry, municipalities, and the public to help identify and implement solutions to address the housing supply crisis.
- The [Task Force report](#) published on February 8<sup>th</sup>, 2022, sets out recommendations that would set bold goals and clear direction for the province to increase density, remove exclusionary rules that prevent housing growth, prevent abuse of the appeals process, and ensure municipalities are treated as partners in this process by incentivizing success.

### **CURRENT STATUS/STEPS TAKEN TO DATE:**

The Task Force report includes five sections and a total of 55 recommendations. Below are highlights from the report:

1. Focus on getting more homes built
  - a. Set a goal of building 1.5 million new homes in ten years.
2. Making land available to build

- a. Stop using exclusionary zoning that restricts more housing.
  - b. Align investments in roads and transit with growth.
  - c. Start saying “yes in my backyard”.
3. Reduce red tape to build faster and reduce costs
  - a. Adopt a common sense approach that saves construction costs.
  - b. Prevent abuse of the appeal process.
4. Reduce the costs to build, buy and rent
  - a. Align government fees and charges with the goal of building more housing.
    - i. Improve the municipal funding model.
    - ii. Modernize HST thresholds.
  - b. Make it easier to build rental units.
  - c. Make homeownership possible for more Ontarians
5. Support and incentivize scaling up housing supply
  - a. Invest in municipal infrastructure.
  - b. Create the Labour Force to meet the housing supply need.
  - c. Create a large Ontario Housing Delivery Fund to align efforts and incent new housing supply.
    - i. Build alignment between governments to enable builders to deliver more homes.
    - ii. Mirror policy changes with financial incentives aligned across governments.
  - d. Sustain focus, measure, monitor, improve
    - i. Digitize and modernize the approvals and planning process.
    - ii. Improve the quality of housing data to inform decision-making.
    - iii. Monitor the crisis and change the conversation around housing.

**AMO Response:**

Following the publishing of the report, the Association of Municipalities Ontario (AMO) released a [report response](#) submission to the Government of Ontario. AMO believes that the Task Force report focuses on solutions primarily at the local level and do not include government interventions through planning and financial instruments. For instance, the Task Force report includes several recommendations pertaining to municipal planning and development approvals but does not focus on other major development holdups such as the Ontario Land Tribunal.

AMO also seeks to clarify several beliefs stated in the Task Force report. Firstly, the notion that increasing any sort of housing supply will address affordability. AMO calls for more targeted action to effectively meet the needs of Ontarians of all income levels. Secondly, AMO addresses the concept that development charges increase housing costs, pointing out that there is no guarantee that developers would provide more affordable housing as a result of the savings on development charges.

Finally, AMO acknowledges the promising policy outcomes in the report that merit further investigation. AMO believes that policy objectives should be achieved by establishing intensification targets paired with funding and support for municipalities.

**RESOURCES REQUIRED:**

The report focuses primarily on how the provincial government can support municipalities to create more housing to meet the demand. The recommendations contained in the report attempt to further encourage housing growth by reducing barriers, incentivizing, and prioritizing housing development. Locally, no resources are required at this time, however, the implementation of the recommendations will have an impact on local planning and development.

**RISK IDENTIFICATION AND MITIGATION:**

The full impact of the implementation of the report's recommendations will be realized once the recommendations are put into action. The availability of "shovel-ready" projects will be an advantage with the potential roll-out of incentives for housing development.

**CONCLUSION:**

The recommendations contained in the Task Force report recognizes the current housing crisis, and demonstrates that the province is focused on a solution. The major highlight of the report is the goal of building 1.5 million homes in the province in the next ten years. This along with the removal of municipal rules that prevent or delay new housing, the addition of financial supports to municipalities, and improvements to the housing approval process and housing appeals system all align with DNSSAB's goals to increase affordable housing as per the 10-Year Housing and Homelessness Plan. The implementation of these recommendations should now be a focal point for the Province.