Appendix I - Prioritization of Housing Affordability Task Force Recommendations and Bill 134, Affordable Homes and Good Jobs Act, 2023



October 16, 2023

The Honourable Minister Paul Calandra Office of the Minister Ministry of Municipal Affairs and Housing 777 Bay Street, 17th Floor Toronto, ON M7A 2J3

Public Works

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peelregion.ca

Subject: Comments on Housing Affordability Task Force's Recommendations

Dear Minister Calandra:

Peel Region staff appreciate the provincial government's efforts to address Ontario's housing supply crisis and build at least 1.5 million homes by 2031. This crisis is particularly acute in Peel, as there are virtually no pathways to affordable homeownership for low-income households and increasingly limited pathways for moderate-income households. Furthermore, there are limited rental housing options available and rental rates are increasingly unaffordable.

Peel staff are encouraged by the Ministry's review of the 74 recommendations put forward in the February 2022 Housing Affordability Task Force (HATF) report. With reference to your September 15, 2023, letter to heads of selected councils requesting top five recommendations for consideration and advice on how to revisit implementation or amend recommendations to achieve their housing targets, Peel staff offer the following comments for your consideration. These comments are framed from the various perspectives that Peel Region brings, such as an infrastructure provider, housing service manager, planning authority for responsible growth management, and manager of prudent financing of growth. Please note that the following comments are provided by staff and may be considered by Regional Council for endorsement. If additional or differing comments are provided through a Council resolution, they will be forwarded to the Ministry for consideration.

Many of the Task Force's recommendations are supported by Peel Region and further consultation on implementation should help to reduce some barriers and delays in adding housing supply. However, there are concerns that some of the recommendations, unless amended or reframed, oversimplify or hinder the ability of municipalities to address complex technical issues to allow development approvals to proceed in a timely manner. In addition, the HATF report offers a limited response to addressing factors beyond supply, such as market demand, labour, materials, infrastructure, interest and inflation rates, and investment practices that make housing more affordable.





Below are Peel staff's top 5 recommendations from the HATF report with a rationale as to why these recommendations should be a priority. These and other recommendations that provide more financial certainty, tools, and sustainable investments from the provincial and federal governments to municipalities, are important to create more housing options that are affordable and collectively and adequately address the housing crisis.

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Priority	Housing Affordability Task Force Recommendation and Rationale
1	 Item 51, Recommendation 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 build permits being issued. Rationale: This recommendation furthers the Minister's efforts to explore a "use it or lose it" policy to encourage the expeditious development of zoned lands or applications. This recommendation also supports master planning of infrastructure (e.g., water and wastewater, transportation, etc.) by creating more certainty and the ability to reallocate capacity to keep housing development moving.
2	 Item 32, Recommendation 27a: Prevent abuse of process: remove right of appeal for projects with at least 30% affordable housing in which units are guaranteed affordable for 40 years. Rationale: This recommendation should only be implemented provided that planning merits, such as design, are respected. The change could help to move affordable housing projects forward in a more timely way and act as an incentive to encourage developers to include affordable housing to get projects approved more quickly for public benefit.
3	 Item 50, Recommendation 42: Provide provincial and federal loan guarantees for purpose-built rental, affordable rental and affordable ownership projects. Rationale: This recommendation could make capital available for much needed affordable housing options, help create a better range and mix of housing options and secure sustainable funding to alleviate the housing crisis.



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4	 Item 44, Recommendation 36: Recommend that the federal government and provincial governments update HST rebate to reflect current home prices and begin indexing, and that the federal government match the provincial 75% rebate and remove any claw back. Rationale: This recommendation is in line with much welcomed recent announcements by federal and provincial governments to remove their portion of the HST for new purpose-built rental construction. An increased rebate on new ownership housing with indexing of thresholds to reflect current home prices would help to improve affordability for homeowners, particularly in areas such as Peel that have much higher housing prices than other parts of Ontario and Canada and consequently are not currently eligible for the rebate.
5	 Item 10, Recommendation 9: Allow "as of right" zoning of six to 11 storeys with no minimum parking requirements on any streets that have direct access to public transit (including streets on bus and streetcar routes). Rationale: This recommendation could ease the pathway for higher density housing in strategic growth areas and can make smaller projects more viable, particularly for non-profit housing providers. This recommendation should be conditional on the inclusion of affordable housing to ensure public benefit and would be most effective in areas with higher order transit and strategic growth areas rather than being applied broadly. This recommendation could also be applicable to any affordable housing development pending further studies demonstrating availability of infrastructure and services.

In addition to the top 5 recommendations, overall, Peel staff are supportive of the Task Force's recommendation to amend Provincial legislation and plans to set "growth in the full spectrum of housing supply" and "intensification within existing built-up areas" as the most important residential housing priorities for Ontario.

Peel staff generally support recommendations related to limiting exclusionary zoning and conditionally support recommendations to allow "as of right" permissions that do not require municipal approval, such as allowing residential housing up to four units and up to four storeys on a single

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residential lot, but only in strategic growth areas such as major transit station areas and urban growth centres. Peel staff are also supportive of efforts to expand permissions for conversion of underutilized or redundant commercial properties, additional residential units (e.g., secondary suites), and multitenant housing.

When permitting greater density, however, there is a need to adequately consider implications for water and wastewater infrastructure requirements, and downstream plant or additional conveyance capacity and there should be provisions in place to ensure long-term affordability. Peel staff are not in favour of allowing unlimited height and density zoning "as of right" near major transit stations as this has not proven to be as effective in securing more housing options including affordable housing and may be constrained by insufficient community infrastructure to accommodate increased density.

Municipalities support a more permissive land use, planning, and approvals system and are working towards this goal while supporting planning objectives. Province-wide standards should focus on development of housing that expands housing options that are affordable to low- and moderate-income households. Peel staff are supportive of the Province's efforts to ensure that definitions of affordability include income-based factors, which should encompass both low- and moderate-income households.

Peel staff also strongly support efforts to better resource the Ontario Land Tribunal, to support municipal e-permitting, and expand digital participation in public consultations.

Solutions to the current housing crisis need to be implemented at all levels (municipal, provincial, federal, industry and community) and require an integrated approach. We hope that the priority recommendations that have been identified above will be helpful as you look towards next steps to address the housing affordability crisis.

Peel staff look forward to continuing to work with the Province, local municipalities, and other stakeholders to meet Ontario's housing needs. I would be pleased to provide any clarifications or additional comments on these matters.

Sincerely,



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