

**Bill 23, More Homes Built Faster**  
**Deputation to the Standing Committee on**  
**Heritage, Infrastructure and Cultural Policy**  
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Good afternoon. My name is Ene Underwood, CEO of Habitat for Humanity GTA and a member of Ontario's Housing Affordability Task Force. I am accompanied virtually by Greg Fryer, Executive Director of Habitat for Humanity Grey Bruce and our deputation is on behalf of the 24 Habitat for Humanity affiliates based throughout Ontario communities.

If you only remember three things from our appearance today, it is this:

- First, **we have a housing crisis**. Not just in Toronto and the big urban centres but in our communities across Ontario. We shouldn't have let it get this dire but we did. We shouldn't have let two decades go by with under-investment in affordable housing, but we did. We shouldn't have let multiple decades go by in which existing homeowners had disproportionate influence over what does and doesn't get built in their communities – but we did. We all own this. This bill represents the kind of bold and brave action needed to begin to change the outlook for housing in Ontario. We commend the government for putting it forward and for the action-oriented approach of putting out legislation and committing to successive waves of legislation to revise.
- Second, **this bill reflects the need to rebalance between housing and other priorities**. In our desire to ensure multiple considerations are taken into account when development applications are approved, housing has inadvertently become what you get after everything else – heritage, parking, parks, opinions of local neighbours, natural heritage – have been taken into account. We see that this bill aims to strike a better balance – and we support this as a necessary recalibration in the face of today's housing crisis.

- Third, **this legislation will help Habitat for Humanity and other non-profit housing providers deliver more affordable homes.** At Habitat for Humanity, we help more working families secure the housing they need at a price they can afford. This bill will help organizations like ours move more quickly and do more.

In our time remaining, we want to elaborate on how Bill 23 will help us do more and also share proposed revisions.

## **AREAS OF SUPPORT**

### **Reducing the costs of building affordable housing**

Currently, Habitat for Humanity homes in the GTA averages \$130,000 to \$160,000 in government fees for every Habitat home built. In other areas of Ontario, they range from \$35,000 to \$100,000 per Habitat home. These fees are paid to all three levels of government with roughly 60% of them being paid to municipal governments. We are fully in support of:

- Exempting all affordable housing units – both rental and ownership – from development charges, parkland dedication, and community benefits charges.
- The government’s intention to work with the federal government to consider rebates, deferrals or exemptions for HST/GST on affordable units – a cost that currently averages \$60,000 to \$70,000 in the GTA and up to \$50,000 in other Ontario communities.
- The government’s intention to re-examine property taxes for affordable rental housing – a commitment we encourage be expanded to include affordable ownership housing where the homeowner equity is discounted from market equity.

### **Speeding up approvals**

We appreciate the emphasis on speeding up approvals and reducing red-tape. Examples of Bill 23 that will help include:

- Removing Site Plan Control on developments of 10 units or fewer
- Addressing duplication between upper tier and lower tier municipalities
- Streamlining the role of Conservation Authorities in housing approvals to reduce duplication and associated fees and costs

### **Changing and accelerating zoning to increase intensification within urban boundaries**

We fully support the recommendations of Ontario’s Housing Affordability Task Force for intentional intensification within urban boundaries. To this end, we support:

- Making 3 units per residential building lot, as-of-right
- Requiring municipalities to complete up zoning for PMTSAs and MTSA’s within 1 year

## **RECOMMENDED REVISIONS**

### **Set affordability periods at 40 years, not 25 years and make legislative changes to support long term affordability**

#### Rationale:

- It is a given that every generation will face the need for affordable housing. Thus, we owe it to future legislators and leaders to ensure that today’s decisions do more than kicking the affordability challenge down the road.

- Raising the affordability period to at least 40 years will ensure that today's housing units will benefit more than one generation while recognizing limits on the useful life of units.
- Currently, the Perpetuities Act places a limit of 20 years on how long a restrictive option can be placed on the price and resale provisions of real estate assets. The Act must be modernized to accommodate the new requirements associated with long term affordability.

### **Adjust the 80% threshold for exemptions and affordability thresholds**

We applaud the government's commitment to promoting a full spectrum of affordable and attainable housing options. We assume this is why 80% of market has been used as the threshold in most of the proposed legislative changes. We propose that this threshold be tied to income rather than market prices and, at least at this stage, be set to not exceed households at the 65<sup>th</sup> income percentile.

#### Rationale:

- In most Ontario markets, homes valued at 80% of market are still well out of reach of median incomes of local households.
- Tying the DC and related exemptions to income eligibility creates a much greater likelihood of these incentives reaching the intended target households.
- The government has committed to devoting time to more fully flesh out the parameters for attainable housing – definitions, who qualifies, how such housing is administered, etc. We would urge that this be a priority in the coming months and then the exemption program adjusted on the basis of the further insights that will result.

### **Finetune inclusionary zoning for increased impact**

Inclusionary zoning remains an attractive, albeit unproven in Ontario, mechanism through which to harness the capacity of for-profit developers to deliver affordable homes.

#### We propose:

- Making inclusionary zoning available throughout Ontario rather than restricting it to PMTSAs and MTSAs. As an example, Owen Sound has over 2200 new homes under development with no affordability requirement. A 5% requirement would translate to 105 homes and make a big difference in this growing community.
- Set the minimum unit allocation at 5% for developments *outside* PMTSAs and MTSAs, but 10% within PMTSAs and MTSAs.

### **Retain and promote green development standards**

We support the removal of architectural details and landscape design from Site Plan Control. We share, however, the concern of many stakeholders that this change may inadvertently undermine green development standards that many municipalities have worked hard to put in place.

#### We propose:

- Government modify the language to ensure municipalities can retain these green development standards under the site plan approval process.

### **Go further on gentle density and intensification**

Making 3 units as-of-right is encouraging but will be limited in its impact on the housing crisis without further enhancements:

#### We propose:

- Providing more permissive building envelope sizes and increasing the number and height of buildable units per residential lot.

### **Streamline upper and lower tier duplication by putting upper tier in the driver's seat**

We support the streamlining of upper and lower tier duplication in the development approval process but believe the outcome will be better if the upper tier, rather than the lower tier, is in the lead.

#### Rationale:

- Many lower tier municipalities may only have one or two land planners. There is a greater opportunity for critical mass, better efficiency and expertise on planning applications if approvals are concentrated at the upper tier level.
- Cross-border considerations within and between regions can be much more effectively considered at the regional level than at the lower tier municipal level.

At no time in our history have so many Ontarians struggled to provide a decent affordable home for themselves and their families. At no time has the cost and complexity for those of us trying to deliver more homes to do so. Bill 23 is not a panacea – but it will help. And, with some thoughtful modifications, it can help even more and form an even better platform for subsequent action on housing.

Thank you for your time.