

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

---

**Official Report  
of Debates  
(Hansard)**

HE-10

**Journal  
des débats  
(Hansard)**

HE-10

**Standing Committee  
on Heritage, Infrastructure  
and Cultural Policy**

More Homes Built Faster Act,  
2022

1<sup>st</sup> Session  
43<sup>rd</sup> Parliament

Wednesday 16 November 2022

**Comité permanent du  
patrimoine, de l'infrastructure  
et de la culture**

Loi de 2022 visant à accélérer  
la construction de plus  
de logements

1<sup>re</sup> session  
43<sup>e</sup> législature

Mercredi 16 novembre 2022

---

Chair: Laurie Scott  
Clerk: Isaiah Thorning

Présidente : Laurie Scott  
Greffier : Isaiah Thorning

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<https://www.ola.org/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7400.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7400.

---

House Publications and Language Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service linguistique et des publications parlementaires  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

ISSN 2816-7252

## CONTENTS

Wednesday 16 November 2022

More Homes Built Faster Act, 2022, Bill 23, Mr. Clark / Loi de 2022 visant à accélérer la construction de plus de logements, projet de loi 23, M. Clark.....	HE-137
Housing Assessment Resource Tools Project; More Neighbours Toronto; Advocacy Centre for Tenants Ontario .....	HE-137
Dr. Carolyn Whitzman	
Mr. Eric Lombardi	
Mr. Douglas Kwan	
Toronto Alliance to End Homelessness; Hemson Consulting; Ontario Alliance to End Homelessness.....	HE-146
Ms. Kira Heineck	
Mr. Craig Binning	
Ms. Jennifer van Gennip	
Cement Association of Canada; Building Industry and Land Development Association; Habitat for Humanity .....	HE-157
Mr. Bart Kanters	
Mr. Adam Auer	
Mr. Dave Wilkes	
Ms. Ene Underwood	
Mr. Greg Fryer	
Ontario Non-Profit Housing Association; Ontario’s Big City Mayors; Homes For Heroes Foundation.....	HE-167
Ms. Marlene Coffey	
Mr. Cam Guthrie	
Ms. Jacqueline Howard	
Environmental Defence; Ontario Federation of Agriculture; Federation of South Toronto Residents’ Associations .....	HE-175
Mr. Phil Pothen	
Ms. Peggy Brekveld	
Mr. Don Young	
Mr. Rick Green	
ACORN; Paula Fletcher; Friends of Kensington Market.....	HE-184
Ms. Alejandra Ruiz Vargas	
Ms. Serena Purdy	



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON HERITAGE,  
INFRASTRUCTURE  
AND CULTURAL POLICY**

**COMITÉ PERMANENT DU PATRIMOINE,  
DE L'INFRASTRUCTURE  
ET DE LA CULTURE**

Wednesday 16 November 2022

Mercredi 16 novembre 2022

*The committee met at 0907 in committee room 1.*

**MORE HOMES BUILT FASTER ACT, 2022  
LOI DE 2022 VISANT  
À ACCÉLÉRER LA CONSTRUCTION  
DE PLUS DE LOGEMENTS**

Consideration of the following bill:

Bill 23, An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022 / Projet de loi 23, Loi modifiant diverses lois, abrogeant divers règlements et édictant la Loi de 2022 visant à soutenir la croissance et la construction de logements dans les régions de York et de Durham.

**The Chair (Ms. Laurie Scott):** Good morning, everyone. The Standing Committee on Heritage, Infrastructure and Cultural Policy will now come to order. We're here to resume public hearings on Bill 23, An Act to amend various statutes, to revoke various regulations and to enact the Supporting Growth and Housing in York and Durham Regions Act, 2022.

We are joined by staff from legislative research, Hansard, and broadcast and recording.

Please wait until I recognize you before starting to speak. As always, all comments should go through the Chair, please. Are there any questions before we begin?

Today's presenters have been scheduled in groups of three for each one-hour time slot, with each presenter allotted seven minutes for an opening statement, followed by 39 minutes of questioning for all three witnesses divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition, and two rounds of four and a half minutes for the independent members of the committee. Are there any questions?

*Interruption.*

**The Chair (Ms. Laurie Scott):** Just hold on.

*Interruption.*

**The Chair (Ms. Laurie Scott):** Mr. Sewell, I have to—

*Interruption.*

**The Chair (Ms. Laurie Scott):** Mr. Sewell, you're out of order. This committee—

*Interruption.*

**The Chair (Ms. Laurie Scott):** Yes, Mr. Sewell. You are.

*Interruption.*

**The Chair (Ms. Laurie Scott):** We're going to have to recess. Mr. Sewell—

*Interruption.*

**The Chair (Ms. Laurie Scott):** Mr. Sewell, I'm going to have to ask you to leave.

*Interruption.*

**The Chair (Ms. Laurie Scott):** Mr. Sewell, there will be a recess. There's a recess, Mr. Sewell.

*The committee recessed from 0910 to 0915.*

**The Chair (Ms. Laurie Scott):** We will now continue with the Standing Committee on Heritage, Infrastructure and Cultural Policy.

**HOUSING ASSESSMENT RESOURCE  
TOOLS PROJECT  
MORE NEIGHBOURS TORONTO  
ADVOCACY CENTRE FOR TENANTS  
ONTARIO**

**The Chair (Ms. Laurie Scott):** The first three presenters we have today are Housing Assessment Resource Tools Project, Carolyn Whitzman; More Neighbours Toronto, Eric Lombardi; and Advocacy Centre for Tenants Ontario, Douglas Kwan.

I will also remind everyone to state their name at the beginning of the presentation.

We'll go to MPP Bell for a point of order.

**Ms. Jessica Bell:** Chair, we just had the former mayor of Toronto disrupt proceedings because he was one of many people, including AMO, who have not been given the right to speak to Bill 23, even though it has significant ramifications on municipalities and land use planning.

I'd like to move a unanimous consent motion to add an additional two days of hearings so people who are impacted by this bill have the opportunity to speak to us.

**The Chair (Ms. Laurie Scott):** That's not a point of order.

We'll begin with the presentations. Carolyn, you're on screen. Please state your name at the beginning, and you have seven minutes for your presentation.

**Dr. Carolyn Whitzman:** My name is Carolyn Whitzman, and I am the expert adviser to the Housing Assessment Resource Tools project. I am personally based in snowy Ottawa. I have already submitted written material. and I

would like the opportunity to show some visuals in my seven minutes.

**The Chair (Ms. Laurie Scott):** That's fine.

**Dr. Carolyn Whitzman:** Thank you. I will now share my screen.

HART, the Housing Assessment Resource Tools project, is working with 13 municipalities across Canada. Seven of them are in Ontario, comprising the GTHA and Ottawa. The goal of the project is to develop standardized, replicable, equity-focused and evidence-based tools, including a housing need assessment tool, a land assessment tool and a property acquisition tool.

We'll start off with our analysis of 2016 census data on core housing need. We haven't received the special order back from Statistics Canada for 2021 data yet.

As you can see, there are 750,000—a little less—households in core housing need in Ontario. That's households that are paying more than 30% of their before-tax income on some form of housing cost, either rent or a mortgage. Of those, we have divided it into five categories and also household size.

There is a group of very-low-income households—86,000—that can afford, at least in 2016 terms, to pay less than \$375 a month in rent. Furthermore, almost 500,000 of the 750,000 can afford no more than \$931 a month in rent.

Well over 70% of very-low-income households are in core housing need, and almost 60% of low-income households are in core housing need—again, paying more than 30% of their income or in overcrowded or uninhabitable homes, according to Statistics Canada, and who cannot find affordable housing in the area in which they live.

We've also broken down core housing need by priority populations. As you'll see, the average of households in core housing need is 15% across Ontario. For new migrant households, well over a third are in core housing needs. Single-mother-led households—also a very high proportion in housing need. Refugee claimants and racialized households are other groups that are likely to be in housing need.

Core housing need isn't perfect. It's used by CMHC to develop targets, and federal targets—some 530,000 households removed from core housing need by 2028. It leaves out homelessness. It leaves out students who are living independently from their families, and we know that a great proportion of them are in low-cost rental. It leaves out those in congregate housing, such as rooming houses or any form of assisted living, or in substandard housing, inadequate housing. It excludes Indigenous people on reserves and people on farms. So when we're talking about a quarter of a million households in core housing need in Ontario, that's actually a vast underestimation of the number.

**0920**

There's also the issue that has been brought up by my colleague Mike Moffatt of suppressed household formations. This slide from him shows that the groups that are moving out of York, Toronto and Peel are most likely to be young adults with young children. In fact, the biggest

group of people moving out are young children, so we're creating central cities and suburbs that are uninhabitable for young children.

The implications for Bill 23 are that the Housing Assessment Resource Tools project has complete support for provincial and municipal targets of at least 1.5 million new homes by 2031.

We would strongly recommend that Ontario move towards the standard definition of affordable housing, which is 30% of before-tax household income, not one based on market rent, in its legislation and in its programs. We would strongly recommend that there should be sub-targets based on income categories, and perhaps a height bonus in zoning changes for 100% affordable housing.

We would strongly argue the need for rental protection so that more affordable housing isn't lost, or the provincial government could consider funding acquisition strategies for affordable housing at risk of being lost.

I guess our bottom line is that almost all new homes would need to be delivered to variable-income households, to medium-income households—and when you're talking about medium-income households, who are a lot of the suppressed household demand, you're talking about housing charges of \$2,235 a month. It's possible to have that in a mortgage of a cheap ownership house, but keep in mind that the international metric of affordability for home ownership is 3 to 1, and Toronto is presently at 10.5 to 1—so if you take the average home price and divide it by the average household income, the number should be three; in Toronto, it's 10.5.

Unless the provincial government has some magic way to make home prices a third of what they are in Toronto, a half of what they are across Ontario, or to increase household incomes twice or three times when it comes to average- or low-income households, I think the answer is going to have to be vastly increased rental accommodation, and not in getting rid of renter protection, but in supporting renter protection.

*Interruption.*

**Dr. Carolyn Whitzman:** That brings me to the end of my presentation. Thank you.

**The Chair (Ms. Laurie Scott):** Sorry for the alarm there. Thank you very much for your presentation.

We'll now move on to More Neighbours Toronto. Please state your name at the beginning of the presentation.

**Mr. Eric Lombardi:** My name is Eric Lombardi, and I'm an advocate and founder of More Neighbours Toronto. We are a volunteer, multi-partisan housing activist organization that is trying to secure the reforms that are required to end the housing crisis in Toronto and in Ontario.

You have a lot of speakers who will be joining us to speak to very specific items within Bill 23, but the reason why we're all here is that Ontario faces a housing crisis—and yes, the word “crisis” is thrown around pretty liberally these days; however, this one is real. Since 2010, housing prices in Toronto have tripled. That is a gain of over 200% on what they were in 2010. In the meantime, incomes have only increased 30%. Obviously, the cost of housing is

vastly outstripping the increases in income that we're seeing.

I'm 28 years old, and I'm lucky to have a very good job as a professional in technology. However, there are huge impacts that I've seen from my own peer group, particularly those from high school who did not pursue careers I would describe as being part of the rat race. My friend who became an electrician is stuck at home. My friend who became a teacher is stuck at home. She can't make it work, so she's going back to school so that she can find a career that will pay her more money so that she has a chance to have the family that she desires and to be able to afford living in this province. Another friend of mine, a nurse, and her partner, a logistics dispatcher, have moved away from Toronto because it is impossible to afford the amount of space to start a family.

How are we in Ontario going to achieve a greater level of prosperity in the future when we are chasing out the future of this province from being able to live here?

I studied engineering at the University of Waterloo. More than half of my classmates moved to the United States because it simply does not pay to live here anymore. One of my best friends—one of the most brilliant people I know—bought a house for \$1.5 million and now he no longer desires to start a business. We are really screwing the future in this province.

When it comes to Bill 23, I attended this announcement, and there was a lot of fanfare and rhetoric over the end of NIMBYism in Ontario, and that we're going to take action against the BANANAs—the “build absolutely nothing anywhere near anything” type of attitude that permeates this province. Then, when I look at the actual bill itself, the only thing I can describe is, this bill will achieve nothing other than slowing down the rate at which things get worse in this province. This is not a substantial enough reform to truly change the trajectory of housing affordability in this province.

There are some very excellent reforms that are a part of this bill—changes and improvements to MTSA areas that we desperately need. We should really expand the definition of what an MTSA is and maybe create a new boundary near MTSA's.

Changes to heritage conservation are also very needed. I live very close to an entire strip in Leslieville that was created as a heritage conservation district that really contains very unremarkable buildings. This process has been abused in the past.

There are other changes that this government has taken that I would describe as penny-wise and pound foolish. They might make some short-term gains in the ability to create new housing, but in the long term they are going to raise taxes or diminish the investment in services and ultimately lead to a lower quality of living. This is what happens when you invest in additional sprawl.

Unfortunately, with sprawl, all that new infrastructure is paid for by the initial development, but because of the space that is used, and the fact that infrastructure relates much more to land area than density, all of these places are actually vacuums of tax dollars over the long term to

maintain and replace infrastructure that exists there. This is not a method that will ultimately create affordability in this province, because the reason Toronto is expensive and this region is expensive is that people will want to live near the communities and family and friends that they grew up around, and immigrants want to live near the networks that they already have established here. And everyone wants to live close to where they work. So how are we going to solve these problems? This bill, Bill 23, is only an increment in the direction that we need to go, and it is not urgent enough.

You might have received a pamphlet that I just had distributed. It says that Ontario's housing crisis will only get worse from here. I encourage you to open it, because in it is the truth. Until growth becomes not just legal but feasible in all existing neighbourhoods, we are not going to be on a path to solving this problem. This committee and this Legislature have an opportunity—because I know there are bipartisan interests that want to solve this problem in this province. Neighbourhoods have been over-protected from very mild forms of growth for far too long in this province. There is a fear of the backlash that might happen if we were to legalize, for example, fourplexes up to four storeys in neighbourhoods, a top recommendation of the government's own Housing Affordability Task Force. But there are more than 2.5 million single-family homes in this province; if just one in 10 over the next 10 years was developed into a fourplex—hardly a dramatic change at all—

**The Chair (Ms. Laurie Scott):** Final minute.

**Mr. Eric Lombardi:** —you would produce 750,000 units of housing, more than half of the province's goal of achieving 1.5 million homes. The reason why this is not being pursued is because many in this government seem to be afraid of change. But I am afraid of what will happen to our province if we don't change.

The health care crisis—how are you going to get nurses and personal support workers to live near people if they can't afford to live in the city?

**0930**

The fertility crisis—how is my generation going to be able to have children if we can't move out? There are 100,000 unformed families as a result of this housing crisis—people deprived of the opportunity for domestic dreams, families and all these things that we value in our life.

It is time for this government to take this more seriously. It's time to protect renters, because reducing rental replacement or eliminating rental replacement policies is going to displace the working poor from our city even more. That's actually going to make all of our quality of life and the services we depend on those workers for even worse.

**The Chair (Ms. Laurie Scott):** Thank you very much, sir. That's the end of your presentation.

We'll now move on to the next presenter: the Advocacy Centre for Tenants Ontario. Please state your name before you begin your presentation.

**Mr. Douglas Kwan:** My name is Douglas Kwan. I'm from the Advocacy Centre for Tenants Ontario. Thank you, Chair Scott and committee members. ACTO is a non-profit, non-partisan community legal clinic that advances the interests of low- and moderate-income renters in Ontario.

ACTO welcomes the province's intent to address the current crisis facing Ontarians looking to find an affordable place to live and call home. However, there are specific aspects of this bill that will hinder the effectiveness of achieving that goal and that will specifically make housing more unattainable for Ontario's renters, who make up a third of the population in this province.

Every year, Ontario is experiencing a net loss of our affordable housing stock because owners are pursuing demovictions and renovictions, because their land values have skyrocketed over the last five to 10 years, and also due to rent control loopholes in the Residential Tenancies Act.

Between 2006 and 2016, Ontario experienced a 26% drop in units that were renting for under \$1,000; between 2016 and 2021, that went up to a 36% decline. In the same period, there has been an 87% increase in the luxury rental market, which consists of rentals for \$3,000 or more. Without addressing the loss of our affordable housing stock, Ontario's efforts to increase supply is akin to filling up a bathtub with the drain being unplugged.

ACTO has three main concerns regarding this bill:

- changes to rental protection provisions;
- regulatory changes to inclusionary zoning; and
- development charges leading to decreased affordability.

The first, rental replacement protection: Rental replacement protection provisions are being developed and exist in several municipalities, including the city of Mississauga. That city was losing 70 purpose-built rentals every year to condominium conversions. Between 2005 and 2018, three projects totalling 55 units were demolished. The city recognized that the loss of housing due to conversion and demolition contributed to its falling rate, and needed to take action.

Rental protection offers a level of security for Ontarians from the threat of no-fault evictions. It also maintains a city's affordable housing stock that benefits future residents. This policy does not hinder renewal. The Residential Tenancies Act holds owners responsible for maintaining their properties, and the legislation also permits them to pass along the costs of significant capital expenditures incurred for renewal or energy conservation. Therefore, landlords have the tools necessary to maintain their investment.

Data has shown that each year in Ontario, 20,000 existing affordable units are lost. Affordable units are at most risk if rental protections are weakened.

Lastly, these policies were created after extensive consultation with stakeholders and residents to craft a policy that works well for their city. Creating a one-size-fits-all regulation would be inefficient and would potentially

weaken rental replacement protections because it is not driven by the unique needs of the local residents.

Our second concern is regarding inclusionary zoning. The proposed regulatory changes suggest, again, a one-size-fits-all approach to a program that reflects local realities such as availability of greenfields, available affordable housing stock, existence of major transit stations, and other similar criteria. Municipalities establish IZ policies that they know will work for them and achieve the goal of creating more affordable housing for their residents.

The proposed regulation that creates a maximum 5% cap is too low to generate affordable housing because many municipalities, such as Mississauga, have caps of up to 10%—and in Toronto, 15%. The 25-year affordability gap is also far too short. In a generation, future governments and taxpayers will have to find a way to maintain affordability for low- and moderate-income renters after year 25.

In the United States, where IZ has a longer history, cities have found that the optimal duration that's viable for developers to build affordable housing is 99 years.

IZ is also an essential tool for governments to include private developers in creating a public good/housing that is affordable and attainable. Developers benefit with the land lift to their property by the sheer luck of having it being situated in a major transit hub and the infrastructure investment connected with it. It is only fair for the public to receive a benefit from their investment in return.

IZ is a proven tool that can increase the supply of affordable housing, but only if it reflects local conditions. Let's make sure that Ontarians get the best bang for their buck.

Our third concern is development charges. While eliminating development charges for non-profit housing and affordable units is helpful, we are concerned about the financial impact on municipalities of proposed reductions for market housing. Municipalities already face heavy financial burdens and have limited sources for generating revenue. The loss of development charges will have a serious impact on their ability to pay for critical infrastructure and services that are needed to support growth, and according to the Association of Municipalities Ontario, it will shift the burden from developers to existing taxpayers.

Bill 23 will also eliminate the ability of municipalities to implement development charges to fund affordable housing development and services. These funds are a critical component in the planning and creation of new affordable homes, and they support existing housing programs. The bill offers no assurances that the savings from reduced development charges will be passed on to Ontarians. What is likely to occur is that municipalities will be forced to significantly increase property taxes to pay for growth and place the burden on existing residents.

**The Chair (Ms. Laurie Scott):** Last minute.

**Mr. Douglas Kwan:** In conclusion, removing development charges for non-profit housing providers and creating minimum density levels around major transit hubs is progress, but opening up rental protection replacement provisions, IZ, and making life more unaffordable for



renters is a step backwards. Bill 23 requires more work to ensure that it is plugging the housing supply drain instead of creating new ones.

Subject to this committee's questions, these are some of ACTO's key concerns, and we will be filing a more detailed written submission shortly. Thank you.

**The Chair (Ms. Laurie Scott):** Thank you very much. We're now going to move to questions and answers.

*Interjection.*

**The Chair (Ms. Laurie Scott):** MPP McMahan, do you have a point of order?

**Ms. Mary-Margaret McMahan:** Yes, I have a point of order, and that is, I would like to recognize that former mayor Barbara Hall is in our committee room today. I just wanted to welcome her. I hope that she has an opportunity to speak—and I'll be moving a motion to that for lunch.

**The Chair (Ms. Laurie Scott):** That's not a point of order.

We'll now move to questions and answers for seven and a half minutes. MPP Bell, I believe you're going to start for the official opposition.

**Ms. Jessica Bell:** Thank you to Mr. Kwan, Mr. Lombardi and Ms. Whitzman for coming in and sharing your expertise today. I was fascinated by everything that all three of you said. I have questions for each of you.

My first question is to Ms. Whitzman. Do you have an estimate of what the core housing need would be if the communities that are left out of the definition of core need were included—students, people who are homeless?

**Dr. Carolyn Whitzman:** I've done some analysis in my hometown of Ottawa. You would easily be doubling the number in core housing need. Just to give one example, there are 100,000 students in the city of Ottawa in tertiary education. Some 10% of them live in residence; 40% of them live at home—they may not want to live at home, but they live at home. That leaves 50,000 students, most of them fairly low-income, who require affordable housing.

**Ms. Jessica Bell:** My second question is, do you have a position on the affordable housing definition that's in the provincial policy statement?

**Dr. Carolyn Whitzman:** Yes, I do. My position on the affordable housing definition is in my written submission, and it was also in the Globe and Mail on Friday.

The CMHC has a standard definition of affordable housing. We know that all levels of government need to be able to work together in order to solve the affordable housing crisis. All programs, all bills, all strategies need to reflect 30% of household income, with an emphasis on those who are in core housing need. That has been the definition used—an income-based definition—since Canada starting doing housing policy in the 1940s.

**Ms. Jessica Bell:** I don't believe you finished your presentation, so I'm curious to know what your specific recommendations are in order for the government to build the kind of housing that would address the housing need for lower-income and moderate-income households you identified as really lacking.

0940

**Dr. Carolyn Whitzman:** I would agree with Eric Lombardi, who also spoke this morning, that if we're going to radically change zoning in order to allow affordable housing in well-located areas, Bill 23 doesn't go nearly far enough, and I would argue that there shouldn't be a limit on the number of units. You can have height limits—but not what goes on indoors. We're going to need a vastly increased number of licensed rooming houses to provide rents at \$375 or \$750, particularly if we rely on private sector provision as opposed to social provision.

I would also strongly recommend that Ontario take a leaf from many other jurisdictions across the world, particularly in Europe, and have a 20% social housing target. You don't need to go to Europe for that—Montreal has it right now, and it seems to be working.

**Ms. Jessica Bell:** My next questions are to Eric Lombardi. Thank you so much for coming.

You mentioned that you had some questions and concerns about the missing middle component to Bill 23 and how it allows three homes per property with the municipality still controlling the height and square footage.

Do you have specific recommendations on what kind of missing middle housing we should be advocating for in this bill?

**Mr. Eric Lombardi:** Well, for one, you shouldn't depend on the municipalities to do the right thing and allow more space for those properties. For a triplex, for example, if you take a bungalow on an existing property built in the 1950s, this bill limits the space that can be built for that triplex to the same area that already exists on the property. Obviously, the economics of doing so basically don't exist, which is why you can't just make something legal for it to work; you also need the rules and regulations to make it feasible in order to work.

We've seen both from the former mayor—we've seen the former mayor in here, who has even opposed daycares in our own neighbourhood. So leaving it up to the municipalities to do the right thing on this issue—we can't depend on that. The fact that we're here and all the municipalities are failing on this topic essentially means that it has become a provincial issue requiring provincial action. We have 444 kindergartners and sometimes, to get them to move in the right direction, you need to be a little stern. That's really what the government needs to focus on.

**Ms. Jessica Bell:** The additional question I have is, could you clarify what your position is on expanding the protected major transit station area zoning? You believe that it should be expanded. Do you have any specific recommendations on that?

**Mr. Eric Lombardi:** Yes. Zoning should be based on the proximity of infrastructure. A major transit station area is arbitrarily defined as around 500 metres away from the transit station area, with lots of exceptions for other transit station areas, but the areas surrounding these areas have a lot of infrastructure and amenities as well. There need to be transition areas in order to also facilitate the construction of more housing around them. Right now, you're going to get a lot of very tall buildings surrounded once

again by an ocean of low-rise buildings. That is essentially a geographic hallmark to the inequality that we're developing in Ontario.

**Ms. Jessica Bell:** My next questions go to Douglas Kwan from ACTO.

Could you clarify for me what you said in your speech about the drop in affordable rental units that are classified as \$1,000 or less a month and the corresponding increase in luxury rentals that are \$3,000 a month? Could you repeat that part of your speech again?

**The Chair (Ms. Laurie Scott):** You have 55 seconds.

**Mr. Douglas Kwan:** Between 2006 and 2016, there was a 26% decrease in rentals that were renting for under \$1,000. Between 2016 and 2021, there was a 36% decrease in that class. We also saw an 87% increase in luxury rentals between 2016 and 2021. What we define as luxury rentals are rentals that are renting for \$3,000 or more.

**Ms. Jessica Bell:** There will be another round, so I'll be asking you some additional questions.

I appreciate your time today.

**The Chair (Ms. Laurie Scott):** MPP McMahon, you have four and half minutes, please.

**Ms. Mary-Margaret McMahon:** Thank you to everyone for coming in today. It's a tight schedule, and I'm glad you made the cut; it's unfortunate others didn't, but we're hoping to allow them more opportunities as well. Thank you for your information. It was great.

I think I heard all of you say that Bill 23 doesn't go far enough in creating creative, walkable, sustainable, safe communities and a plethora of different types of housing. I'd just like to hear from all of you about that, how much further in your mind—and specifics—it should go.

We will start with Carolyn, because you're not here in person. It's nice to meet you.

**Ms. Carolyn Whitzman:** I wish I could be there in person.

I would say that Ontario might look at Japan, for instance, which has six zones across the entire country. Those zones are based on noise amenities as much as anything.

Another zoning regime to consider is Portland and Cambridge in the US, both of whom have ways to bonus social and 100% affordable housing.

I agree with Douglas Kwan that if you're talking about affordable housing, it's hardly worth it to talk about it for 10 or 20 years; you have to talk about it for 99 years. Otherwise, you just scramble in a few years.

I would say, as a minimum, three storeys in all residential areas; four, if social or 100% non-profit. I would agree with Eric—I think there need to be eight storeys on roads that have public transit, 12—

**Ms. Mary-Margaret McMahon:** I'm just going to cut you off because I only have four and a half minutes and I need them to answer, but I will get back to you.

Eric—quickly—same question.

**Mr. Eric Lombardi:** Sorry, can you repeat the question?

**Ms. Mary-Margaret McMahon:** Now I'm cutting into my time.

You mentioned that it doesn't go far enough. How much further—specifics.

**Mr. Eric Lombardi:** We need to go dramatically further. Once again, we need to unlock housing in every single neighbourhood. We need to allow neighbourhoods to grow. That has to be a cultural change that this group tries to drive, because we're not going to solve this crisis without it.

We also need, as we give municipalities housing targets, real teeth to help them enforce them, knowing that they will lose their privileges over planning if they don't meet those targets. California has done this by implementing a builders' remedy. What this is essentially allowing is, municipalities that fail to meet their growth targets lose their permissions over planning to a provincial process for allowing growth, so municipalities now have an incentive to actually feasibly meet their targets by allowing growth in housing. This is something I'd also suggest.

**Ms. Mary-Margaret McMahon:** Douglas?

**Mr. Douglas Kwan:** Strong IZ protections, first of all. The private developers do a very good job of providing housing for the market. However, what's missing is affordable housing.

**The Chair (Ms. Laurie Scott):** Final minute.

**Mr. Douglas Kwan:** We need direct investment from all levels of government to build again. It was successful in the 1950s, 1960s and leading up to the 1990s. We have a strong history of developing affordable housing, and we have to return to that, because what's popular now is not purpose-built rentals. Builders are building condos, which is a secondary market that will ultimately be more expensive for renters to live in.

Renter households earn annually \$58,000 every year. They can't afford the new developments that are being proposed with this bill. Because there is a rent control exemption for new units, many of these units, because of the affordability definition, are too high. Mostly, it will be attractive to people who are earning \$100,000 to purchase a one-bedroom apartment. But what about those renters who, as I said, have an annual income of only \$58,000? Where are they going to live? We're quite concerned about affordability and the loss of affordability.

**The Chair (Ms. Laurie Scott):** We will now move to the government side for seven and a half minutes. MPP Thanigasalam.

**Mr. Vijay Thanigasalam:** Thank you to all the presenters for your presentation and for your feedback regarding Bill 23.

I will start off with Eric Lombardi. Again, thank you, Eric, for the presentation. One of the common things that we've been hearing, especially from constituents, residents from my riding of Scarborough—last week, we went to Brampton, and then we were in Markham. Unaffordability is the main topic that we hear, especially for the next generation—and you coming from a young generation, a millennial like myself.

**0950**

As a government, we feel like adding more supply is the key to bringing the cost down. This will definitely help first-time buyers. It will help new Canadians. It will help millennials.

Going forward, you talked about the lack of accountability in the municipal sector, so my question is: What steps would you suggest our government take further to address the housing crisis?

**Mr. Eric Lombardi:** One, you have to have a perspective on land economics. This “three units per household but no more floor space” is obviously just a non-starter for making those projects effective. What you need to define is a higher floor of what minimums and maximums municipalities are allowed to set for this type of policy to work.

You really do need to make transit-oriented places a little bit more dense, and I think you guys do need to make more of a case for why additional density in neighbourhoods will make places better by potentially even allowing, for example, small retail and investment in third places.

But at its fundamentals, affordability is going to be based on where you house people and how you move people, so in the long term that has to be the focus for the government. And then, once again, there have to be consequences for municipalities that deliberately fail. It should really be a strong enough disincentive that they don't foot-drag on meeting the spirit of what the government wants as well. If you don't do those things, they're not going to comply, and then we're not going to get out of this crisis.

**Mr. Vijay Thanigasalam:** I'll pass it to MPP Pang.

**The Chair (Ms. Laurie Scott):** MPP Pang.

**Mr. Billy Pang:** How much time do I have, Madam Chair?

**The Chair (Ms. Laurie Scott):** Five minutes.

**Mr. Billy Pang:** Okay, I have plenty of time.

We understand that you have feedback on our Bill 23, the More Homes Built Faster Act. This bill takes bold action to advance our plan to address the housing crisis by building 1.5 million new homes over 10 years. We are trying to solve all the problems at one time, but we need your input. The proposal, if passed, would help cities, towns and rural communities grow a mix of ownership and rental housing types that meets the needs of all Ontarians, from single-family homes to townhomes and mid-rise apartments. Our plan will build more homes near transit, unlock innovative approaches to design and construction, and get shovels in the ground faster.

But when we work with the municipalities, we are facing “not in my backyard” pushback. Can you give me your insights on how we can work with the neighbours so that this “not in my backyard” position can be resolved?

I want to hear from all three of you. Let's start with Eric from More Neighbours Toronto.

**Mr. Eric Lombardi:** The main way to address NIMBYism is to actually talk to your constituents about why the changes that the government needs to implement are beneficial to them. I think there is this fear among residents that their neighbourhoods are going to be overpopulated, but really we're talking about—particularly when it comes to missing middle rezoning—very mild changes over a long period of time that end up making a lot of impact when you add it all up. So I think that's one way

that you can really address NIMBYism, but I think the other thing is to help people understand why it also enables them and their kids to be able to, for example, live near them. I think we focus so much on talking about supply and demand that we don't talk about the human outcomes that will result from having more abundant housing that is more attainable to the median person.

I would also suggest that the government needs to be stronger in leveraging its own land to develop some of this affordable housing in places across the province, because you can also see that, when social housing is a major component of the housing mix, it actually moderates the market as well. So these things can complement one another, because they provide additional competition.

At the end of the day, you want people who are looking for housing to have strength in the market, and not the owners of the existing housing, if you want to have long-term viability in prices and stability.

**Mr. Billy Pang:** Carolyn?

**Dr. Carolyn Whitzman:** With all due respect, I don't think you're going to get that housing mix, which I totally agree with, without some subtargets around income and housing size. Having said that, I am a big fan of delegated authority and as-of-right zoning. So if you lift up zoning and then have staff people making decisions without the opportunity for neighbours to say no to every single development, that's going to be the way to scale up development.

I'm a strong believer in targets and performance-based planning. I'd like to shout out to former mayor Barbara Hall, who also did some really interesting experiments in that area when she was mayor of Toronto.

**Mr. Billy Pang:** Douglas?

**The Chair (Ms. Laurie Scott):** A minute and 15 seconds left.

**Mr. Douglas Kwan:** I agree with my colleague Eric about communication. There are significant advantages to densification in a community. Densification can lead to larger schools and major transit investments in the local community. That retail or grocery store that you have to now drive to will be next door. There are significant benefits. That needs to be communicated to communities. Communities aren't fragile. They don't want to be stuck in the 1980s. They are aware of the challenges in their communities and in the greater society, so they would be open to that conversation, but it takes leadership and courage to have that conversation with them.

I think one of the elements in this bill that is beneficial is that as-of-right densification to up to three units. We think that it should be increased to four units to truly make an impact, and perhaps even higher. Certainly, the housing task force recommended that as well, and we support that. We think that will help bring more newcomers, will welcome newcomers—who tend to live in major urban centres where they see the densification, where they see the services.

**The Chair (Ms. Laurie Scott):** That is the end of this round.

Now I'll turn it over to the official opposition for the last seven and a half minutes. MPP Bell.

**Ms. Jessica Bell:** My first questions are, again, to Carolyn.

Carolyn, I have two questions. I'm going to ask them, and then you can answer both of them at once.

I really like this idea of subtargets. I was wondering if you could clarify "subtargets based on size" and if you've given that some thought.

The second question I have is, what cities or provinces or states have done a really good job at integrating affordability targets with increasing density?

**Dr. Carolyn Whitzman:** That's a good and complex question, MPP Bell.

Vancouver now has targets of 30% two-plus bedrooms and a subtarget within it of 30% two-plus bedrooms—I think that's the way it works in Vancouver. Toronto has also been talking about two-plus bedroom subtargets. Montreal, again—I always come back to Montreal. I think Montreal has got some really good stuff going on that we don't hear about because they're francophone. They have 20% family-sized three-plus bedrooms plus 20% non-profit housing. I really don't think that we're going to be meeting affordability subtargets without 20% social housing targets.

France fines municipalities that aren't moving toward 20% non-profit housing for all stock. It's a very common thing. Hamburg, Germany has a third social housing, a third rental and a third ownership targets, and is building 16,000 units a year in agreements with developers. This isn't socialism. This is common sense.

**Ms. Jessica Bell:** Just to clarify, when you're saying Vancouver has a target of 30% for two-plus bedrooms, is that overall, including single-family homes? Or is that 30% what's built in purpose-built rentals and condos?

**Dr. Carolyn Whitzman:** For all new developments.

If you want to go really radical, Portland, Oregon has a maximum home size for new developments. That's also a great way to pursue intensification.

**Ms. Jessica Bell:** My second question is to Mr. Kwan, and it's around inclusionary zoning. Do you have some recommendations on how inclusionary zoning should be proposed by the province—targets, affordability definition? Should we let municipalities decide, or should it be the province that sets the standard?

1000

**Mr. Douglas Kwan:** As I said in my speech, inclusionary zonings really depend on the local realities in the municipality—the availability of existing affordable housing, whether there are any greenfields, brownfields, and what the local housing market is like. Certainly, each city, through extensive consultation, develops their own IZ policy.

As I said before, Mississauga has a range between, I believe, 2% to 10%, and Toronto is 5% to 15%, based on the local housing realities of those municipalities.

The duration should be 99 years, because, really, at 25 years, it will only support one generation of homeowners and Ontarians who are looking for a place that's affordable. We need something longer term, because if the province is going to give a benefit such as decreased or reduced

development charges, then there should be a significant public good in exchange. That's what the public expects. So 99 years—in New York City, they've said anything short of 99 years, they ended up paying \$1 billion after year 26 to maintain that affordability. So it's prudent to have a longer term for affordability.

The current definition of affordability at 80% of the average market rent, as I said before, is going to exclude 60% of the population, because only high-income earners will be able to afford and see those units as affordable. That is a strong concern that we have, because at that definition of affordability for IZ, it will essentially make IZ an ineffective tool. You want IZ to be effective, because all levels of government are facing a deficit, and IZ is a great way for governments and the private sector to partner to create a public good.

**Ms. Jessica Bell:** I was also concerned by the province's definition of affordability when it comes to ownership, not just rent. The government has made it, if this passes, that a one-bedroom condo that sells for \$440,000 is considered to be affordable based on this new definition as well, if it's an inclusionary zoning unit that's designed to be sold as opposed to rented. You need to earn well over \$100,000 to afford that, which excludes a huge percentage of Toronto.

My second question, and this is again to Douglas Kwan, is around the private rental market, where the vast majority of renters live. What are some measures that ACTO is advocating for to stabilize rents within the private rental market?

**Mr. Douglas Kwan:** We're seeing rents skyrocket. It has been going up over the last five to 10 years, and certainly over the last three years it has significantly increased. We've seen that as a result of vacancy decontrol. When a unit is empty and someone is looking for a new home, they're going to face what the market bears, as well as the new rent control loophole for new households built after 2018. We understand the reasoning for that provision. However, there was a similar provision for newly built units in 1991—

**The Chair (Ms. Laurie Scott):** Final minute.

**Mr. Douglas Kwan:**—and we found that it didn't build more purpose-built rentals in 25 years; it only created 6% of purpose-built rentals in that time. We're concerned that this will significantly impact affordability while not creating more purpose-built rentals. Our recommendation is to close the loopholes.

**Ms. Jessica Bell:** Thank you very much for your time, all three of you. I really appreciate you coming in today.

**The Chair (Ms. Laurie Scott):** We'll now move to the independent, MPP McMahon, for four and a half minutes, please.

**Ms. Mary-Margaret McMahon:** It's four and a half, and it includes your answers, so you're going to get one minute each—rapid-fire.

One piece of advice for us as we consider Bill 23—starting with Carolyn.

**Dr. Carolyn Whitzman:** Close up the rent protection loopholes.

**Ms. Mary-Margaret McMahon:** You can elaborate a little bit on that. I gave you a minute.

**Dr. Carolyn Whitzman:** I very much like the metaphor that Douglas Kwan said, which is that if you're trying to fill the bathtub with affordable housing, you don't have a plug open.

I think the Ontario government needs a clearer definition of affordable housing that actually meets the needs of low- and very-low-income people. I think it needs to create targets and sub-targets, accordingly, with both private and non-profit developers to produce the kind of housing that's needed, where it's needed. And then you need to legislate appropriately. I don't see Bill 23 doing that. It's a start.

**Ms. Mary-Margaret McMahon:** Eric?

**Mr. Eric Lombardi:** I'll echo on rental replacement. It really needs to be preserved. People who are living in older rental buildings are not actually at the problem with the housing crisis—it's really everywhere else.

I would also say the government can pursue quick wins, particularly on missing middle zoning. Go beyond three units and the existing floor area to really just set floor area minimums that can be set by municipalities. Legalize rooming houses. It's a small change that is a big win because it is the most affordable market rate ability to rent.

These are the critical things that this government could do to really make moves on this issue in the short term. We also don't need a ton of innovative ideas; it just needs to be legal to build buildings out of wood like we used to be able to do. Housing is not that complicated. It's the rules that we put in place that are now barriers to building it. So legalize it in every neighbourhood and allow the market to do what it does, and give incentives for affordable units and additional density for such projects, as well.

**Ms. Mary-Margaret McMahon:** I actually think we need to do a whole rebranding on the term "rooming houses," because I think we can do better than that and alleviate that stigma that unfortunately exists.

Douglas, last word.

**Mr. Douglas Kwan:** I believe the city calls them "multi-dwelling units." And I agree with Eric to legalize it. During the pandemic, when short-term rentals were restricted, we saw an immense increase in tenants finding an affordable place to live. They could then sign long-term leases.

So stronger regulation on short-term rentals, regulating multi-dwelling units, and also investing in purpose-built rentals—the province can use its incredible strength and financial ability to purchase properties and immediately provide them for your residents, for people who need them. So that is an opportunity, outside of Bill 23, that the province can undertake to ensure that people don't have to wait a generation from now for affordable housing; they can see it right away. Also, supporting the social housing sector, co-ops—they have a long history of providing affordable housing and maintaining affordable housing. So ensuring that they have the tools to acquire crown land that's available, because currently, they compete with the private sector, and they don't have the equity or the expertise to compete when you're making crown lands

available—so supporting them in ensuring that they have the tools to build affordable housing.

**Ms. Mary-Margaret McMahon:** What about vacant properties? Should we be looking at those seriously?

**The Chair (Ms. Laurie Scott):** You have 35 seconds left.

**Mr. Douglas Kwan:** I think that's definitely worth a study, because there is a lot of speculation that is happening in the market, and that could address that issue.

**The Chair (Ms. Laurie Scott):** We'll now move to the government side for the remainder of the time. MPP Sabawy.

**Mr. Sheref Sabawy:** I would like to direct my question to Mr. Douglas Kwan.

There are two statistics you mentioned during your submission that I would like to clarify. You talked about less-than-\$1,000-a-month units. The percentage that had gone down was a specific percentage—you said there's only 6% left or something like that, so you see that there is a decline in the number of units which are under \$1,000 a month for rent. Can you confirm that?

**Mr. Douglas Kwan:** Yes. Thank you for the question. It's a pleasure to see—

**Mr. Sheref Sabawy:** I didn't ask the question yet. I'm just asking you to confirm. That was my understanding.

**Mr. Douglas Kwan:** Absolutely, I can confirm. Between 2006 to 2016, there was a 26% drop in those type of units, and between 2016 and 2021, there was a 36% drop.

**Mr. Sheref Sabawy:** There was another statistic about rental units. You said that in 25 years, the building for rental units only grew by 6%.

**Mr. Douglas Kwan:** Right. Over the last 25 years, when the late-1990s provincial government put in place a rent control exemption for new units built after 1991—after 25 years, throughout that period, we saw that only 6% of units were purpose-built rentals; the rest were for home ownership, such as condos, townhouses, single detached homes.

1010

**Mr. Sheref Sabawy:** Don't you think that those two statistics give a direction or give some kind of mention that the growing cost of the units versus the return on investment on those would be prohibiting investors or developers to invest into this kind of housing?

**Mr. Douglas Kwan:** I can't speak about the investment industry. I can only tell you that renters have seen the cost of renting go up. Purpose-built rentals are one of the most affordable types of housing, and we need to encourage that. The bill recognizes the importance of purpose-built rentals. The private market has done its—6%, if that is an indication of how much it can do to provide purpose-built rentals, then that tells us that the government has a large role to play to reinvest and create purpose-built rental housing. So that's what those stats inform us—

**Mr. Sheref Sabawy:** Yes, but, again, this is attributed to the cost of that. If you want to get a unit today with even \$300,000 or \$400,000—you cannot buy any unit in Mississauga, whatever it is—the mortgage for that would be close to \$2,000. How do you expect somebody to invest in

renting a unit for \$1,000 when the cost of it monthly is \$2,000?

**Mr. Douglas Kwan:** I recognize that. We've seen the secondary market, the condo market, go up in double digits compared to last year, with Mississauga going up by 25%. People are asking for about \$2,500 for a one-bedroom condo unit, and it excludes many Ontarians, because that's quite expensive, which is why we are advocating for purpose-built rentals being built.

**Mr. Sheref Sabawy:** Yes, but you understand that there are two different items we are addressing here: affordable housing and houses which are affordable. There are two different comparisons here: affordable housing, which the government has to put their hand—some investments have to be put by not-for-profits or our government to make that available, versus affordable houses, which anybody can invest in, expecting to get a specific margin of return.

**Mr. Douglas Kwan:** I think affordability is for the homeowner or the renter who is living in the home. As I understand it, the bill is not to address the real estate investment market; it is to provide affordable housing. It's a continuum, and purpose-built rentals are an affordable starting point where people could save enough money to one day afford the home of their dreams. So we want to make sure that purpose-built rentals are affordable for Ontarians.

**Mr. Sheref Sabawy:** Because we are talking about the rental part of it, I'm going to continue on that path.

You understand also that a percentage of rentals would be a percentage of the total built. We don't expect, of course, to build, let's say, 1,000 units that are going to be all rental; it's going to be 1,000 units mixed—it's going to be a percentage of rental, a percentage of houses, a percentage of condos, and so on. So if we don't have enough capacity now or the demand is much higher than availability, the percentage of the units available for rent is going to go down. If we took the example of 1,000, 10% of that, let's say, would be 100 units. But if we are pushing for—

**The Chair (Ms. Laurie Scott):** I'm sorry; we have one minute left.

**Mr. Sheref Sabawy:** Okay. If we are building 50,000 units, then 10% would be 5,000 units for rental as well. So don't you see that by adding more capacity through this bill, it will add capacity for rentals as well?

**Mr. Douglas Kwan:** I understand that is the goal. We are concerned about the rental-protection pieces here. We are concerned that there are better ways than relying on the private sector to provide affordable housing. So, as I said earlier, one of our recommendations is using the province and all of your tools to invest in the missing gap, which is purpose-built affordable rentals, because what's provided right now are luxury and—

**The Chair (Ms. Laurie Scott):** Thank you very much. That ends this round of presentations.

The committee is recessed till 1 p.m. today.

*The committee recessed from 1015 to 1302.*

**The Chair (Ms. Laurie Scott):** We'll now resume the Standing Committee on Heritage, Infrastructure and Cultural Policy.

TORONTO ALLIANCE TO END  
HOMELESSNESS

HEMSON CONSULTING

ONTARIO ALLIANCE TO END  
HOMELESSNESS

**The Chair (Ms. Laurie Scott):** We have our first three deputants this afternoon: the Toronto Alliance to End Homelessness, Hemson Consulting, and the Ontario Alliance to End Homelessness. When you begin your presentation, please state your name.

MPP Bell?

**Ms. Jessica Bell:** I would like to move a motion calling for unanimous consent.

**The Chair (Ms. Laurie Scott):** Since I already announced the first three, maybe between the next round. Would that be okay?

I will now begin with the Toronto Alliance to End Homelessness. Please state your name.

**Ms. Kira Heineck:** My name is Kira Heineck. I am the executive director at the Toronto Alliance to End Homelessness. I'm very pleased to have the opportunity to speak with you today. We are a community-based collective impact initiative committed to ending homelessness in Toronto. Our partners make up over 100 shelters, multi-service organizations and supportive housing providers across the city.

The vast majority of people experiencing homelessness, in an analysis of service intake data, report that being able to afford a place to live is the number one barrier to ending their homelessness.

Therefore, Bill 23, the More Homes Built Faster Act, is a critically important opportunity to make a real difference. There are a number of positive changes that the bill proposes, including reduced taxes and waiver of fees for non-profit development, for example, and that will lower costs and make more projects viable; and the elimination of third-party appeals to the Ontario Land Tribunal is a powerful tool to minimize undue delays. These and other positive changes are important, and the alliance does not discount them.

However, Bill 23 also includes changes that have a negative impact on housing affordability, particularly for those at risk of or experiencing homelessness. Therefore, we strongly urge the government to consider these impacts on Ontario's most vulnerable people and amend the bill accordingly.

The first area is the definition of "affordability." What is affordable for the people that TAEH partners serve is not the same as what is affordable for middle- and higher-income households in Ontario. The bill defines affordability, as you know, at 80% of market rent or 80% of average sale value for ownership. For people experiencing homelessness, living on the most minimum of incomes, this benchmark is completely unattainable. In Toronto, where 25% of households are in the \$30,000 to \$60,000 income range—that's a quarter of Torontonians—this definition of affordability will not make it any easier for them to find affordable homes, rental or ownership. Definitions of

affordability must be based on income, not on market factors. Many jurisdictions in the Canada Mortgage and Housing Corp. now use income-based definitions in policies, and we strongly recommend that Bill 23 does so as well, with the standard being 30% of median income in a defined neighbourhood or area.

Secondly, in relation to the rental replacement protections, affordable and deeply affordable rental housing is the main type of housing that people experiencing homelessness can access to start their journey back to stable, healthy lives and return to contributing again to their communities, local economies and the tax base. Bill 23 proposes to do away with rental protection. In Toronto alone, rental protection policies have replaced anywhere from 2,200 to 4,000 units in the last five years. We recommend that rental replacement protection measures are not eliminated in Bill 23.

In relation to changes to the development charges, removing housing services from eligible uses of the development charges a municipality is eligible to collect, as Bill 23 does, is perhaps the most direct example of how this bill will actually decrease access to deeply affordable housing for people at risk of or experiencing homelessness across the entire province. In Toronto alone, the loss of revenue from this change is projected to be \$130 million per year, all of which is used to support critical affordable housing programs. These programs create units that are amongst the only homes people on minimal incomes can afford, and losing these resources will clearly result in more homelessness in Toronto, as it will elsewhere in our province. In addition, an additional almost \$1 million per year of the DC revenue will no longer be available to support essential systems change initiatives in Toronto's emergency shelter system. This is a critical issue for us at the alliance because currently these funds are used to expand the housing-focused shelter model in converting shelters to permanent supportive housing, moving us closer to permanent solutions to homelessness and not simply those that manage homelessness. These are outcomes that reduce homelessness and outcomes that this government has also committed to, and it's an impact of Bill 23 that we urge you to reverse.

Regarding inclusionary zoning changes, as you know, this bill limits the affordability period of IZ units to 25 years. Many municipalities, including Toronto, of course, have moved to a 99-year period. This allows for the long-term retention of the value of public investment, and stability for the households and the housing developers and service agencies that support these affordable housing programs. The impact of the 25-year limit will, again, be felt most sharply by people at risk of or experiencing homelessness. Twenty-five years goes by quickly. Once it's over and units are no longer affordable, where do people go? Well, current experience with some of these affordability periods from older developments that are expiring or ending shows that it's often into homelessness—and in the case of seniors, who make up a large number of households in these programs, an increased demand for long-term care services. Along with many others that you've heard from or will hear from, we recommend that this time

limit be 99 years or, at the very least, at the discretion of municipalities to decide what works best for them.

**The Chair (Ms. Laurie Scott):** Final minute.

**Ms. Kira Heineck:** We believe that there's a disconnect, as Bill 23 is currently written, between its laudable attempt to create more affordable housing and the impact of changes proposed on the individuals, families and communities that are most vulnerable and who most need to access deeply affordable housing. This can't be overstated, and it must be addressed. There are a number of provisions that could be added, either into the bill or in other government initiatives, to close that affordability gap, and our submission, which will come to you in its final version tomorrow, outlines some of those.

In the end, we need housing solutions for all Ontarians. While Bill 23 includes some measures that will increase affordability—some good changes—unfortunately others will lead to less access to the deeply affordable housing needed to address homelessness.

**1310**

We ask that this committee, and the government, in turn, carefully examine the impacts that will undermine the intent of this bill.

**The Chair (Ms. Laurie Scott):** Thank you very much.

We'll now move on to the next presenter for this afternoon: Hemson Consulting. Please state your name before you begin. You have seven minutes.

**Mr. Craig Binning:** Thank you very much, Madam Chair. My name is Craig Binning. I'm a partner at Hemson Consulting.

Just before I get into my presentation, a bit of background on Hemson: We are a firm that specializes in working with municipalities on planning policy, municipal finance, and demographic and economic forecasting. We have extensive knowledge and experience working with development charges. I, personally, since 1990, have worked on over 300 development charge background studies from municipalities as large as the city of Toronto to as small as Tiny township in beautiful Simcoe county; other municipalities include the city of Ottawa, Windsor, municipalities in the Niagara region, North Bay, Niagara Falls, Waterloo and Kitchener, and many, many more.

Our submission—which I hope you have a hard copy of—as well as my presentation, is informed with extensive consultation with our municipal clients, with the Municipal Finance Officers' Association of Ontario and AMO. But ultimately, the opinions set out in my letter and today are those of Hemson Consulting and myself.

I, too, would like to suggest that the legislation does have some positive elements to it, and we certainly want to work together with municipalities, with the province and with the building industry to ensure that a wide range of housing options are available, that there's housing supply, and that we're building livable, complete communities.

However, there are some concerns with the legislation and the potential impact which may be counterproductive to reaching those goals. I would like to highlight five of these specific concerns with you this afternoon. They deal with the mandatory phase-in proposed for development

charges; then, changes to the development charge calculations dealing with the removal of housing services as an eligible service, the potential removal of land as an eligible development-charge-funded cost as well as growth-related studies; and then, finally, changing the historic service level from 10 to 15 years. I recognize that some of those are details and calculations, and I just want to highlight those for the standing committee. My concern is that the analysis we've undertaken over the last couple of weeks indicates that the cumulative impact of these changes will be the loss of billions of dollars of DC revenues over the next five years to municipalities cumulatively. That will range from tens of millions of dollars annually for smaller municipalities to hundreds of millions of dollars for the larger municipalities here in the GTA and across the province. Without alternative revenue sources or the province providing support to that, my concern is that the impact will be an eroding of affordable housing or affordable housing for existing homes, because it will result in significant tax rate pressures and utility rate pressures, and also may result in the delaying of the delivery of important municipal infrastructure necessary to allow for the development of housing.

What I'd like to do over the next few minutes is focus on a few of those key things and get into a little bit more detail.

Of first concern is that proposed mandatory phase-in of development charges when new bylaws are passed, or what might be referred to as "discounts." The concern here is that doing that will result in significant revenue losses to the municipalities, which will put pressure on the utility tax rates and property tax rates without offsetting revenues. Also, I don't consider this to be a phase-in because it actually relates to the entirety of the charge. The minister, in the Legislature on October 26, talked about the need to make increases more manageable for home builders for development charges, but the discounting applies to the total charge, not just the increase in the development charge. Also, this applies retroactively, back to bylaws that were passed in the summer since June 1. That doesn't take into consideration that those bylaws were passed as part of a public consultation period and often an extensive dialogue with BILD and other representatives of the development industry. Municipal budgets are now based on those rates, and one of the impacts of the mandatory discounts on those retroactive bylaws will result in development charge rates lower than what was originally in place prior to the passage of the new bylaws this past summer.

One other point: It's interesting to note that the discounting applies to all rates—not just the residential, but also the non-residential development charge rates. We are wondering how that will help to supply housing across the province, and we would encourage it not to be applied to the non-residential use.

Moving into some of the specifics on the calculation methodology—and I'll try not to bore the committee too much, but I want to highlight some of the critical things. Most recent changes to the legislation reinforce that housing services was an eligible development charge service,

and municipalities across the province have been using those monies to help deliver affordable housing and work with the private sector for the delivery of that housing—removing that of a service will be counterproductive in that fewer affordable housing units will be created here in the city in Toronto and elsewhere across the province, including places like the county of Simcoe.

Then, when we get into the costs that are potentially no longer eligible for development charge funding, things like land acquisition, in which the minister will be able to prescribe services for which it is not eligible, will have a fundamental impact on the delivery of core infrastructure, water and wastewater infrastructure, important emergency services like fire stations and police protection services—and also the removal of growth-related studies. It's critical that municipalities have that revenue source available to them to do proper infrastructure planning in advance of that development occurring. If that funding limitation is removed—

**The Chair (Ms. Laurie Scott):** Final minute.

**Mr. Craig Binning:** Thank you very much. I'm going to move on to my recommendations.

What I would like to propose to the standing committee and to the government is that the mandatory discount be removed, or if it is to remain, that it be focused on residential development charges alone and that it relate to the increase in the charges and that the phase-in period be discounted. I would also like to request that the definition of capital costs eligible under the development charges remain unchanged and continue to include land and also studies; and that, finally, housing services remain as an eligible cost.

You may hear from another presenter that municipalities have existing development charge reserve funds to offset these DC revenue losses. I want to stress to this committee that those funds are all committed against existing infrastructure needs and have been fully accounted for in development charge rate calculations. Indeed, some of those reserves are in negative positions where municipalities have "pre-in-placed" the infrastructure, and it's important that they be able to continue to fund those—

**The Chair (Ms. Laurie Scott):** Thank you very much. I'm sorry; your time is up.

We'll now move on to the Ontario Alliance to End Homelessness. Please state your name, and begin your seven and a half minutes.

**Ms. Jennifer van Gennip:** My name is Jennifer van Gennip. I'm co-chair of the Ontario Alliance to End Homelessness. On behalf of the alliance, I wish to thank the standing committee for allowing me to be here today to share our perspective on Bill 23. As an alliance to end homelessness, we are focusing our comments on how Bill 23 will and will not increase affordable housing stock and help us realize the right to housing. We approach any housing policy through an equity lens. Housing is a human right, recognized in international treaties since 1948, but more recently encoded in Canadian law in 2019. This does not mean that governments are required to end homelessness overnight or give everyone their own house, but it



does require governments to work as quickly as reasonable towards safe and affordable housing for all through their policy and budgeting decisions. That is the lens that we bring to Bill 23. Is this piece of legislation moving us closer to housing for all? Our analysis is that it does not. While more homes will likely get built, and there are some concessions for non-profit developments that may make more projects financially viable, as my colleagues have already referenced, affordability is not adequately addressed and in some cases is even undermined. It reads a bit like a panicked attempt to meet a quantitative goal by removing the rules, when what we should be doing collectively is doubling down on evidence-based, smart growth principles with both quantitative and qualitative metrics through a rights-based lens.

I will focus on four concerns and recommended changes that would help reorient this bill toward the creation of affordable housing.

Our first concern is that lowering the cost of creating housing does not equal lower housing prices. The Association of Municipalities Ontario notes that development charges account for between 5% and 7% of the price of a new home. A study by the Royal Bank and Pembina Institute concluded that the increase in development charges accounts for only a small fraction of the increase we see in home prices. The evidence does not support the theory that reductions in development charges are passed on to homebuyers. The city of Ottawa has experimented with this and did not see price reductions. AMO also points out that in the GTA, at the border of two municipalities with different DC rates, the municipality with lower DCs had higher housing prices. I'm sure there are examples across southern Ontario. This is, of course, because housing prices are determined largely by what the market will bear, not by the cost of building. We see this on a more micro level with second suites. Where I live and work in Simcoe county, the number of unsubsidized second suites that can be counted as affordable has dropped from 90% to 25% in the last decade. Subsidized suites are capped at average market rent; unsubsidized suites are not, and therefore rent at whatever people are willing to pay. Our recommendation is that any building costs subsidized through reduced development charges should be paired with requirements that reductions are reflected in the price to buyers and renters.

#### 1320

Our second concern is that the new 5% affordable housing target undermines the higher target set now by many municipalities. If the goal is more affordable housing, we are left questioning the rationale of capping affordable housing targets in new developments at 5% and only requiring them to stay affordable for 25 years, overriding the 10%-to-15%-or-more minimums that municipalities have already put in place in their new official plans. A number of quality controls are also removed. This is concerning, as we expect affordable housing always to be dignified, safe housing. My local alliance worked with the city of Barrie for two years through the drafting process to help make sure that our OP had a target of 15% affordable housing in new developments. As I told them regularly,

good city planning includes housing options across the full income spectrum of the people who call that city home. The current definition of affordable housing in Ontario's PPS has a much higher threshold than most people think. For rentals, it is calculated at 30% of household incomes at the 60th percentile or average market rent, whichever is lower. Why would we cap affordable housing targets at only 5% when the definition of what is affordable includes the majority of people who live here? How will we ever reach housing for all when we allow 95% of new units to be unaffordable? Who benefits from legislation like this? Good city planning is resident-centric, not developer-centric. Our recommendation is that you either remove or change the 5% cap to a 5% minimum or a higher minimum, remove the 25-year limit, and remove changes to quality control.

Our third concern is that we will lose current affordable stock at a much quicker rate than we can replace it. When we're looking at affordable housing stock, it's really important to not just consider adding new units, but also maintaining current ones. This bill gives the minister the power to remove rental housing protection programs that currently ensure that when apartment buildings are redeveloped, the affordable units lost are replaced at affordable prices. These policies have preserved over 4,000 affordable homes and are vital to preserving affordable housing stock. Our recommendation is that you strengthen the policies that protect renters, maintaining and expanding rental housing protections and expanding rent control to be tied to the units, not the tenancy.

Fourth, the real problem: The financialization of housing, which is a human right, remains unaddressed. When I referenced earlier that housing prices are set at what the market will bear, it is important to note that the market is not just made up of people who intend to live in these houses and call them home. The market includes corporations, real estate investment trusts and pension funds, all driven to maximize profit for shareholders. Financialization is a driver of social inequality and is associated with the violation of the right to housing. It has contributed to house price growth that is delinked from wage growth. Financial firms operate rental housing with the goal of increasing rent levels. Their whole business model is to reduce affordability. If we truly want to address housing affordability in Ontario, we must address the purchase of homes by these profit-seeking entities. At the same time, housing for all will require provincial investments in social housing, which we do not find in this bill. Homeless encampments across this province are filled with people living on ODSP benefits, because the housing portion of their benefit is a fraction of what it costs to rent an apartment. The market will never on its own create safe, dignified housing for those who rely on the poverty incomes of social assistance programs, and this is where the government must step in to fund housing. We recommend addressing the financialization of housing by limiting or capping ownership by firms that treat rental housing as investment products—

**The Chair (Ms. Laurie Scott):** About 30 seconds left.

**Ms. Jennifer van Gennip:** Thank you.

I'll close by sharing that our member agencies include homeless shelters and outreach organizations that support people living in encampments. It is dire out there. Shelters are appealing to the public for donations of tents to give out when their beds are full. They are seeing people who never dreamed they would one day lose their housing—people who have worked their whole life, recently evicted, terrified—being handed a tent and given advice on where to pitch it to avoid police and bylaw officers. The number of newly homeless people is alarming, and our shelter system is completely overwhelmed.

We must collectively work diligently to create affordable housing for all.

**The Chair (Ms. Laurie Scott):** We'll now move on to the question-and-answer session. We will start with the official opposition for their first seven and a half minutes.

MPP Harden, please.

**Mr. Joel Harden:** It's nice to see everybody today. Thank you so much to all the presenters for what you had to say. I found a thread through all your remarks with the feedback we've been getting from home. The city of Ottawa just generated a report forecasting that the shortfall in revenue for our city, absent development charges, would be \$23 million. For context, the affordable housing budget we have in our city is \$14 million.

I'm just wondering if all of you, in turn, could comment about what you see not only in the municipality in Ottawa—I'm sorry if I missed it from Mr. Binning in your comments—but what we might lose absent the revenue from development charges. Perhaps, Kira, you could start us off.

**Ms. Kira Heineck:** Well, as our comments noted and you yourself just noted, we will lose most of the ability to produce deeply affordable housing for people who are experiencing homelessness or are at risk of homelessness—and I can only speak from the Toronto context, of course, specifically. We have three major programs—the Open Door program, the Housing Now program and MURA, the multi-tenant residential acquisition program—and they produce thousands of units every year that are for people who are experiencing homelessness. They are supported by programs that engage both the private sector and the non-profit sector in partnerships to do that work, and they turn out to be incredibly successful programs, as well, not only because they're providing good, safe homes for people who are the most vulnerable, but also because they're creating, in many cases, mixed-income communities and working with both for-profit interests but also the service providers who are there to support those people and to bring the community services and supports around those homes, in order to make them really successful. That has other very positive outcomes to community health and resilience that we will lose when we are no longer able to provide these programs. We are not sure right now what we will do without them.

I can also say that in many municipalities, certainly in Toronto, these programs have been hard-won by a lot of people—city staff and council, but also advocates like our organization and others—to really figure out solutions that

work. In the case of Toronto, for the last two years, even with COVID, we've been able, by using these programs, to produce—I think it's close to 4,000 units overall that rely on these development charges, so it's—

**Mr. Joel Harden:** Kira, just so I'm—thank you for all of that.

Chair, how much time do I have left?

**The Chair (Ms. Laurie Scott):** Four minutes.

**Mr. Joel Harden:** Okay. Just to clarify, too, before handing it to Jennifer: These aren't just benefits to folks who can be housed, but they're also community benefits. The amount of money that we would spend otherwise on emergency services, on hospital admissions, on first-responder interactions, on incarcerations in some cases pales in comparison to the programs you're talking about. But I know them well, because as a graduate student in this city, I worked with the late Jack Layton to help your organization and others fight for some of those programs.

Jennifer, I'm wondering if you can give us the provincial picture here.

**Ms. Jennifer van Gennip:** Well, I can try. I've been the co-chair for just a few months. But I can certainly note that a lot of the costs of creating social housing and affordable housing, housing that houses the people the market will not create housing for, has already been downloaded from the federal government to the province, and then, for the most part, from the province to the municipalities. Municipalities really only have—I'm in Barrie; mostly they have DC charges and property taxes to raise revenue, and other than, like, parking fines, that's pretty much what they have to raise money. So that's how we build. Our community investment programs, which is how—I also work at Redwood Park Communities; that's how we build housing. That's what makes our projects viable. We're able to receive grants through the community investment programs. That's funded through DC charges, and it's already underfunded. So I'm assuming with less DC charges, there will be less of a community investment fund. More broadly—

**Mr. Joel Harden:** And just to be clear, what we're talking about is non-market prices that people can lock into, where the city can actually control the entry cost.

1330

**Ms. Jennifer van Gennip:** That's right. Yes.

**Mr. Joel Harden:** Mr. Binning, could you elaborate on some of the other losses to municipalities with the absence of this money from development charges, some of the consequences, given your consulting work?

**Mr. Craig Binning:** Yes, I'd be pleased to. And particular to the city of Ottawa, some of those losses are related to the removal of the housing, which, once again, is fundamental for the delivery of that. They will also be fundamentally impacted if land is removed as their eligible capital cost and won't have the resources to acquire land for that important development-related infrastructure, which is critical to allowing housing to proceed. And it's a full range of services that will be impacted, which, in my opinion, will ultimately slow the rate of housing development rather than encourage it.

**Mr. Joel Harden:** Can you explain that a little further—why you think it would slow the rate of housing development instead of increasing it?

**Mr. Craig Binning:** Just because that infrastructure is critical to allow development to proceed, recognizing that in most jurisdictions, 70% to 80% of development charges are related to the core services of water, waste water, roads and transit. If we don't have the money to deliver those services, it will impede the development of land.

**Mr. Joel Harden:** Chair, how much time do we have left?

**The Chair (Ms. Laurie Scott):** You've got a minute.

**Mr. Joel Harden:** All right. Kira, can I throw this back to you? If you were to have these development charges back, and a little bit more, what could be done in the city of Toronto?

**Ms. Kira Heineck:** As I noted, we are on a bit of a roll working together—the community and city and both for- and non-profit developers. There is a housing plan over the next 24 months to create an additional 4,000 units. We're not sure what will happen.

**Mr. Joel Harden:** What I would invite all members of the committee to understand is that this is an enormous opportunity that we have because of hard work that has been done for decades in the city and around the province of Ontario. We risk a lot in squandering it.

Thank you very much for your presentations.

**The Chair (Ms. Laurie Scott):** MPP McMahon, for the independents, for four and a half minutes, please.

**Ms. Mary-Margaret McMahon:** Thank you very much for coming taking the time—and you made the cut, unlike others, but we'll talk about that later, with the motion I'm going to move. I really appreciate hearing from all of you, with your incredible, extensive knowledge and expertise. We're honoured to have you here sharing that.

Just a few questions, starting off with Craig—you're on the hot seat first, or the friendly hot seat. First of all, you mentioned building livable, complete communities. I just want you to elaborate on that a bit, what your meaning of that is.

**Mr. Craig Binning:** Development charges are used to fund core infrastructure, but they're also used to provide the development of parkland, the provision of recreation facilities and the provision of libraries—and I haven't even spoken to the changes to the parkland dedication and cash in lieu. All of those changes are going to mean that municipalities are going to be further challenged to provide outdoor recreation amenity space for new residents, and I think we all learned through the pandemic how important it was to have that space available. It's continuing to be a challenge, and all of these changes will result in municipalities having less money and ability to deliver important social infrastructure that we all need for our complete communities, especially as we're moving towards higher-density communities.

**Ms. Mary-Margaret McMahon:** Did you want to speak a little bit on the parkland levies, cash in lieu?

**Mr. Craig Binning:** It wasn't part of our formal submission, but obviously, we have concern about the significant, severe caps placed upon the cash in lieu and the

alternative rate. It's quite a complex procedure, but we have shortages in parkland and most municipalities across the GTA and in our single-tier urban municipalities across the province. That's just going to exacerbate the problem.

**Ms. Mary-Margaret McMahon:** What's happening, the development charge aspect to this bill—and we all realize we're in a housing crisis. We want to do something, and we want to do it now. We should have done it years ago, but here we are. There are good components, for sure, but there are worrisome components—the development charges, for sure, never mind conservation authorities and the Toronto Green Standard etc. Where do you think the money will come from?

**Mr. Craig Binning:** The money, unless it comes from upper levels of government increasing the amount of support or giving municipalities alternative revenue tools—the only consequence would be, then, higher property tax rates and utility rates or the deferral of the delivery of that important infrastructure.

**Ms. Mary-Margaret McMahon:** So on the backs of taxpayers.

**Mr. Craig Binning:** Yes.

**Ms. Mary-Margaret McMahon:** I'll go to the Ontario Alliance to End Homelessness. Jennifer, you were talking about housing for all. Can you elaborate on your definition of that?

**Ms. Jennifer van Gennip:** Housing is a right. That is in Canadian law now, and that needs to be reflected in the province's and the municipalities' efforts. As I said in my remarks, it doesn't mean that everyone gets a house automatically overnight, but it does mean that all of our budgets and our policies need to be working toward the realization of that right.

At Redwood, we have a slogan: "Everyone deserves a safe, affordable, hopeful place to call home, and when that's the case our entire community benefits."

**Ms. Mary-Margaret McMahon:** It should be on a billboard everywhere.

**The Chair (Ms. Laurie Scott):** Twenty seconds.

**Ms. Mary-Margaret McMahon:** That's my time?

**The Chair (Ms. Laurie Scott):** Yes, sorry.

We'll go to the government side for seven and a half minutes. MPP Holland, please go ahead.

**Mr. Kevin Holland:** Thank you for your presentations and for being here today.

I've heard a common theme throughout all the presentations around the development charges. I've just got some questions and concerns with regard to the comments I'm hearing on the development charges and particularly with the loss of reduction on development charges. The municipality will make up any lost revenue. First of all, it should be noted that development charges are only going to be applied to intensification areas where we're adding suites or adding lane housing where the infrastructure is already in place. Development charges are meant to collect money for that infrastructure to service an area. So we're not going to collect it on areas where the infrastructure is already there—same as with parkland fees. We're not going to charge development charges on supportive housing and

affordable housing so that there's an incentive for the developers to get into that market and build the homes that we need for those people.

The revenue that the municipalities are going to see is the increased assessment value of the homes that do put in apartments or properties, that do put in a lane home. Their assessment is going to go up. Municipalities will collect more taxes on that property as a result of that increased assessment.

Plus, we know that, collectively, municipalities are sitting on \$8 billion in unspent development charges collected. It's sitting in a reserve fund, collecting interest for them to offset their operating costs. This bill proposes that 65% of those development charges collected must be spent on infrastructure to support new housing development.

I have heard that development charges are used to pay for water, sewage, maintenance, even fire trucks. That's not true. Water rates and sewage rates are collected purposely to maintain the water and sewage treatment centres. You can shake your head all your want, but that's the case. Fire trucks typically come out of—

**Ms. Mary-Margaret McMahon:** Sorry; point of order. I find that offensive.

**Mr. Kevin Holland:** Can you pause the clock, then?

**The Chair (Ms. Laurie Scott):** MPP McMahon, you have a point of order, but—

**Ms. Mary-Margaret McMahon:** Yes, a point of order. I find that derogatory to the speaker—

**Mr. Kevin Holland:** I apologize. It was not meant to be derogatory, whatever.

**Ms. Mary-Margaret McMahon:** —with the “shaking of the head.” Thank you.

**Mr. Kevin Holland:** Anyway, I heard about fire trucks; they're to be used for fire trucks. These are operating costs that development charges are not intended to cover off. Property taxation is what covers off operating costs.

So my question to all of you is, is there not a value in what is being proposed in the bill, to require municipalities to spend some of that \$8 billion that they're sitting on in reserve funds to put infrastructure in place, to expand housing developments in areas outside of the intensification areas that are proposed in the bill? Do you not think that would go a long way to fulfilling the need for housing, including supportive and affordable housing?

1340

**Ms. Jennifer van Gennip:** Through you, Chair Scott: I purposely didn't speak too much to DC charges myself, because I don't fully understand them, if I'm being honest. I do know that they fund the community investment program and programs like what Kira is speaking about and they do lead to affordable housing. I don't really know much about fire trucks and all that, but I do know that a lot of DC charges are used for affordable housing.

So that would be the limit of my comments, but I think the others would know more.

**Mr. Craig Binning:** I'd be pleased to address those questions, just to stress once again that the Development Charges Act and the reserve funds created under the Development Charges Act are highly controlled—municipalities can only spend that money for the purposes for which

it was collected, and that is the initial round of capital costs. All of those monies that are referred to in the development charge reserve funds, as I indicated in my presentation, are fully committed against future infrastructure projects. We fully account for those reserve funds when we undertake a development charge background study. They are used to offset some of the rate increases, and they're applied against growth-related, development-related infrastructure. So there's really no excess available to offset revenue losses associated with any of these changes.

Regarding your comments with regard to secondary suites, that has already been accounted for. They're fully exempt through the legislation, and many municipalities were already doing that. We're talking about some of these additional provisions like the mandatory phase-in and discount that will have significant consequences on the delivery and infrastructure.

**Mr. Sheref Sabawy:** I just want to mention something for the record: Toronto and Mississauga have \$300 million-plus in their reserve—\$370 million and \$316 million—

**The Chair (Ms. Laurie Scott):** I believe MPP Byers has the floor.

**Mr. Rick Byers:** I'm pleased to be here this afternoon. I'm here on behalf of Graham McGregor. If I don't do well, I'm only here until 3, so you won't see me—anyway, I just wanted to follow up. Perhaps this is more to Mr. Binning, but anyone is welcome to it.

On the development charge reserve: I spent a career in infrastructure. I didn't do much on the municipal front, but I know that infrastructure investment is typically in a step function so if you're expanding a certain area of a municipal boundary, you put in various facilities to accommodate current growth and potential future growth. Instead of a six-inch pipe for water, you might put in an eight-inch, or whatever the equivalent metric is—given my grey hair, but you know the concept. When you say the reserve funds are committed, I struggle to think how exactly committed they are, given that, in many ways, these developments would have been, as you follow my logic here, already developed. So can you help me with that? How fully committed is the plan? Or is it just more general reserve to accommodate whatever growth may—

**The Chair (Ms. Laurie Scott):** There are 50 seconds remaining to answer.

**Mr. Craig Binning:** It's not to get into too much of the technical details but, for example, if you went to the city of Toronto Development Charges Background Study, there are pages and pages of capital projects, and we allocate out the reserve to specific projects and specific shares of projects.

Your example of large capital expenditures is a good one. So, when, for example, a water treatment plant needs to be expanded, that's done in phases, in large chunks. The municipality accumulates that money, and then when it does the expansion has the monies available to expand the plant. But they are all recognized and accounted for in the DC background studies.

**Mr. Rick Byers:** Do I have any time?

**The Chair (Ms. Laurie Scott):** Ten seconds.

**Mr. Rick Byers:** Would you over-build and then collect future development charges? Do you see where I'm going? You would almost see that reserve going negative and then paid off with future development charges.

**Mr. Craig Binning:** And indeed some development charge reserve funds are in negative positions.

**The Chair (Ms. Laurie Scott):** Our time is up for this round.

Back to the official opposition for your next seven and a half minutes: MPP Harden.

**Mr. Joel Harden:** Through you, Chair: In this next round, I want to focus on a different issue proposed by Bill 23 and it concerns getting rid of rental replacement by-laws, which have a major impact on municipalities, particularly in Ottawa. I want to read into the record some of the impacts and then get reaction from some of our experts here.

**The Chair (Ms. Laurie Scott):** Just ask which one directly for Hansard—it's easier when you ask the questions to individuals, please.

**Mr. Joel Harden:** Thank you, Chair. When I get there, I'll do that.

Carolyn Whitzman appeared before this committee earlier today. She is one of Canada's leading housing experts, and she lives in Ottawa Centre. Carolyn's research notes that 3% of all development in our city in the last decade was affordable rental units. The vast majority was for market and very much out of the reach of most folks. If we get rid of rental replacement bylaws that require building owners to replace units that are demolished with comparable affordable units that tenants can return to, the research from ACORN Canada, which is a tenants' rights organization, indicates that our city alone could have 5,500 tenants displaced by demovictions alone.

What I'm understanding from my colleagues, city councillors at the city of Ottawa, is that currently there are 23 applications, right now, before the city to redevelop housing and tear it down. And what this bill, as I understand it, would do is get rid of the requirement for developers to replace rental housing with comparable housing for tenants to return to.

I want to end and throw to our experts by recounting the story of Lionel Njeukam, who is a tenant at 142 Nepean Street. That's dead in the middle of Centretown, maybe about four or five blocks south of the Parliament Buildings. Lionel writes me:

"I'm a tenant at 142 Nepean St. I moved to Centretown right at the beginning of the pandemic, in March-April 2020, to get closer to my work. I would then be able to save on transportation and make my humble contribution to protecting the environment by commuting less between Vanier, where I used to live, and Ottawa Centre.

"This old building, 142 Nepean, was a blessing for my baby, who was born a few months later. Our little family of three has been close to everything: walking distance from work, grocery stores, pharmacies, clinics and cultural centres. On top of that, we had a fair deal in terms of rent,

just what we could afford: \$1,200 a month for a two-bedroom. That's rare.

"Suddenly, barely one year after moving to this incredible place, we heard about a demoviction project. The landlord has been selling this very old building and a developer has been interested to buy it in order to tear it down and build not a new housing building but a parking garage. This is having an impact on our family. The emotional and financial stress is overwhelming. The developer offered to match our rent in a different building close to ours, but guess what? For only two years, and then it's whatever the market can bear that the developer is prepared to charge."

I'm going to ask our experts to suggest what's going to be the cumulative impact on families like Lionel's, if we have 5,500 tenants in the city of Ottawa displaced by re-development projects, where there is no requirement for the owner of the building to return to comparable market rental?

Jennifer, do you want to comment on that?

**Ms. Jennifer van Gennip:** Sure. Thank you for the question.

You are going to see even more pressure in our shelter systems, first of all. You're going to see people who never thought they would be homeless. I think more and more that's what we're seeing in our shelter system—seniors, people who worked their whole life and they never thought this would happen to them. The picture of who is showing up at shelters is changing drastically. I think that's where you're going to see it the most. We used to just see encampments in Toronto. Now we have them in Guelph, in Barrie, in Midland, in Collingwood—

**Mr. Joel Harden:** Peterborough.

**Ms. Jennifer van Gennip:** Peterborough, yes, London—all over the place. I think that's what it's going to look like.

**Mr. Joel Harden:** Kira, did you have anything you wanted to add?

**Ms. Kira Heineck:** I would certainly agree that we will see the most immediate impact in increased homelessness and in people showing up at the emergency shelter doors.

I hate to be the bearer of bad news, but given that we already had over 200 people die in Toronto last year from homelessness, perhaps those numbers will also, unfortunately, rise.

To your point about Ottawa's statistics: We recently looked at 28 applications in 2022 in Ontario for rental replacement. That houses 1,300 people in 900 units that we would, again, have nothing for if the protection was removed.

1350

**Mr. Joel Harden:** Mr. Binning, is there anything you wanted to comment on?

*Interjection.*

**Mr. Joel Harden:** Okay. Chair, how much time do I have left?

**The Chair (Ms. Laurie Scott):** You have two minutes.

**Mr. Joel Harden:** Okay. So what I hope to focus the mind on here as we consider the advice we've been given is that our city includes many different people. I've heard

the government say many times that Canadians have the dream of home ownership. I will corroborate that that dream is absolutely present, but in Ottawa Centre, the community I serve, 53% of the constituents are renters. Many of them are happy to remain renters. Some of them want to be homeowners.

In a situation like Lionel's, where one is able to secure a very advantageous, \$1,200-a-month housing unit for a young family—I guess the question I would have, through you, Chair, for the committee's consideration and for our expert's consideration, is: What are we doing to protect the affordable housing we have?

Carolyn was saying earlier to this committee that for every one unit of affordable housing that we're building in the province of Ontario, we're losing seven, and we're losing seven because there is a built-in incentive, I would submit to you, Chair, to the committee—there's an existing incentive to try to drive the cost of rent up by charging a new rent to the new tenants which is demonstrably bigger than the old one. You're nodding your head, Jennifer. I'm going to assume that this is something that's driving entry into shelters, entry into at-risk community—

**The Chair (Ms. Laurie Scott):** You have 57 seconds.

**Ms. Jennifer van Gennip:** In my comments, I mentioned tying rent caps to the unit and not the tenancy, which I think speaks to what you're speaking of. Right now, if a person is evicted, of course, then the rent cap was associated with them. Once they're out, you can charge anything you want for rent. That actually incentivizes evictions—sneaky evictions and, really, illegal evictions in some ways, sometimes, because the potential increase in profit is so high, if you can get out that renter who is at an affordable rate.

**Mr. Joel Harden:** Right, and those renters have rights, too.

**Ms. Jennifer van Gennip:** Yes.

**The Chair (Ms. Laurie Scott):** MPP McMahon.

**Ms. Mary-Margaret McMahon:** Kira, who do you think benefits from this bill the most and who benefits the least?

**Ms. Kira Heineck:** Well, my area of expertise, of course, and our focus since the bill was announced, has been figuring out the impact on people either at risk of or experiencing homelessness. So I'm going to say—no surprise—that the people who benefit the least are those who are the most vulnerable, and the people who this bill has a real opportunity to make a difference for and still bring in some of the really good provisions that will spur on supply across the board.

Who will benefit the most? That's obviously an important and interesting question. I'm not as expert to answer that, perhaps, as others are, but I would say that there is certainly a lot of benefit to developers—for-profit developers as well and non-profit—in this bill. In terms of the for-profit developers—again, we all appreciate the need to make housing as easy to build and as fast as possible for the majority of those middle-income Ontarians, but there used to be this concept that growth should pay for growth and that there was some exchange of value in

incentives to developers that were returned to the community. And I think, in terms of who benefits the most, that would be the development sector, because they will no longer be obligated, as far as my reading of the bill, in any way in the bill, to return any value back to the community. They will reap the advantages of building, for example, near transit, on transit lines, where the land value has been increased and invested in by public dollars, including provincial.

**Ms. Mary-Margaret McMahon:** I only have two minutes left, so—

**Ms. Kira Heineck:** Sorry.

**Ms. Mary-Margaret McMahon:** Lucky me, I get the shortest time.

Over to Jennifer and Craig for a minute each, basically—one piece of advice for us as we consider Bill 23. And don't be shy.

**Ms. Jennifer van Gennip:** Please consider the needs of your low-income households. I'm a big fan of Carolyn Whitzman's work. I'm actually a huge fan of tying your housing targets to the income levels, not just above and beyond a certain point, but at the 20th, 40th, 60th, 80th and 100th percentile of household incomes. We have those numbers, so we should absolutely have housing targets linked at each of those income levels.

**Ms. Mary-Margaret McMahon:** Craig?

**Mr. Craig Binning:** I think we want to recognize that development charges are used to fund critical infrastructure that's necessary to allow the development to proceed. If we're going to reduce that funding source, those costs are still going to exist, and they need to be funded from somewhere. If it falls to the property tax base, that will be significant.

We need to make sure that municipalities are whole with their revenues so that they can be that key player in allowing development to proceed.

**The Chair (Ms. Laurie Scott):** We'll now move to the final round on the government side. MPP Smith.

**Ms. Laura Smith:** I will be sharing my time with MPP Thanigasalam.

Thank you for all the contributions. We appreciate your input.

This specific question is to Mr. Binning. The federal government has provided funding to support the critical infrastructure they need—I'm sure you're aware of it—to accommodate growth, such as new roads, water or transit. The National Housing Strategy represents a partnership between the federal government and the provinces. Federal funding for Ontario is about \$2.9 billion over nine years, which is cost-matched by Ontario. Ontario has about 44% of households in core housing need nationally, but it only receives about 39% of funding. The province should receive an additional \$490 million for homelessness and community housing programs from the federal government under the National Housing Strategy. We continue to petition the municipalities for the vulnerable Ontarians so that they receive a fair share of funding from the federal government. These additional revenues would

flow to municipal service providers to ensure that Ontarians get the housing they need.

You talked about the decrease in DCs. Can you describe why the municipal development-related charges have been increasing in recent years?

**Mr. Craig Binning:** I just want to first recognize that through the development charge studies, we do account for, as required, transfers from upper levels of government. So when you look specifically at housing and at transit, you'll see significant amounts of reductions from the gross cost to reflect those important transfers from both the federal and provincial governments.

The reason development charges have increased, recognizing that it's a highly prescriptive piece of legislation, is because the construction cost of infrastructure has increased so significantly over the last five to 10 years, and that's reflected in the cost of delivering the key programs.

**Ms. Laura Smith:** Just to follow up, parkland developments are mentioned in the new construction areas. Correct?

**Mr. Craig Binning:** I'm not certain what the question—

**Ms. Laura Smith:** The charges and the fees for parklands are also included in that?

**Mr. Craig Binning:** Development charges can fund the development of parkland. They cannot be used to fund the acquisition of parkland. That's covered under provisions in the Planning Act.

**The Chair (Ms. Laurie Scott):** MPP Thanigasalam.

**Mr. Vijay Thanigasalam:** Thank you to all the presenters for your presentation. I will quickly start off with Craig and then move on to other presenters.

Craig, can you use the money collected to add infrastructure for a specific area? Do you think that is possible?

**Mr. Craig Binning:** Yes. Different municipalities address it differently. Some are done on what we refer to as a municipal-wide basis and the charges are collected uniformly and spent where needs are. Other municipalities have what we refer to as area-rated development charges, and there are different rates in different parts of the municipality. The monies collected in those areas must be spent in those areas for the infrastructure.

**Mr. Vijay Thanigasalam:** I'll move on to Kira. Thank you, Kira, for coming today and for your presentation.

As you know, this bill complements the investment of nearly \$4.4 billion for three years to grow and enhance community and supportive housing and to address homelessness for vulnerable Ontarians.

1400

My question to you is, how do you think the fee exemptions and discounts for affordable and non-profit housing proposed in this bill, Bill 23, will help address housing affordability in Ontario?

**Ms. Kira Heineck:** I'm not sure, with respect, that I fully understand your question. I appreciate the point about other provincial investment, and I can speak to that, but in relationship to how the reduction or the lack of ability, potentially, under this bill to have less DC fees—how that will contribute to affordable housing? Is that your question, sir?

**Mr. Vijay Thanigasalam:** My question is, the fee exemption and the discounts that are there for affordable and not-for-profit housing—how will that help to address housing affordability?

**Ms. Kira Heineck:** Yes, of course. I apologize. That makes sense.

Well, a number of our partners are also non-profit housing developers—both regular housing and supportive housing, and housing for people with developmental disabilities. The changes in the bill will certainly help them be more competitive with the for-profit providers and allow them to move faster in creating viable projects. As I noted at the beginning of my statements today, those are changes that we welcome, and they're good.

Our concern, after much discussion and analysis, is that the other changes in the bill have a more dramatic negative effect that will tip the balance, I suppose, or undermine the value of those good changes.

So, yes, there will be a few more projects that are owned and operated by non-profits, and we support that, but the other changes, particularly in Toronto, which is the area I can speak to, where we have significant investment from the DC revenues into affordable housing—we'll have a net loss of new affordable housing for people experiencing homelessness, not more.

I hope that's helpful.

**The Chair (Ms. Laurie Scott):** Final minute.

**Mr. Vijay Thanigasalam:** Thank you. I'll go back to Craig.

Craig, as we know, the cost of living is going up, whether it's gas prices, groceries and, of course, housing. One of the reasons we started working on the transit-oriented communities to build housing near transit is so that people can afford to have a home close to transit and they can commute through public transit rather than any other means.

What's your take on building more affordable units near transit so that commuters can take advantage of that, especially first-time homebuyers, millennials or many new Canadians?

**Mr. Craig Binning:** It's getting a little outside of my area of expertise, but I'm very supportive, and Hemson is, of transit-oriented communities and the initiatives—I think our municipal clients are as well—of trying to maximize the amount of housing within close proximity, especially to higher-order transit, and to encourage that built form and maximize those opportunities.

**The Chair (Ms. Laurie Scott):** The time is up. Thank you very much to all the presenters.

We'll now move to the next set of presenters.

**Mr. Joel Harden:** Question.

**The Chair (Ms. Laurie Scott):** MPP Harden.

**Mr. Joel Harden:** Chair, I have a motion for the committee's consideration. I've submitted the text to the Clerk.

**The Chair (Ms. Laurie Scott):** Because we have the presenters all lined up and the times, if we could do that at the end of today's session, that would be much appreciated.

**Mr. Joel Harden:** I'd prefer to move it now, Chair.

**The Chair (Ms. Laurie Scott):** Is this time-sensitive to today's hearings?

**Mr. Joel Harden:** I believe so, Chair. Yes.

**The Chair (Ms. Laurie Scott):** We are in hearings up to 6 o'clock, and it's got to do with the presenters who are coming and the time allocated to the presenters who are before us today and today's schedule that we've all received?

**Mr. Joel Harden:** I think it impacts upon the quality of that and future considerations in this committee, Chair, yes.

**The Chair (Ms. Laurie Scott):** I'll let you read the motion, and then I'll make a ruling.

**Mr. Joel Harden:** Thank you. I appreciate it, Chair.

I move that the committee meet for additional public hearings on Bill 23 on the following dates:

—Friday, November 18, 2022, from 9 a.m. until 12 p.m. and from 1 p.m. until 6 p.m.; and

—Monday, November 21, 2022, from 9 a.m. until 10 a.m. and from 1 p.m. until 6 p.m.; and

—Tuesday, November 22, 2022, from 9 a.m. until 10 a.m. and from 1 p.m. until 6 p.m.; and

—That the deadline for written submissions be 7 p.m. on Tuesday, November 22, 2022; and

—That the deadline for filing amendments to the bill be 1 p.m. on Thursday, November 23, 2022; and

—That the committee meet for clause-by-clause consideration of Bill 23 on Thursday, November 24, 2022, from 9 a.m. until 10:15 a.m., from 1 p.m. until 6 p.m. and from 6:30 p.m. until midnight.

I have submitted the language of this resolution to the Clerk.

**The Chair (Ms. Laurie Scott):** I have listened to the motion. It has no impact on today's presenters, so I will entertain this motion at the end.

**Mr. Joel Harden:** I'd like to make a brief case as to why we should deal with it now.

**The Chair (Ms. Laurie Scott):** If it's a brief case, because we do have presenters lined up, and everybody is on a timed schedule.

**Mr. Joel Harden:** I totally respect your time.

**The Chair (Ms. Laurie Scott):** MPP Harden, I'm asking you to be very brief on this.

**Mr. Joel Harden:** I promise. I will not belabour it. What I will just say, Chair, is, I very much appreciate the expert advice we're getting at this committee, but it's cumulative advice. We've probably noticed today that one conversation builds into the next and we benefit from the flow of the information received by this committee and its members. What we will do with this motion, if passed by my colleagues—and I hope it is passed—is, we will extend the benefit of that. It will enhance today, and today will enhance these other meeting dates. That's why I felt compelled to move it now.

Thank you for letting me make my case.

**Ms. Laurie Scott:** MPP Harden has moved a motion. I believe all members have a copy of it. Is there any further discussion on this motion?

MPP Thanigasalam.

**Mr. Vijay Thanigasalam:** With all due respect, at this moment we have scheduled presenters in the House. Last

week we had two days allocated, one in Markham and one in Brampton, and today we have set presenters ready to present today until 6 p.m. Also, we have a full schedule tomorrow. So at this point, I will be not voting in favour of this motion, and I will request that this committee resume with the present speakers who are ready to present today.

**The Chair (Ms. Laurie Scott):** Any further discussion?

**Mr. Joel Harden:** With all respect to MPP Thanigasalam, I think we need more time. That's all I'm making the case for. We could pass it quickly and resume our work.

**The Chair (Ms. Laurie Scott):** Any further discussion? If there is none, let us go to the vote. All those in favour of MPP Harden's motion?

**Ms. Mary-Margaret McMahon:** Recorded vote.

#### Ayes

Harden, McMahon.

#### Nays

Byers, Grewal, Leardi, Pang, Sabawy, Laura Smith, Thanigasalam.

**The Chair (Ms. Laurie Scott):** The motion is lost. Can we please proceed to our presenters?

*Interjection.*

**The Chair (Ms. Laurie Scott):** Again, MPP McMahon, I ask you if this motion is immediate. We do have presenters lined up and, as MPP Harden has said, we would like to keep this flow going, please.

**Ms. Mary-Margaret McMahon:** Absolutely. I respect the presenters and them coming down. I'll be very, very quick. I do have a motion, and I feel it is time-sensitive. It's for tomorrow, but we need to give people notice when it passes—I'm very hopeful on that. Also, I was wondering if the Clerks could distribute it to all members, since it has been written, and whether I can move it right now.

I move that committee—

**The Chair (Ms. Laurie Scott):** MPP McMahon, we would prefer that you wait until 6 p.m., please.

**Ms. Mary-Margaret McMahon:** But it's short notice for people to then come down tomorrow.

**The Chair (Ms. Laurie Scott):** It's not for today. It's for tomorrow, though.

**Ms. Mary-Margaret McMahon:** Right, but we want to give people more notice than under 24 hours.

1410

**The Chair (Ms. Laurie Scott):** I'm going to rule that we wait until 6 p.m. I've just entertained one motion, and we want the flow of committee and we want the time schedules. We have the presenters ready. So when we finish today at 6 p.m., you can move your motion.

**Ms. Mary-Margaret McMahon:** Can I move unanimous consent to reconsider that?

**The Chair (Ms. Laurie Scott):** It's not a unanimous consent motion.



CEMENT ASSOCIATION OF CANADA  
BUILDING INDUSTRY AND LAND  
DEVELOPMENT ASSOCIATION  
HABITAT FOR HUMANITY

**The Chair (Ms. Laurie Scott):** I'm going to ask the presenters who were scheduled for 2 p.m. to please come forward: Cement Association of Canada, Building Industry and Land Development Association, and Habitat for Humanity. Thank you for your patience.

As the presenters are taking their spots at the table, I'll just remind them that before you begin your presentations, please your name for recording purposes. You have up to seven minutes to make your presentations.

I believe the Cement Association of Canada is first up, so please state your name and begin.

**Mr. Bart Kanters:** My name is Bart Kanters. I'm the president of the Ready Mixed Concrete Association of Ontario, and I'm sharing my time with Adam Auer from the cement association, who is online. Thank you for your time this afternoon.

The Ready Mixed Concrete Association represents 96% of the concrete producers in the province of Ontario. I want to highlight the difference between cement and concrete. Cement is the powder that holds concrete together. Our industry operates 270 concrete plants in every riding across the province. Concrete is an inherently local material. We use local sandstone, cement and water to produce concrete for the construction industry. Our plants are typically located within a 40-minute drive of whatever construction project is being constructed in the province.

I want to begin by thanking the government for their tremendous efforts in dealing with the impacts of the COVID-19 pandemic over the last few years and all of the health and safety issues that they've put forward. I want to recognize the government's historic commitment to infrastructure investment for this year's budget and their recommitment in the fall economic statement just the other day. We know we're facing uncertain economic times, but we know that investment in infrastructure and construction is one of the quickest and most reliable engines for economic recovery, and that it should be the foundation of all stimulus efforts. Construction creates local jobs, it uses local resources, and it builds the infrastructure at the heart of our modern economies.

Our industry wants to applaud the government for introducing the More Homes Built Faster Act to address the housing crisis. We are supportive of the efforts the government is taking to address this crisis by building 1.5 million homes over the next 10 years. Overall, we wish to express our support for the bill and those efforts to cut delays and reduce red tape and get more homes built in the province.

As we move forward, we want to raise a couple of items that we may ask you to keep in mind while you consider the elements of this bill. The first relates to updating zoning to include minimum heights and densities within the approved major transit station areas and protected major

transit station areas within one year of being implemented. It's important to recognize that many of these areas are within provincially significant employment lands and general employment lands. Any conversion to take place within these areas could impact the environmental compliance approvals of the businesses that operate in those areas. These ECA approvals are heavily influenced by the surrounding land uses; specifically, residential and sensitive land uses. Proper environmental modelling must be done before changing these zoning designations so it does not limit the future expansion of these operations or, more severely, put at risk the existing ECAs of the companies operating in those areas.

We ask that consultations with business occur so that the operations are not put at risk. Simply stated, you need cost-effective local concrete to achieve your building goals, and we need to ensure that the developments located in proximity to the existing concrete plants in the province are maintained and those existing plants' ECAs continue to operate effectively.

If we cannot operate in urban areas, we cannot effectively service the needs of the large urban housing and infrastructure projects of the province. As noted, once we mix concrete, we basically have 120 minutes to mix it, deliver it out to the job site, test it, and then put it into the forms to create whatever structure we're building.

The Ministry of the Environment, Conservation and Parks and the Ministry of Municipal Affairs and Housing need to work together to ensure businesses and developers can be compatible.

I'll now hand it over to my colleague Adam Auer from the cement association.

**Mr. Adam Auer:** Good afternoon, committee members. Thank you for having us here today. My name is Adam Auer, and I'm the president and CEO of the Cement Association of Canada. We're the voice of Canada's cement industry. Our five member companies in Ontario include St Marys, Lafarge, Lehigh Hanson, Ash Grove CRH, and Federal White. All our members are vertically integrated, which means they all have cement, concrete and aggregate operations across the province. As an industry, we generate over \$25 billion in economic activity and employ 54,000 Ontarians in well-paying jobs.

The cement and concrete industry is committed to continuing to work with government to keep the economy moving safely, to ensure a robust and sustained recovery, and we thank you for your focus on housing and infrastructure as the engine of Ontario's economy.

The cement association would also like to voice its overall support for this bill.

In addition to my colleague Bart's concerns, I would like to flag two important issues that could have the unintended consequences of putting at risk the local cement, concrete and aggregate needed to keep Ontario building.

The first issue I want to raise relates to third-party appeals. The bill proposes to remove the rights of third parties that are not public bodies to appeal the municipal decisions to the tribunal. This applies to all Planning Act decisions. We request that this provision be modified to

allow our industry to be fairly heard. Municipal councils can adopt official plan policies or pass zoning bylaws that can restrict our operations. Prohibiting our industry's ability to appeal these planning instruments under the circumstances could negatively impact our ability to operate in these local communities and, therefore, negatively impact the province's ability to deliver on its housing commitments.

The second issue, not unrelated, is the use of interim control bylaws. We've recently witnessed a case where the town of Caledon passed an interim control bylaw prohibiting processing of new aggregate planning applications in an area already identified in the town's official plan as high potential for aggregates and occurring just prior to the municipal election. We understand that this was initiated by a ratepayer group that has now gone to other municipalities to present the same strategy—

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Mr. Adam Auer:** —of using interim control bylaws to delay aggregate applications. Interim control bylaws cannot be appealed within the first year by anyone other than the Minister of Municipal Affairs and Housing, and if other municipalities follow suit and are to put these same interim control bylaws in place to constrict aggregate operations or any other business operations, for that matter, this could significantly impact the ability to supply the building materials needed to build 1.5 million homes as well as Ontario's other investments in infrastructure.

We request that government amend the Planning Act to remove the ability of municipalities to pass interim control bylaws restricting aggregate operations. Alternatively, at a minimum, the act should allow interim control bylaws to be appealed by persons other than the minister of MMAH.

We want to thank the committee for the opportunity to hear our industry today and to consider these items further as you examine the bill.

**The Chair (Ms. Laurie Scott):** Thank you very much for your presentation.

We will move on to the next presenter, Mr. Wilkes.

**Mr. Dave Wilkes:** Good afternoon. My name is Dave Wilkes. I'm the president and CEO of the Building Industry and Land Development Association, better known as BILD. I am pleased to be here today to speak in favour of Bill 23, the More Homes Built Faster Act. It's a pleasure to be back in front of the committee.

With more than 1,300 members, BILD is the voice of the home building, land development and professional renovation industry in the greater Toronto area.

For almost five years now, BILD has been sounding the alarm that we have a housing supply problem in the GTA, and indeed across the province, and that this shortfall is a significant contributor to the affordability challenge we are currently experiencing. As an association, we have invested significant resources to study this issue and retained experts who have worked with us to publish 15 studies in last four years, all of which we have made available on the website. As our research into the topic grew, so did our understanding of the scale and scope of the problem. We

now know, thanks to Ontario's Housing Affordability Task Force, third-party verification from the Ottawa Smart Prosperity Institute, research from Scotiabank and indeed our own research, that the shortfall has been persistent since 2009 and that the amount of new housing needed to bring our market into balance is much larger than we originally thought.

As is now widely accepted and recognized, we need to build 1.5 million more homes in Ontario in the next decade to restore balance in the market and begin to restore affordability. To put the challenge of building 1.5 million homes in a decade into perspective, consider this: 2021 was the best year for housing starts in Ontario in a generation, and in that year, the industry delivered slightly more than 100,000 new homes. To meet our objective of building 1.5 million homes in a decade, we need to increase housing starts by 50% and keep building at that rate for the next 10 years—a monumental challenge. Not meeting that challenge would have adverse impacts on Ontario's and, indeed, Canada's competitiveness, and on the GTA's livability and economic viability.

**1420**

To frame why we are where we are, I would offer three root causes that have been highlighted repeatedly by our research and that of others:

(1) It takes too long to obtain approvals to build new homes, with too many parties involved and too much duplication.

(2) There are too many added costs on new housing in the form of fees, taxes and charges from all layers of government.

(3) In the GTA, land supply is severely constrained or land is zoned in such a way that adding density or new homes is very difficult. This not only makes it challenging to add supply, but it also significantly drives up the cost of land.

BILD and its members support Bill 23 because it will make it faster and less costly to build new homes. Let me articulate why.

First, Bill 23 addresses rising costs for buyers. Currently, 25% of the cost of an average new home in the GTA is made up of government fees and charges. This can add as much as \$250,000 to the cost of a typical single-family home, and more than half of that is added by municipalities. Municipal fees and charges have been escalating significantly, with development charges increasing by 300% to 800% in the last decade and a half; so, too, have municipal reserves for parkland cash-in-lieu payments, section 37 payments and development charges, with municipalities in the GTA alone sitting on \$5 billion in reserves. These fees are rolled into the cost for a new home and passed on to new home buyers. Bill 23 adds predictability. It defines what should and shouldn't be paid for by DCs and limits future increases through freezing, capping and exempting certain types of developments from these charges.

Second, Bill 23 makes it easier to add supply and density with new as-of-right provisions. Currently, there are vast swaths of the GTA where existing neighbourhoods

are experiencing declining population density. This is occurring as the population ages and young people—those aged 22 to 42, that demographic and their children—are moving out in search of housing that they can afford. The More Homes Built Faster Act enables and promotes greater density within urban boundaries, with new as-of-right provisions across existing neighbourhoods and around major transit areas. These measures are the very definition of anti-sprawl, adding gentle density across neighbourhoods and greatly increasing density around transit infrastructure, exactly where we believe it should be.

Lastly—and I believe this is probably the most important—Bill 23 will enable the building of more housing by introducing a culture change that is desperately needed. When viewed in conjunction with Bill 109, it signals to municipalities that they must approve new housing in a timely manner, as required by provincial legislation. It also encourages parties such as conservation authorities to stay in their own lane and focus on their core priorities. It rejects the status quo of NIMBYism that hinders the addition of new homes. Finally, it focuses on more homes for people in all communities in Ontario. This is a culture change that is required across the province, but specifically in many municipalities in the GTA. I'm very pleased to say that we are beginning to see the evidence of that culture change, given the provincial government's leadership.

In conclusion, we have endured a significant housing supply crisis in Ontario for a long time, with the GTA being the epicentre of that problem. As people leave the region in search of housing they can afford, the problem spreads to other parts of the province. This is a policy-driven crisis—let's make no mistake—and the pathway to beginning to address it is clear: greatly increasing the supply of homes by speeding up approvals and building, thus contributing to improving affordability and securing the long-term competitiveness of our region and our province.

We applaud the government for the introduction of Bill 23 as it establishes a bold vision and provides the leadership for us to get there.

Thank you very much. I look forward to the committee's questions.

**The Chair (Ms. Laurie Scott):** Thank you, Mr. Wilkes. I'll go to Habitat for Humanity. Please state your name.

**Ms. Ene Underwood:** Thank you, Madam Chair, and members of the committee. My name is Ene Underwood. I'm the CEO of Habitat for Humanity Greater Toronto Area. Like Dave, I had the honour of being a member of the Ontario affordability task force earlier this year. I'm joined by my colleague Greg Fryer on the screen. He is the CEO of Habitat for Humanity Grey Bruce. Together, we represent 24 Habitats across the province. And thank you to all of you who have been on our build sites and to meet some Habitat families etc.

If you only remember three things from what we share with you today, they are these:

First of all, we have a housing crisis. I know you've heard that time and time again, but it bears repeating. It's

not just in Toronto. It's in communities across Ontario. We shouldn't have let it get this dire, but we did. We should not have let two decades go by without significant government investment in affordable housing, but we did. We shouldn't have had multiple decades of housing policies that gave homeowners disproportionate influence over what got built in their communities and what didn't, but we did. And we all own this. We believe Bill 23 does represent the kind of bold and intentional action that is needed to begin to make serious progress on the housing crisis facing this province. Moreover, we appreciate the action-oriented approach that the government is taking of rolling out successive waves of legislation so each one can build and improve upon the one before.

Second, this bill reflects the need to rebalance housing and other priorities. In our desire and need to ensure multiple considerations are taken into account when we're doing approvals—things like heritage parks, the opinion of the neighbours, natural heritage etc.—we have inadvertently left housing at the back of the line. Housing is what you get when all of those things are taken into account—so we see this bill as aiming to strike a better balance between housing and other considerations, and we see that as a necessary recalibration, given the housing facing the people in Ontario.

Third, this legislation will help Habitat for Humanity and organizations like us deliver more homes. As you know, Habitat for Humanity works with working families, helping them secure the housing they need at a price they can afford. This bill will help organizations like us move faster and do more.

In the time remaining, I want to touch on a couple of areas of support and a couple of areas where we'd like to see further revisions. I won't be able to touch everything that's in the document that you have electronically, but let me start on areas of support.

In your document, we've referred to a number of things that relate to density and intensification within urban boundaries. Let me focus, however, on fees. Currently, Habitat for Humanity in the GTA—for every home we build, we pay between \$130,000 and \$160,000 in government fees; in other parts of Ontario, that number will range from \$35,000 into the low \$100,000s. Those are fees we pay to all levels of government. About 60% of them are municipal. Against that backdrop, we support the exemption of all affordable housing units—ownership and rental—from these development charges, parkland dedication and CBCs. We also really appreciate the government's signal of its intent to look at HST and GST, as well as property tax as it relates to the cost of delivering affordable homes.

Let me now shift gears into areas for improvement. The first relates to affordability periods. We are recommending that affordability periods be set at 40 years, not 25 years. It is a given that every generation will be needing affordable housing. All of us, as legislators, as housing leaders, need to be careful that today's decisions aren't just kicking the ball down one generation. Raising that level to 40 years means we will be building houses that help more than one

generation, while balancing that against the practicalities of the useful life of the units. We also just want to flag for you, legally, that Ontario has a Perpetuities Act which sets a limit of 20 years on how long you can put a restriction on a real estate asset. That will need to be modernized in order to support the affordability periods.

**1430**

The next area is to adjust the threshold for exemption and affordability levels. Let me reinforce here that we endorse the government's intention to look at the full spectrum of affordability and affordable and attainable homes. We are assuming that's why we're seeing 80% of market as having been set as the threshold for most of the exemptions in this bill. We propose, however, first of all, that the threshold be tied to income rather than market and that at least, out the gate, it be tied to a 65-percentile household income level. Here's why: In most Ontario markets, as you know, 80% of the market is still well outside the range of average households. So tying the DCs to incomes, or the other exemptions to incomes, as opposed to market, increases the likelihood that we will get and support the households that are intended to be supported by this, as opposed to households who might be able to buy anyway at 100% levels. The other part, though, is that the government has committed to devoting more time to look at this question of attainable housing—the definition of it, what the eligibility is, how it's administered. So we would urge, in the coming months—we're keen to work with you on that, and once that attainability is more calibrated, then revisit whether thresholds should be further revised beyond that 65 percentile.

**The Chair (Ms. Laurie Scott):** You have 60 seconds remaining.

**Ms. Ene Underwood:** From here, I'm going to turn it to Greg, my colleague, to talk about inclusionary zoning.

**Mr. Greg Fryer:** Good afternoon, committee members. I'm Greg Fryer, executive director of Habitat for Humanity Grey Bruce and chair of our government relations committee for our 24 affiliates.

We further recommend inclusionary zoning. It remains an attractive, albeit unproven in Ontario, mechanism through which to harness the capacity of for-profit builders to deliver more affordable homes. So we propose making inclusionary zoning available throughout Ontario, rather than restricting it to PMTSAs and MTSAAs.

As an example, in my area in Owen Sound, currently there are over 2,200 housing units in the development process with no affordability requirement for those units. A 5% requirement would translate into 110 truly affordable units in these developments, which will—

**The Chair (Ms. Laurie Scott):** I'm sorry, but we've run out of time for the presentation. Maybe you can pick it up in the question and answers.

We'll have to move on to the questions and answers. I'll go to the official opposition, please, if you would like to begin the first seven and a half minutes. MPP Bell.

**Ms. Jessica Bell:** Thank you for coming today and sharing your expertise at the committee.

My first question is to Ene Underwood and Greg Fryer from Habitat for Humanity. I was curious if you could explain Habitat for Humanity's model and, specifically, how much does it typically cost for someone to rent or own a home that is built by Habitat for Humanity? Do you fit these definitions of affordability?

**Ms. Ene Underwood:** First of all, wherever we are in the world, there are a couple of things that are true. Our aim is to make home ownership—so equity-building housing—possible for working lower-income families. And when we say “affordable,” that means we are always structured so that families will have an affordable mortgage, meaning a zero down payment option, and then their mortgage payments will not be more than 32% of their household incomes, when you have the mortgage, property taxes and condo fees, in the case of what we do in the GTA. As you would expect, that means that income level is going to vary by area of the province, as to what that would look like. We did test the recommendation we've made to you around the 65th percentile, and we think it is one that will get at the single-income-earning household that's in manufacturing; it will get at the household where you have two parents who might be working at Amazon on the front line. I hope that gives you a bit of a sense of how the model works. It does vary from community to community exactly what the fine-tuning is. But the concept is, it's an affordable mortgage—stability of home, the pride of home, and the ability to turn what was otherwise rent into starting to build equity for yourself and your family.

**Ms. Jessica Bell:** That makes a lot of sense. When it comes to reducing development fees for affordable homes, and in some cases eliminating them, that can really motivate the kind of housing that we need—non-market housing, affordable housing.

What other measures do you think the provincial government could move forward on to spur the construction of non-market housing or more affordable housing, like what Habitat for Humanity is doing?

**Ms. Ene Underwood:** That's a long question, so we'll try to be really quick on it.

First of all, part of what's in here—that notion of the long-term affordability threshold of 25 or 40 years—is one of the answers, because we can't just make decisions for today; it has to be for the future. We really appreciate the government's commitment, although we'll be pushing them to move on land—so making government land available for affordable and attainable housing—and we will be continuing to push, any time land is made available, to have a quotient of that be affordable. And we will continue to push on density—any time land is made available through whatever means, that there is attention to what's an appropriate density and what's affordability, because that is how we'll get at the question you're asking.

**Ms. Jessica Bell:** I've been a bit interested to understand what the government's definition of “attainable” is going to be. When I look at the affordability definition, it's 80% of average market rent or 80% of the average sale price. When we're looking at a one-bedroom condo in Toronto, that means an affordable unit costs \$440,000, based on the 80% average market sale price.

Are there are recommendations you're making around the attainable definition, if you're being consulted on that?

**Ms. Ene Underwood:** Thanks for asking, because I'm going to use it to reinforce what I said in my comments. Again, what we like about the way the government is approaching this is, it's saying, "Perfection is the enemy of progress. Let's get started." So as far as I can tell, they haven't fully dialled the definition of "attainable." What we are urging is—that's fine. We have ideas; lots of people have ideas on it. Let's take time to do that. But in the meantime, let's put the affordability threshold for what gets under way now, based on income, to some extent for precisely the reasons that you're asking.

The \$440,000 one-bedroom—should there be 100% DC exemption for that? Should it be 50%? I don't know, but I think that's the next round to get to.

**Ms. Jessica Bell:** Thank you for that answer.

The next question I have is for David Wilkes. This is about the changes in the housing starts—  
*Interjection.*

**Ms. Jessica Bell:** Do we have to vote?

**The Acting Chair (Mr. Hardeep Singh Grewal):** We're going to have to pause the time here. The votes have been called. Once voting is complete, then the committee will resume.

*The committee recessed from 1437 to 1456.*

**The Chair (Ms. Laurie Scott):** We'll now resume the Standing Committee on Heritage, Infrastructure and Cultural Policy. Sorry, guys, we keep interrupting, but we're back on.

MPP Bell, you have the floor for two minutes and 50 seconds.

**Ms. Jessica Bell:** My question is to David Wilkes, from BILD. I've got two questions. Number one, could you give BILD's explanation for why there has been a drop in housing starts? The second thing is, looking at the missing middle changes in Bill 23, I'd like to get your take on them. Do you think they go far enough? Could they go further?

**Mr. Dave Wilkes:** As I indicated, last year, 2021, was the highest on record for building starts. Approximately 100,000 units had been built in that year. As we look forward, the housing industry has been constrained by similar challenges that other sectors in the economy have had: lack of supplies, delays in delivery—my colleague on the right will know much better than I—of construction materials such as cement, rebar etc. That has slowed the process down.

We've also seen a change in the market. I think, MPP Bell, what we will anticipate is that, as the demand in the market has slowed down, the current activity will remain strong because we're seeing that demand from the sales that were a couple or three years ago, recognizing they represent the new homes side of the business.

What I'm very concerned about is two, three years down the road. Our member sales centres are not very busy right now. So if we need to build the 150,000 homes a year, as the goal that everybody has consensus around suggests, I think we're really going to have a challenge

two, three years down the road. That's why this bill is very timely, because it encourages the change that we believe will encourage more building.

With respect to the missing middle, we are supportive of many of the provisions in here around densification. I noted in my remarks that we're seeing, particularly in the city of Toronto, some existing neighbourhoods where population is decreasing. We believe the increasing densification that was also a recommendation of the affordability task force will re-encourage people to stay in the city and provide affordable options for them to do so by using the land in a much denser requirement—and also those as-of-right provisions as we look at mid-rise units. So I think the bill does address the missing middle in a variety of different ways.

**The Chair (Ms. Laurie Scott):** Sorry; I didn't give you a warning. You only have 20 seconds left.

**Ms. Jessica Bell:** Thank you for your time today.

**The Chair (Ms. Laurie Scott):** We'll now move on to the independent for four and a half minutes.

**Ms. Mary-Margaret McMahon:** Thank you to everyone who came in person and was able to do that, and everyone online. Sorry for the confusion and the delays here.

First off, to Bart and Adam: Were you consulted at all about Bill 23?

**Mr. Bart Kanters:** Adam, I'll let you speak to it first.

**Ms. Mary-Margaret McMahon:** You're going to have to be very brief because I only have four and a half minutes, including your answers.

**Mr. Adam Auer:** We've obviously been in discussions and had a relationship with this government on infrastructure for many years. There was some awareness that the bill was coming, and its broader elements. Now that it is released, we consider this the former part of our conversation.

**Ms. Mary-Margaret McMahon:** And the exemption you're looking for on third-party input—you just wanted that applied to the concrete industry, or other groups as well?

**Mr. Adam Auer:** It would be applied to broader groups as well, yes.

**Ms. Mary-Margaret McMahon:** David, thank you for coming in.

With regard to a comment you had about the conservation authorities, referring them to stay in their lane—do you value conservation authorities? Do you feel they protect Ontarians—from many things, but flooding in Ontario's lands?

**Mr. Dave Wilkes:** We think conservation authorities have a very important purpose, as you have described, MPP McMahon. Where we have concerns and where we support the direction of the bill is when they drift and there's duplication in the efforts that are seen at municipalities. In consultation with our members, we have seen some delays of up to four to 12 months, depending on the conservation authority, for their approvals. We believe those delays are the result of broadening the scope.

But yes, we value the work they do, and we believe they have an important role, but we believe that role should be focused and not drift from that.

**Ms. Mary-Margaret McMahon:** No pun intended.

**Mr. Dave Wilkes:** I didn't even recognize it; sorry.

**Ms. Mary-Margaret McMahon:** It's clever.

To Ene and David: Do you think, in a climate emergency, that the Toronto Green Standard is important?

**Ms. Ene Underwood:** One of the recommendations we've made—I didn't get a chance to get to it—is to make sure that any of the green standards are being provided for. Again, this isn't an area I'm super close to, but when I first heard of that—I know this relates in part to the removal of language around architectural design, something we do very much support and something that has been holding us back, increasing costs of building homes etc. I'm working on the assumption that the removal of architectural design, which in turn ripples into some of the concern about green standard, was an "oops" unintended consequence. So our urging is, "Okay, presumably there's a fix to that," and that's something we'd hope to see in what comes through the legislation.

**Ms. Mary-Margaret McMahon:** David, you have a minute to answer that.

**The Chair (Ms. Laurie Scott):** Sixty seconds.

**Mr. Dave Wilkes:** Sorry—

**Ms. Mary-Margaret McMahon:** Do you think, in a climate emergency, that the Toronto Green Standard has value?

**Mr. Dave Wilkes:** Where we support the bill—and I'll use some specific references as quickly as possible. A lot of the green standards municipalities are currently implementing do not have a planning process as the rigour behind it that the province is looking to put into place. We believe that there should be uniformity and consistency around the green standards, and that's what this bill would achieve.

But, MPP McMahon, I think it's a much bigger issue and one that we're calling on that we need a residential construction strategy to look at—if we're building the 1.5 million homes, we need more labour, we need more innovation, we need more sustainable ways of building. We've seen some experience from elsewhere. There's panelization. There's robotics. All of that can contribute, and—as I referred to in my remarks as the culture change—it needs to start with a different way of looking at land and approvals and cost, but it can't end there, and it needs to be more comprehensive to include the things I mentioned.

**The Chair (Ms. Laurie Scott):** We'll now move to the government side. MPP Pang, please proceed.

**Mr. Billy Pang:** This question is for the Building Industry and Land Development Association.

This bill is trying to streamline development approvals to get more homes built faster. According to a report that your association released this year, you found that for each unit in a typical high-density development, each month of delay cost from \$2,600 to \$3,300 in additional construction costs. So if this bill passed, I suppose housing will be

built faster. Some may say that lowering the cost of building doesn't necessarily benefit homebuyers, but I'll say increasing building costs will for sure impact homebuyers.

However, some municipalities said that developers are sitting on the approved lands without developing them, and that's the key reason housing supply is being limited and not getting built. In your experience or opinion, are these municipalities correct or are they providing a misleading narrative?

**Mr. Dave Wilkes:** MPP Pang, thank you very much for the question. I'll start with the beginning of the question and then move to the answer around the approved lots, if I may.

You're right; the study that we released—and it was the second study that we had on benchmarking approval times. The bottom line was that things are getting worse. No municipality is meeting the provincial guidelines, and the costs that are being added because of the delays are just non-value-added costs. So we're very supportive of the government's plans—I know we're focused on Bill 23 today, but in Bill 109—to incent municipalities through refund of application fees that are paid by those who are applying for the development, to be refunded if those timelines are not met. We believe there needs to be that discipline in the process.

With respect to the approved lots, I'm grateful for that question as well. This is a claim and a perception that we have been hearing for several months now. We welcome a conversation on this. Indeed, our organization has written mayors across the GTA, regional chairs and Ontario's Big City Mayors and offered to sit down and talk about what these approved lots are looking like. To date, we've received one response. It's disappointing that we received no response from several mayors and chairs. When we looked at that information, there were three things that we found. An approved lot is not a lot where you can hold a building permit. You need infrastructure within those lots in order to build houses on it. As the saying goes in our industry—and pardon me—you can't flush an approved lot. You need the pipes and the sewers to be put there, so the infrastructure needs to be in place. In some cases, those approved lots were being appealed at OLT for a variety of reasons, so although they were approved, they weren't finalized. And the third point—and this is one that is often forgotten—is that municipalities have a requirement to have three years' worth of approved lots in supply, as it were, in order to anticipate missing anticipated demand.

So there are a lot of misperceptions around there. We really do believe that the claims that are being put forward are to divert from the real challenges that we have that are being addressed by the government's plans around adding housing supply. That's why we wrote the letters—to encourage a discussion on that and make sure that the public, the new home buyers, have the facts, not the fiction. We wait ready to have that discussion with any municipality that is willing to do so, because that's what this issue deserves.

**Mr. Billy Pang:** A follow-up question: According to your best knowledge, how long does it take for a developer to submit the form on day one and then start building?

**Mr. Dave Wilkes:** For the submission of a completed application—so when the municipality says, “Yes, we have everything we need to review this”—10 to 11 years, depending on the project.

**The Chair (Ms. Laurie Scott):** MPP Sabawy.

**Mr. Sheref Sabawy:** How much time do we have?

**The Chair (Ms. Laurie Scott):** Three minutes.

**Mr. Sheref Sabawy:** My question is for Mr. Wilkes.

As the president of BILD, with 1,300 members from different aspects of the industry—the housing industry, land development, residential owners, residential developers, professionals in the renovation industries in the GTA—and as well, I know that you attended the forum from the ministers in 2019, the housing supply action plan forum, and you are a member of the Housing Affordability Task Force. In your opinion, does this bill cover some of the recommendations that came out of those different discussions? And—

**Mr. Dave Wilkes:** Yes—sorry.

**Mr. Sheref Sabawy:** Perfect. That’s a good one.

Which one of them, do you think, is served better with this bill?

**Mr. Dave Wilkes:** I don’t want to avoid the question, but I’m going to. I’m not sure that there’s one here, because it is such a comprehensive bill. We are supportive of the increasing densification, as we indicated. We are supportive of equity within the charges that are applied to new home builders. We are supportive of the signalling that the time for change is now, as my colleague Ene indicated. We don’t want to look back five years from now and be having this same conversation.

We’re very supportive of the overall direction. We believe the Housing Affordability Task Force, which Ene and I were both members of, really did set a bold agenda, and I think you see that agenda reflected in today’s legislation with Bill 23.

So I can’t pick one, but what I can applaud—and I will finish my answer this way—is the leadership that this bill shows in order to create the change that we need to build the 1.5 million homes that there is a consensus around.

1510

**Mr. Sheref Sabawy:** A quick follow-up question: Based on your attendance on this task force, what do you think could be missing in that bill? As you know, every year there will be a new housing strategic plan. Which one point or two points do you think we can add to that?

**Mr. Dave Wilkes:** Thank you for that question.

What I’m worried about is the municipal reaction to the bill. There’s a lot of change that is going to have to happen at the municipal level. We have seen change beginning. I’ll provide kudos to the city of Toronto with their growth and development division and their commitment to approve applications quicker. The resistance to increasing density in existing neighbourhoods—we’re already seeing challenges around that. And then making sure, as we look at the annual application of bills—are we moving forward? Score-carding—we commend this bill for having targets assigned by individual municipalities to achieve

that. We believe that there should be incentives to help with that, and what I am really worried about—

**The Chair (Ms. Laurie Scott):** I’m going to have to cut you off. I’m sorry; I didn’t even give you the warning. I missed that.

That brings the conclusion of the three presenters we have before us. I believe that’s right. I missed some time.

Thank you very much for attending. You can please stay or make your way—

**Mr. Sheref Sabawy:** There is a second round.

**The Chair (Ms. Laurie Scott):** I was out for a little bit, but I was told—

**Mr. Sheref Sabawy:** That was just the first round.

**The Chair (Ms. Laurie Scott):** Okay. Sorry. I take that all back. Anyway, the government side is done.

*Interjection.*

**The Chair (Ms. Laurie Scott):** I don’t know. I left for a minute.

MPP Harden, you have seven and a half minutes for the official opposition.

**Mr. Joel Harden:** My colleague, who is our housing critic, really dove into some detail with all of you with respect to your presentations. I want to apologize to you in advance because, given the nature of this place, I was between here and the chamber for some debates. But I’m aware of the work and the advocacy that you’ve done, so I’m going to try to have my comments be friendly in keeping with the work you’ve done in the past.

A major concern in Ottawa—as I was saying in the last round of questions to other presenters—is the loss of affordable rental housing. I know you’re in the business of building products, and we need to build products. But we’re not just building ownership products. We’re building rental products, too—at least, that should be the ambition. As I was mentioning before, 53% of the constituents I serve in Ottawa Centre are renters; they’re not owners.

We have concerns, with respect to Bill 23, that getting rid of the replacement provisions for rental housing for existing tenants has a major impact on low-income residents in our community, particularly in situations where, as one expert was telling us earlier today, for every one unit of affordable housing we build—that’s the metric you were mentioning earlier, 30% of income—we’re losing seven. According to the research given to me by colleagues at the municipal level in Ottawa, a big issue is the demolition of buildings not being replaced by units that can be afforded.

I want to read to you a story from a constituent in Ottawa, Margaret Alluker, and then solicit your responses as housing experts. What could we do to help someone like Margaret? Margaret was one of the tenants evicted in a community known as Heron Gate, where MPP Fraser, actually, was raised. It’s a low-income community just south of the community I serve. Four hundred people were evicted, and the housing that was replaced, from Heron Gate, was not housing that was at the same cost for folks like Margaret. By and large, the housing that was able to be found for these constituents—and that is, frankly, a credit to MPP Fraser’s work to try to find people comparable homes—tended to be well outside of the downtown.

This is Margaret's story: "I've lived in Heron Gate since 2012 after moving from Sudan, first in high-rises where I had a lot of problems with cockroaches and the water supply. I moved to one of the townhouses on Baycrest in 2015 with my two kids and nephews. I really couldn't afford the rent—\$1,300 a month—but I can't find housing cheaper anywhere else. I've been on the wait-list for social housing for six years"—it's a 10-year wait in Ottawa for our social housing wait-list. "In May they told us we needed to be out by September 30." That was what Timbercreek—that's the old name of the landlord in question—gave the tenants. "I was in school full-time and taking care of the kids by myself. It was very hard to find anything else." Most people suffered the same fate.

She writes here that her goal was to try to move back to the community in Heron Gate, but where she has been moved to, she's actually paying \$400 more than the rent she paid previously.

I know we're talking a lot about increasing supply, which is important, but on my mind is, what kind of supply are we giving residents like Margaret?

What do you see in Bill 23 to make sure that we're going to have affordable housing units?

I'll start with Ms. Underwood, from the perspective of Habitat for Humanity.

**Ms. Ene Underwood:** I'm glad you raise it. You're right; at Habitat, our focus is predominantly ownership, but the reality is, rental is critically needed, and purpose-built rental—if I recall what we saw on the task force, it's 80% of all the purpose-built rental in Ontario or Canada was built before 1980.

I was encouraged to see, in Bill 23, the notion of some of the incentives around the discounted DCs for the different sizes of purpose-built rental units. That's a good thing. We will be submitting a response to the ERO, or whatever those things are called, about the rental replacement, just urging that to the extent that any changes are made to rental replacement, we believe it should be that there's a 1.5 or 2.0 kind of replacement ratio and that, for folks who then are displaced and move back in, those new units should be at the same rate, the same affordability levels, as before.

As I said earlier, I like that in the—not in the legislation, but in the signal—there's also the "let's look at property tax." Property tax has, as I understand it, disadvantaged purpose-built rentals. You know more about it than I do.

So there's more to be done on purpose-built rental, and, you're right, it should absolutely continue to be a priority.

**Mr. Joel Harden:** Over to you, Mr. Wilkes: There are 23 applications at the moment for the city of Ottawa for taking down existing multi-unit housing. The fear is, with Bill 23—I'm hearing from advocates back home—they're not going to be replaced with comparable units, as you're describing; they're going to be replaced, as with Margaret's experience, with units that are much more expensive. In her case, she's paying a lot more, having had her family moved well out of the community where she had set down roots.

Mr. Wilkes, what's in this legislation for Margaret?

**Mr. Dave Wilkes:** I agree with Ene that there are a number of important things that can be done to encourage purpose-built rental—another one that I would suggest is when HST is paid on the units, and making sure that it reflects the business model of a purpose-built rental, or PBR, as we call it.

Let me address specifically the question around taking down current buildings, because I think there could be an unintended consequence for being as restrictive as is currently required. An example: When a mid-sized rental apartment, let's say, of six units or more, is demolished, municipalities may require and define what is built on that site. That might not make economic sense if it's too small to facilitate the affordable units that are required on it. So what I'm concerned about, without the change that is prescribed in Bill 23, is that we may limit supply because we're defining and specifying what can be built on a particular site where there are existing rental units, and that might have the consequence that we don't believe—so allowing some flexibility. The proposed amendments would create a regulatory authority to limit the municipal rental bylaws that would be slowing or disincentivizing rental housing overall. I think that bigger picture is one that we need to also take into perspective.

Certainly, the story you shared from your constituents is a heart-wrenching one, but we have to make sure we aren't having bylaws and requirements that don't recognize what it takes to get building done.

**Mr. Joel Harden:** How much time do I have left, Chair?

**The Chair (Ms. Laurie Scott):** You have 27 seconds. I didn't give you the minute warning. I apologize.

**Mr. Joel Harden:** That's okay.

I will just say—and we'll throw this over to the next piece—the concern I also have in this legislation is that the definition of affordability is being changed, so it's not 30% of income; it's 80% of market, as I understand. The yardsticks are being moved dramatically here for Margaret and for folks like her, and there are a lot of folks like her. So I look forward to this committee's conversation of how we create truly affordable housing.

**The Chair (Ms. Laurie Scott):** MPP McMahon, if you would like to do your next four and a half minutes.

**Ms. Mary-Margaret McMahon:** I'm glad there's a second round.

Ene and Dave, I'm wondering about your thoughts on dealing with vacant properties, vacant homes, for example, in the city of Toronto or elsewhere. Do you have any ideas on how we can tackle that?

**Ms. Ene Underwood:** So that's the notion of vacant property disincentives or taxes etc. on—

**Ms. Mary-Margaret McMahon:** Just any creative ideas to deal with these empty properties. I have one by me that has been empty for thirty years. It's four bedrooms.

1520

**Ms. Ene Underwood:** To be fair to your time—I haven't and our organization hasn't done a lot of thought on it, so I think I'll just stand down and not run the clock down on it.



**Ms. Mary-Margaret McMahon:** If you think of something, I value your advice.

**Mr. Dave Wilkes:** I think the focus of 2023 is to make sure we get more built in all its entirety. The specific question around vacant land is one that isn't addressed within this bill, so I would also—

**Ms. Mary-Margaret McMahon:** That's unfortunate, I know. I'm thinking, why not?

**Mr. Dave Wilkes:** I think you can address that at a variety of levels. We have seen measures that have been taken by municipalities, for example, to encourage the use of land.

Once again, it's not something that we have spent a lot of time on, to be honest. And I will also respect the clock.

**Ms. Mary-Margaret McMahon:** I'll encourage both of you, in your spare time, to look into it. Maybe we don't need to build 1.5 million homes if we have existing homes that people can live in. But that's for another day.

Rapid-fire, for all three of you—so, Bart, you get back in the game. We'll start with you—one piece of advice to us as we consider Bill 23.

**Mr. Bart Kanters:** From the ready mixed concrete standpoint, it's really addressing the fact that our industry supplies all types of construction. We want to be respectful of residential homes. Quite frankly, when it comes to operating a concrete plant in an urban environment, the biggest issue is noise. So we support densification, but putting densification right on top of the concrete plant is going to lead to conflicts that neither party will enjoy. Again, that's back to our point that ECAs are important. We need to operate in an urban environment. And recognizing those interactions, we need to work together to address that.

**Ms. Mary-Margaret McMahon:** Dave?

**Mr. Dave Wilkes:** This is an opportunity for the culture change that we need. I would encourage the committee and the government not to miss this opportunity to do things differently, because the demands that we have in front of us of 1.5 million homes and the consensus around that demand that courage.

**Ms. Mary-Margaret McMahon:** Ene? You have a bit of time, because the gentlemen have been gentlemen.

**Ms. Ene Underwood:** Thank you, gentlemen.

I'm going to offer you three things. Number one is, stay the course. The reality is, we are seventh out of the G7 countries on the number of homes we have to put over the heads of Canadians. That's just a fact. This bill is not a panacea. It won't fix everything. We require lots more multi-government collaboration, but there is a real stay the course—we've got to do things to just build more housing.

**The Chair (Ms. Laurie Scott):** You have 55 seconds remaining.

**Ms. Ene Underwood:** Number two, more on exclusionary zoning. We will continue to push for more on the missing middle beyond what's in the act now.

The final thing is, this area of affordable housing is a societal responsibility. There does need to be more attention to who pays. It's not a reason to not move ahead on what's in the act now, but there does need to be more sorting out of what's the combination of property taxes,

provincial taxes, federal taxes that pay the freight on affordable housing in our communities.

**The Chair (Ms. Laurie Scott):** Now for the final round on the government side on this: MPP Leardi.

**Mr. Anthony Leardi:** Ms. Underwood, during your submissions you had gone through a very lengthy list of government policies, and then, at the end of the list, you said “and finally building homes.”

Mr. Wilkes, you said that during your submissions—I don't want to choose your words wrong, but words to the effect that the present crunch in housing was policy-induced.

By your submissions, I got the impression—and you'll correct me if I am wrong—that this tangle of government policies led to this housing crunch. Did I understand your submissions correctly?

**Ms. Ene Underwood:** I think we can't deny the reality that we're 23rd out of 24 in OECD countries on how long it takes to get anything approved—and the other stat I just said about where we stand on roofs over people's heads. Stuff gets built, first, by going through an approval process.

So it goes back to what I said earlier. Yes, I think a lot of where we are today is a function of well-intentioned government policy at all levels, but we need to own it and say it hasn't worked for us and hence do things very differently and boldly and, in some cases, not entirely elegantly to get us moving to a better place faster for the next generation. This is a generational crisis for young people and for newcomers to the province, and it hurts everybody.

**Mr. Anthony Leardi:** Mr. Wilkes?

**Mr. Dave Wilkes:** Succinct answer: Yes. The long answer is that when we see the delays of 10 to 11 years to get approvals, that has been because of the lack of efficiency at the municipal level and the associated organizations that comment on applications. Where we've seen land being restricted and not used for changing the zoning; where we see the costs creeping up, like I mentioned in our submission—all of these are decisions that, as Ene said, were well-intended but have created the problem that we have now. That's why I indicated that this really does require the leadership that the bills and the plan that the government is putting forward need—because we need to increase the amount of housing by 50% in order to meet the goal of 1.5 million. So we can't do things the same way. We need policy change.

**Mr. Anthony Leardi:** Chair, may I have a follow-up?

**The Chair (Ms. Laurie Scott):** Certainly. Five minutes left.

**Mr. Anthony Leardi:** Thank you for that answer.

Untangling this tangled wood of policies is going to help us get to where we want to go. And I would suggest that introducing and passing Bill 23, if it passes, would go a long way to untangling this tangled wood of policies and get us to where we need to go. Do you agree with that?

**Mr. Dave Wilkes:** Yes, I do. I think, for all the reasons that we indicated in our submission, if we're supportive around defining roles and responsibilities, defining the costs associated with it, defining increasing densification—those are all very positive things that we've made, and

there are others within the bill. It's a very comprehensive legislative package.

But, if I may speak out of scope, it's the completeness of the government's agenda on housing that I think will create the change that we need. I mentioned Bill 109 previously. That is going to incent municipalities to look at change, and we're seeing that change at municipalities. I commend them for that. They're taking a hard look at how they can do things better and, as one municipal leader said to me, stop the spin cycle that is causing that 10 to 11 years.

So, yes, I do believe this is an important step. I believe much more needs to be done, as I mentioned when responding to MPP McMahon. We need a residential housing construction sector strategy that looks at proper immigration and targeting that, that looks at innovation, that looks at new ways of building, more innovative ways to speed things up and new processes to facilitate the building. We can't stop here. If we do, that will be a failure of the collective will to create change. We need to use this as a platform to facilitate more change.

**The Chair (Ms. Laurie Scott):** The government side has three minutes remaining, if there are any other questions.

**Ms. Ene Underwood:** I will echo Dave by going back to my opening comments. We've got a crisis, we need to recalibrate where housing is on the priority list, and what is in this bill will help. I'll speak to our organizations, organizations like Habitat for Humanity, as to how: because it will help reduce the cost of building, and it will help us speed up, which also reduces the cost. So your question, "Will this help?"—yes, it will help.

And the same as Dave—there's more to be done. The signals in the announcement, which haven't had nearly as much of a media conversation, around, "Yes, and then we're going to look more at attainable housing"—because we need to be realistic. This will help—probably not as fast as anyone thinks it will, and probably not as much, so more is required. We need to look more at attainable housing. We need to look at provincial lands, how we make those available, how we get differently creative around financing for attainable and affordable housing. I think we're ready and game and keen to get to the next chapter of the conversation.

**Mr. Anthony Leardi:** I'll cede to Mr. Pang.

**The Chair (Ms. Laurie Scott):** MPP Pang.

**Mr. Billy Pang:** How much time do we have?

**The Chair (Ms. Laurie Scott):** You have one minute and 40 seconds.

**Mr. Billy Pang:** Okay. A lot of witnesses today talked about affordable housing. From your perspective, how would you define "affordable housing"? You just mentioned affordable housing—

**Ms. Ene Underwood:** Yes. The definitions are murky, and you'll be hearing that all the time. I think people have somewhat settled into the view that, when we're talking about affordable housing, we are talking about a deeper level—what in the past we might have referred to as "lower-income households." When we talk about "attainable," we're really reacting to what's happening in the

market and the fact that the housing that I knew when I had to buy was—a middle-income person could just buy a home on their own, and now the place we are is that's not true.

**1530**

**The Chair (Ms. Laurie Scott):** You have 60 seconds.

**Ms. Ene Underwood:** So "attainable" is getting at the average and even a bit upper-average income—enabling them to be able to apply and attain homes.

**Mr. Dave Wilkes:** The fact that people are moving out of the city of Toronto and we're seeing neighbourhoods decline in population determines that we have an overall affordability problem.

I would urge the committee not to focus on the broader spectrum of attainability, to make sure that people of all demographics and communities can afford homes in the places they want to live. We're not seeing that right now. People are having to move beyond where they want, to find attainable housing.

**Ms. Ene Underwood:** That is raising the cost of housing in many of your communities, in the rural communities, and has now made it a pan-Ontario problem.

**The Chair (Ms. Laurie Scott):** That's great. There are seven seconds remaining.

Thank you very much, everybody.

Now we will move on to the next group of presenters. Sorry about that. Thank you very much to the current group. We're changing out. Some will be on the screen and that.

I want to ask, in the interest of maintaining our schedule: Are the committee members agreeable to shortening each round of Q&A proportionately by one minute for the opposition and the government, and by 30 seconds for the independent member? Because of many delays we've had today, are you guys in agreement?

**Mr. Joel Harden:** Can we confer?

**The Chair (Ms. Laurie Scott):** Okay. We'll just hold on. Are you okay on this side?

*Interjection.*

**The Chair (Ms. Laurie Scott):** We are? Oh, well, we're waiting patiently. We've had a few distractions and delays. What can we say? Welcome to politics, which some of you—Mayor Guthrie—are very familiar with. Congratulations on your re-election.

*Interjection.*

**The Chair (Ms. Laurie Scott):** Is this side okay with the 60 seconds? MPP McMahon.

**Ms. Mary-Margaret McMahon:** Chair, I think we're amenable if we can move our motions now.

**The Chair (Ms. Laurie Scott):** That's counterintuitive to what we're trying to do, to move the time so that our presenters can get back on track and respect their time. That would not actually help, so I again ask you—at the end of committee, if we could wait to move your motion, which isn't time-sensitive.

**Ms. Mary-Margaret McMahon:** Again, I think we should give more than 10 hours' notice, to go about organizing their day tomorrow—

**The Chair (Ms. Laurie Scott):** I am going to go again—that it's at the end of the session. So are you willing,

in respect of the presenters' time, to shave off the 60 seconds for each—

**Ms. Mary-Margaret McMahon:** No. The people prepared their answers, and they've known the time, and they would like to have a chance to speak. Already we have fewer people speaking than we should have, and this is being quite rushed through. So we would like the regular time to stand, out of respect for our speakers.

ONTARIO NON-PROFIT HOUSING  
ASSOCIATION

ONTARIO'S BIG CITY MAYORS  
HOMES FOR HEROES FOUNDATION

**The Chair (Ms. Laurie Scott):** We're going to move to the next presenters. Again, apologies for the delays. In this group, we have the Ontario Non-Profit Housing Association, Ontario's Big City Mayors, and Homes For Heroes Foundation. I'll remind everybody that it's a seven-minute presentation. Please state your name before you begin, for recording purposes.

Please, would you start, Ontario Non-Profit Housing Association?

**Ms. Marlene Coffey:** Thank you all for being here today. My name is Marlene Coffey. I'm the CEO of the Ontario Non-Profit Housing Association, referred to as ONPHA.

I'd like to start our time here together, if you would imagine with me a scenario where you and your local community see your school or your hospital in repair. Or perhaps you see your family member, like a grandparent, who is no longer able to live in their community. Or perhaps it's a situation where, where you live and where you work are not in the same place. This kind of impact is similar to what we're experiencing in the community housing sector, where we are housing Ontario's most vulnerable populations.

Our vision is that everyone in Ontario has a home where they can fully participate in their community, and so I thank you very, very much for talking about Ontario's housing crisis and for proposing Bill 23, which we're here to speak about today. We do applaud you in setting the goal of 1.5 million homes to address the housing crisis, and of course we know that there's much discussion around what that means in terms of housing affordability—for which we as a sector are very much a part of the supply solution in building affordable housing.

If we look at the conditions for success in the community housing sector, we know that supply alone will not guarantee access to affordable housing. I can further say that we also know that many tenants are paying rents based on income level rather than market rate. The term that we use is called "rent geared to income," which in many cases is set at 30% of the monthly household income. We are unique in that there is a subsidy paid directly to the community housing provider, who is a not-for-profit, by either the municipality, the province or the federal government, that helps bridge the gap between rent geared to income

and market rent. In doing this, the housing provider is able to maintain and support affordable housing stock in Ontario.

What we're seeing in Bill 23 is that there is some contradiction within the policy that specifically impacts on our sector in community housing. I just want to draw your attention to the removal of development charges. That might have some unintended consequences that you're not aware of.

At first look, we are of course very happy and thankful for not-for-profit developers being exempt from DCs to build more affordable housing. But when we take a deeper look into what that means for corresponding municipalities, we know there is also a loss in their ability to charge development charges from private sector developers building housing, and so the unintended consequence here is that it removes resources from the affordable housing system, which we care very, very much about. To be very specific, community housing may not have the means to operate or maintain units, despite the increase in supply, unless there are alternatives to funding offered.

The act is important to operate when we talk about a holistic system and looking at our partners, and so we make a recommendation to government to incent the development community, to help us all get towards this goal of more housing and affordable housing.

Our first recommendation to the government is that a not-for-profit acquisition fund be put into place, to allow the community housing sector to have the buying power to acquire land, to purchase existing stock and, very importantly, to purchase new units.

Along with that, we recommend tax credits or exemptions that incent the private sector developers to construct affordable housing instead of investing and speculating in the housing market. This, in turn, creates a system where the private sector developer and the not-for-profit housing provider can then work together to transfer ownership for long-term ownership and operation of affordable and deeply affordable housing in Ontario.

**1540**

We also recommend that rental assistance be put into place to expand on current programs as well as other income supports that help the sector remain viable.

The fourth recommendation is that we keep housing money in housing. What I mean by this is, we know that Ontario has the highest rate for the non-residential speculation tax in all of Canada—

**The Chair (Ms. Laurie Scott):** Last minute.

**Ms. Marlene Coffey:** —so we know there's an opportunity here to raise revenue in lieu of that loss of our funding partner, in order to ensure that we can still deliver on affordable housing in Ontario.

And so by working together, we acknowledge the policies and regulations you've changed. We acknowledge and encourage Bill 23 as a continued step moving towards more affordable housing.

We recommend that the future be inclusive of a housing supply action plan specifically for affordable housing providers that is built in tandem with municipalities, the

province and the federal government, Indigenous communities, not-for-profit and private sector partners. This is—

**The Chair (Ms. Laurie Scott):** Thank you. I'm sorry. They cut off your mike. That's the handy part of this.

I'll now call on Ontario's Big City Mayors. Mayor Guthrie, please state your name and begin your presentation.

**Mr. Cam Guthrie:** My name is Cam Guthrie. I'm the mayor for the city of Guelph, but I do not have that hat on today. I am the chair for Ontario's Big City Mayors, I want to thank you so much for having me here. I am the chair of the 29 largest single- and lower-tier municipalities, collectively representing 70% of the population of Ontario. Our role is to advocate on issues and policies that are important to Ontario's largest cities.

OBCM supports the government's goal of building 1.5 million homes over the next 10 years. Daily we see the impact of the housing crisis on our residents, and we work hard to deliver housing that is affordable for all income levels, but we still agree that more can be done to reach our collective goals. We have been working with the Association of Municipalities Ontario and other municipal organizations to better understand the root causes of this housing crisis and the impacts of the government changes.

There are parts of Bill 23 that are positive. However, we are concerned about the unintended consequences of other aspects of this legislation, and we'll be addressing some of these concerns with you today.

First, to ensure that the implementation of this legislation is impactful in reaching our shared goals, the province must activate the Housing Supply Action Plan Implementation Team. When Drew Dilkens, the mayor for the city of Windsor, was announced as the chair of that team, along with the mayor of the township of Hornepayne as the vice-chair, OBCM applauded that. We were very excited to be a part of it and support it moving forward. We agree on how important a tool such as that table and that group would be in bringing all levels of government together—partner ministries, municipal associations, industry associations and more—to oversee the implementation of Ontario's Housing Supply Action Plan for 2022-23, and Bill 23. As committed partners in this process, OBCM would like to see the proposed Planning Act and Development Charges Act changes first on that agenda and at that table.

The Environmental Registry posting for DC and parkland changes provided an analysis of their expected impacts on giving incentives to housing and cost savings for home builders, buyers and renters. While we do not disagree, we are concerned that this analysis does not go into the details of the impacts to municipal revenues. If not addressed, the impacts will be billions of dollars worth of infrastructure deficits, severely hurting our ability to support the building of new homes.

Municipal planning follows the principle that growth pays for growth, with development charges put towards key infrastructure needed to support new development, including water and waste water services, sidewalks, roads

and bridges and more. With or without development charges, this infrastructure still needs to be built. Municipalities had hoped to see a reference to finding solutions for this deficit in the fall economic statement, as currently the only way a municipality can afford these costs is through significant property tax increases on the current tax base. This means that growth will no longer pay for growth; the rate base will. Some municipalities are telling me that their estimated property tax increases could be upwards of 4%.

Quantifying the value of public green space is a bit more difficult. However, if anything was made certain during this time over the last few years, it was that people loved our outdoors and our parkland space. Especially if increased density is coming, it means a need for more green space, not less. Parkland is an important part of our community; however, if less of it is being created, and the use of privately owned public spaces is able to count towards municipal parkland dedication requirements, it is not clear how councils can guarantee those safe spaces for outdoor activities or promote healthy behaviours.

Ontario's Big City Mayors do not believe that there's enough time or capacity to fully appreciate the impacts proposed, especially around parkland and development charges, at the speed that this process is moving. We believe a pause in the implementation of the financial pieces of this legislation is needed and that the province should bring these proposed changes to the Housing Supply Action Plan Implementation Team. At that table, a full review can take place, with all partners working together to find solutions that reduce home prices, create green spaces, and include a sustainable funding model to address a critical infrastructure deficit outside of the property tax base.

We know that government does want to work with municipalities. We have seen the positive results of taking a collaborative approach when facing a crisis. During COVID, all three levels of government came together to address the needs of our residents as best as we could. We were a team.

We are now facing a different type of crisis, and rather than do finger-pointing, we have the opportunity to once again come together to find solutions.

So our second request is this: We would like to see all partners, not just municipalities, required to sign pledges outlining the actions each partner is responsible for. This could include how they will work with municipalities to do their part—

**The Chair (Ms. Laurie Scott):** You have 60 seconds remaining.

**Mr. Cam Guthrie:** —to make sure each city's specific home-building targets are met. We're also requesting that the government require all partners to report annually on their progress as well.

A lot has changed since the task force came out with their recommendations at the beginning of 2022. In fact, the Canadian Home Builders' Association recently released their Q3 Housing Market Index, summarizing the third quarter: "As interest rates continue to rise, builder confidence declines and construction activity slows." They're showing, actually, a reduction in housing being built. How

can the municipal sector be held to account for outside influences?

Finally, the timing of this legislation is pretty tough on us. We just got elected. Our councils are brand new. We are the only municipal one—other than one other, sorry—that happens to be in front your committee. We know that building homes is a priority, but there are only so many planners, software workers, consultants that municipalities can go to.

Thank you for your time today.

**The Chair (Ms. Laurie Scott):** Thank you very much for your presentation.

We'll now move on to Homes For Heroes Foundation. Please go ahead and state your name.

**Ms. Jacqueline Howard:** Thank you very much for the opportunity to present to the standing committee today. Good afternoon. My name is Jacqueline Howard, and I'm the director of planning and development for the Homes For Heroes Foundation. Homes For Heroes is a registered charity which builds tiny-home villages with wraparound social support programs for our veterans experiencing homelessness.

On a personal note, my professional background is as an urban planner. I have a passion for developing affordable housing solutions and assisting vulnerable populations to access a place to call home.

Our organization has had the pleasure of working closely with Minister Clark's office in our effort to provide housing for veterans in need in Ontario. Through this work, it is evident that the Ministry of Municipal Affairs and Housing is truly committed to do their part to address the housing crisis in Canada.

**1550**

I would like to compliment the Ontario government on the timing of Bill 23. Just yesterday, I participated in a round-table discussion hosted by the Canada Mortgage and Housing Corp. regarding the systematic barriers to affordable housing and land use planning systems. It was clear through this meeting that Canada needs to take immediate action to break down barriers to affordable and attainable housing if we are to fix the issue.

Our organization believes that the policies contained in Bill 23 are well-thought-out and on the forefront to provide real solutions to increase affordable and attainable housing supply and housing opportunities for residents of Ontario immediately.

At this time, I would like to read commentary from the founder of our organization, David Howard, which was submitted to you under a separate cover. His letter stated:

"Homes For Heroes Foundation is in full support of Bill 23, the More Homes Built Faster Act. As a registered charity which provides housing, with wraparound social support, we have seen first-hand the difficulties and the stumbling blocks with regards to trying to build affordable housing for those in need. At the current time, Canada is in a crisis, we need thousands"—if not millions—"of more affordable housing units to insure that people are off the street and in a safe environment to transition." Through research, we have noted that "it is cheaper to house our

homeless than it is to have them live on the street, both for the province and the municipalities. The approval of Bill 23 would not only save on the time to build, thereby getting people off the streets sooner, it would also save on the cost to construct. We are confident that by adding these two elements together you will find more charities willing to invest in the community to supply affordable housing and more private builders interested in offering affordable housing solutions. Bill 23 will save organizations like Homes For Heroes Foundation hundreds of thousands of dollars and years in planning."

In closing, I would just like to state that Homes For Heroes is privileged and honoured to support Bill 23, the More Homes Built Faster Act. We believe that this type of thinking and ingenuity by the Ontario government is needed to solve the issue of affordable and attainable housing in Canada. Thank you.

**The Chair (Ms. Laurie Scott):** Thank you very much for your time.

We will now have a question-and-answer period, and I'll go to the official opposition for the first seven and a half minutes. MPP Bell.

**Ms. Jessica Bell:** Thank you very much for speaking virtually about Bill 23. I very much appreciate you taking the time.

My first question is to Marlene Coffey from the Ontario Non-Profit Housing Association.

Marlene, you mentioned that just focusing on supply and not thinking about the construction of affordable housing and maintaining the affordable housing homes we've got is not really going to allow us to address the housing crisis we have right now, and that is something I agree with.

You mentioned that there is a real need for the government to use the provincial public land they already have available and to make it more open to the construction of affordable housing. I've been very concerned to look at what Infrastructure Ontario is doing, and I've noticed that they have signed no agreement with a developer to meet any affordable housing requirements in any of the provincial public land that they have auctioned off or sold off.

I want to know if you have a position on how Infrastructure Ontario could function to facilitate the use of non-market housing, more affordable housing.

**Ms. Marlene Coffey:** I'm actually not in a position to comment specifically about the program that you're referring to, but I can tell you that as community housing providers, we are the only group that provides long-term affordable housing that is decent and stable at the community level. We know how to stretch the dollar, so we are very, very interested in working within a system—recognizing that supply is part of the solution, but there are other elements in terms of repair, renewal and supports that are equally important to solving the housing crisis for those who are in need.

I can say more specifically that our members—700 housing providers owning \$30 billion in assets—are housing half a million people in Ontario, and we know that there are three quarters of a million people who cannot access affordable housing in Ontario.

So we, as a sector, are looking to really have those conditions of success with a comprehensive response in terms of how we can perform within the marketplace and ensure that we're building that long-term affordability and sustainability for Ontarians long-term.

**Ms. Jessica Bell:** I also noticed in your presentation that you talked a little bit about speculation taxes, or speculation measures, and how that might be a way forward to raise the revenue we need to move it to building affordable housing, maintaining affordable housing. Could you elaborate a bit on that piece?

**Ms. Marlene Coffey:** Going back to the conditions for success: We want to create an environment where the not-for-profit sector and the for-profit sector can work together to reach this shared goal that we, along with the province of Ontario, have to build more homes, and so a complement of incentives that help us achieve that in many different ways will be most helpful.

My specific point was about the loss of revenue for one of our major funding partners, being municipalities, and how we might be able to compensate for that and find other ways to close the gap to ensure that our sector can maintain its position in communities.

**Ms. Jessica Bell:** My next question is to Cam Guthrie, the chair of Ontario's Big City Mayors. I was listening very carefully to your presentation, and I have three questions for you.

I hear this argument from the government side that municipalities are sitting on millions of dollars in reserve which should be leveraged and released in order for infrastructure to be built. What's your take on that argument?

**Mr. Cam Guthrie:** Thank you for that question.

I don't know how many times this needs to be said, and I say this respectfully: It's just not true. That's not accurate. Municipalities do what's called background studies. They can often cost hundreds of thousands of dollars, with expert consultants, over a couple of years before development charge bylaws are put in place that recognize all of the funding that's required for their future infrastructure projects. The money that is sitting is waiting for that growth infrastructure. It's already identified. It's already embedded in the bylaws that we have earmarked for those projects. It's not just me saying it as the Ontario big city mayors' chair; it's every mayor and it's experts.

That's why we're calling on the government to re-establish that implementation team table, where we thought we would be able to have these conversations, to get to the clarity and drill down to some real facts and figures so that we can have a foundation to go off of to actually have a constructive conversation.

**Ms. Jessica Bell:** Thank you for clarifying that. I hope the Conservative MPPs in the room are listening to that piece.

Earlier today, Carolyn Whitzman talked about something that you also talked about, which is identifying housing targets. An additional point she added is that we don't just need housing targets for municipalities and the province, but we also need to break that down and have housing targets based on income need—low-income, moderate-

income—and on square footage size. We're seeing a big increase in 600-square-foot condos being built, 4,000-square-foot McMansions, and not a lot in between, which is where we have a real housing supply crunch.

What do you think of this idea of having targets that focus not just on numbers but also on that income threshold—who this home is affordable for—and also square footage size? Do you have any thoughts on that piece?

**Mr. Cam Guthrie:** Thank you for that question. I'm just hearing it for the first time, so I'm just giving you my gut reaction. First of all—

**The Chair (Ms. Laurie Scott):** And I hate to tell you that there are 30 seconds left.

**Mr. Cam Guthrie:** No problem.

First of all, I think targets are a good thing. I think reaching for goals is a good thing. Can you break that down into some of the categories, as you suggested? Great. It sounds good. But it shouldn't all be on municipalities to be the ones responsible for making those targets work. If all of us are to actually work together—that includes the provincial government, the federal government, the private sector, the non-profit sector, all agencies—let's do it.

1600

**The Chair (Ms. Laurie Scott):** I'll now move on to MPP McMahon.

**Ms. Mary-Margaret McMahon:** Thank you all for taking the time to present to us today and to read this colossal bill and jump into coming to committee. It's very important that we hear from you.

I have different questions for all three of you, because you have quite different areas of expertise.

We'll start with Jacqueline. Your tiny homes—interesting idea and concept. Are they sustainably built? Can you explain them, from an environmental point of view?

**Ms. Jacqueline Howard:** At Homes For Heroes, when we are doing our design process, we look to make these as energy-efficient as possible. We have targets that we strive to meet. I can tell you that our most recent Edmonton build was 50% more energy-efficient than national requirements. So, yes, absolutely, energy efficiency is very important to us.

**Ms. Mary-Margaret McMahon:** Sorry; I just have four and a half minutes, including your answer, so I'm going to be quick.

So you would be supportive of green standards; for example, the Toronto Green Standard?

**Ms. Jacqueline Howard:** Absolutely. For an organization like ours, it's very important that we keep utility charges low.

**Ms. Mary-Margaret McMahon:** This bill would essentially kill the Toronto Green Standard—in a climate emergency, no less.

Over to Marlene: Thank you for your information.

Were you invited to be on the housing task force at all? Have you been at the table for any of those conversations?

**Ms. Marlene Coffey:** Thank you for the question.

We were initially not invited to the table at the task force level. We were, however, invited through consultation, where we had made a request to be included and

participated in a conversation around housing affordability. The not-for-profit model and the community housing sector is very much a part of that continuum. We understand and appreciate the marketplace in the full spectrum. That being said, it's very, very important that we are also part of the dialogue.

**Ms. Mary-Margaret McMahon:** Absolutely. And I'm glad you made the cut today. You're a lottery winner, unlike others who did not get to speak, unfortunately.

Cam, you are representing quite a few people. Do you think, in a climate emergency, that the Toronto Green Standard—and maybe you can tell me if Guelph has a green standard at all—is that important or vital in a climate emergency?

**Mr. Cam Guthrie:** Thank you for the question.

We haven't, as a caucus, completely nailed down that issue identified in Bill 23. I will say, though, that some of the conversations I've had with other mayors—they are looking to implement similar types of standards in their communities, not because it is something that we feel would hinder some of the building that would happen, but it actually can translate into lowering operating costs for the end-users afterwards. Especially if it is for low-income homes that have green standards built into them, having those ongoing operating costs at such a lower end because of the way they have been built or the energy use that has been embedded in them can help out a great deal for the bottom line for those end-users.

**Ms. Mary-Margaret McMahon:** Do you have any thoughts—very quickly—on vacant homes, dealing with vacant properties, Cam?

**Mr. Cam Guthrie:** This is where I'm talking about the finger-pointing, and I don't mean to do it myself here—but it's all on municipalities to have standards and accountability and measurement and goals. That's fine. We're not immune to that. But if you've got developers that also are sitting on vacant land or vacant properties, where are the incentives for them? Where is it for them that we can try to leverage—

**The Chair (Ms. Laurie Scott):** You're out of time. Thank you so much, Mayor Guthrie.

Over to the government for seven and a half minutes: MPP McGregor.

**Mr. Graham McGregor:** I want to thank all of our witnesses here today, frankly, for all of the work that you do in your organizations to tackle the housing supply crisis. We know that, right now, too many millennials, young families, new Canadians and seniors aren't able to find the housing they need, and I think we're all united in the goal of getting a more fair and reasonable housing market for everybody. We may disagree on some of the mechanics on how we do that, but I think we're all coming from the same place, and I really appreciate all the work that all of you do.

The first question is for Jacqueline Howard. Thank you for being here.

In a previous life, I got to spend some time in Minister Clark's office, especially when we were working on the Homes For Heroes issue.

I want to ask you specifically about work we're doing in Bill 23. Are you able to highlight any changes that the government is contemplating and that the Legislature is contemplating that would help create another veterans' village—maybe not in Kingston, maybe somewhere else?

**Ms. Jacqueline Howard:** Absolutely. My apologies to my co-presenters here—it's going to be a little bit different than what they've said. I am, as an organization, very supportive of the idea of exempting development charges and parkland dedication fees. It's a huge charge. For example, our Kingston Village has \$350,000 attached, just for those fees. We obtain our money through fundraising and through grants. Every penny counts every single time we do one of these things. So if that could go into a different project, that's huge for us.

**Mr. Graham McGregor:** Could you actually walk us through, in the grand scheme of the project; specifically, the veterans' village in Kingston—what was that cost breakdown, and how would a wave of development fees have affected the bottom line for the project?

**Ms. Jacqueline Howard:** We're still going through the site plan control phase, so hopefully this comes into force before we get our development agreements put in place. The development charge fee was approximately \$240,000 for our 20-unit development, plus \$115,000 in the parkland dedication piece. That's big.

Another thing that's contemplated in Bill 23 that we really like is the idea of reduced GST and PST. That, again, is hundreds of thousands of dollars that affects our bottom line and our ability to do other villages across the country.

**Mr. Graham McGregor:** So would you say that the changes we're putting forward in Bill 23 are a good thing that members of this House should support?

**Ms. Jacqueline Howard:** Absolutely. I was thrilled to see the contents of Bill 23.

**Mr. Graham McGregor:** I'll put the rest of the time over to my colleague MPP Sabawy.

**The Chair (Ms. Laurie Scott):** MPP Sabawy, please start.

**Mr. Sheref Sabawy:** My question is for Marlene from the Ontario Non-Profit Housing Association.

Something really attracted my attention when you talked about stretching the dollars. How can you stretch the dollars to make use of the specific resources or the limited resources to achieve more availability? You're talking about the not-for-profit corporation with the profit side of housing. Can you walk me through some of the ideas that you think this bill could open the door for some of the for-profits/non-profits to co-operate to create more availability in affordable housing, please?

**Ms. Marlene Coffey:** Sure. I'll begin by saying that affordable housing—90% of what we know in Ontario right now has been built by the not-for-profit and co-op housing sectors. So we have essentially built affordable housing in Ontario, and we are developers, which means that we are part of the solution, ensuring we can do our part to deliver on that supply target that the government of Ontario has set.

That being said, we also know that there are some serious restrictions around access to capital and ability and

capacity and so on. So we know that by being able to partner with the private sector, we could do more to achieve that target that the province of Ontario is looking to get to. That's why we made a number of recommendations in terms of that four-pronged approach to create that environment where there's an acquisition fund for not-for-profit housing providers to then work with the private sector. Allow the private sector to really tap into their resources to build more, faster, and then turn over ownership to the not-for-profit sector for long-term ownership and operation, because our mandate will never change, which is about ensuring long-term affordability.

1610

**Mr. Sheref Sabawy:** Thank you very much for that answer.

I have a few co-op sites in my riding, and they are actually reaching the 25-year mark now—in negotiation and talks about how we're going to proceed from here.

Can Bill 23 specifically help those co-ops or those not-for-profit groups that have already reached the 25-year mark?

**Ms. Marlene Coffey:** Well, for the sector broadly speaking, both non-profits and co-ops are really around 35 years old, coming to the end of mortgage. There's a very important time, which the provincial legislation has addressed, which is us now going into negotiating agreements for what funding models look like moving forward. This is why we're very interested in supporting our funding partners, which include municipalities as well as the province and the federal government, to make sure that there's flow of funding so that we are maximizing that dollar.

**The Chair (Ms. Laurie Scott):** You have 40 seconds left.

**Ms. Marlene Coffey:** The reason we care about it is that for every \$10 spent in community housing, \$20 is saved across the larger system to the taxpayer. So there's a very solid position to take in terms of supporting community housing as part of the solution.

**Mr. Sheref Sabawy:** Which point in Bill 23 is serving this purpose we are talking about?

**Ms. Marlene Coffey:** There's a combination of wins and losses. Ensuring that we close the gap where there's a loss is part 2, being our final recommendation to complete an implementation strategy for affordable housing.

**The Chair (Ms. Laurie Scott):** We'll now move over to the official opposition. MPP Harden for seven and a half minutes, please.

**Mr. Joel Harden:** Thank you to all the presenters for being with us this afternoon.

Mayor Guthrie, in your interaction with MPP McMahon, you were elaborating on some ideas on what we do with vacant homes, and you were making the point—a very valuable one—that everything shouldn't fall on municipalities.

I know you're looking at jurisdictions all over Canada, probably all over North America, perhaps the world. What are some best practices the government can think about as we think about amendments to Bill 23, so we deal with the

issue of vacant homes as we think about a housing strategy for people who need homes?

**Mr. Cam Guthrie:** Thank you for the question.

As I was saying, I believe that we need to have an all-together approach here, and that includes the government.

When the Premier met with the mayors in January earlier this year, he said to all of us, "We all have to look in our own backyards." I agree with that. Municipalities, the provincial government, private sector, non-profit sector—we've all got to work together and look in our own backyards to try to find ways of doing things.

When it comes to vacant land or vacant homes, what can the development community do to look in their own backyards to make sure that they're putting shovels in the ground to actually build homes or to turn the existing homes that are there into actual use? A vacancy tax, of course, would be something that we should all be looking at, or sunset clauses that really kind of light a fire under some of the development community to make sure that they are developing and not just waiting on things for pure speculation.

I think if we could sit down and talk together—again, this is a theme of my delegation today—like we did with the other crisis of COVID—and we all came through that well because we were together on things. If we did that with this housing crisis, we'd all be better off. We'd be united, and we could find many ways and solutions as we can move forward. By the way, as the chair, I'm not looking for months and months and months here—give us a few months to sit down, and I think we could all come out with a win for this.

**Mr. Joel Harden:** I also interpret your comment to mean some more consideration and some more time for dialogue would be a great idea, that we're moving forward at a quick pace—and I take the fact that my friends in government want to move fast. We do have a serious problem. But I hear you saying loud and clear that some time for reflection is important.

I want to move to Ms. Coffey. Thank you very much for being here.

Just side notes—and my bias is very evident: Our community office, for the Ottawa Centre MPP offices—our landlord is Centretown Citizens Ottawa Corp. back home, the largest non-profit provider in the city of Ottawa, with 17,000 units in affordable housing. When we've met with them, they tell us the same thing you've told us here: that it's very difficult to expand, and with the drop in developer charges that was, as you mentioned in your presentation, a major source of capital to be able to expand non-market housing to a considerable amount of people—which, if we're looking at the evidence that we're seeing today, would seem to make a big difference for a lot of folks.

What the city of Ottawa told me, before appearing before this committee, is that if we follow through on the proposals my friends in government are suggesting in Bill 23, we'll see a loss in revenue to the city of Ottawa of about \$26 million. For reference, our affordable housing budget in the city of Ottawa is \$14 million.

You had some ideas in the interaction with MPP Bell about how we could raise revenue. Let's just imagine for



a moment that we can convince our friends here that we need to figure out a way to not eliminate this major source of revenue. What could you do, looking at it from the provincial light—do you have some numbers you could give to us? If we maintained what we have, how many non-market homes could we build, if we stuck with the system we had and perhaps gave you a little bit more support?

**Ms. Marlene Coffey:** We know our target for our sector is 99,000 units of affordable housing in Ontario over the next 10 years. That was a target that we established at the beginning of the National Housing Strategy, so that number would be bigger now, in terms of demand and need. The question about how we might fund that really comes back to one of the initial points about having the three levels of government working together. We have this special moment in time when municipal, provincial and federal all line up for three years—there's a three-year window where we have stability across the governments to really get this right, particularly as our sector is ending mortgages and moving into what the next 30 years look like. Is there opportunity to be creative in terms of how we find alternate sources to fund the gap? Absolutely.

One of the recommendations we made is that we look to the non-resident speculation tax, which we know is the highest in all of Canada right here in Ontario, because we want to encourage living and not just investing. So revenue raised from that fund alone could help further the government's goal of building more homes, and particularly building into that model—the not-for-profit and housing affordability part of that continuum I was speaking about before.

**Mr. Joel Harden:** How much time do I have left, Chair?

**The Chair (Ms. Laurie Scott):** A minute and 44 seconds.

**Mr. Joel Harden:** I'm going to try to be brief, and then I'm going to pass this back to Mayor Guthrie for a reaction.

One of the things we learned about in Bill 23, synonymous with Bill 23 was that the Minister of Municipal Affairs and Housing had approved the city of Ottawa's proposed official plan, but it actually expanded our urban boundary even further—highly controversial, because one of the proposals that had been projected, called the Tewin project, was being built partially on marshland. City staff had advised against construction in that area because they didn't deem it to be safe, nor did they deem it to be a wise use of resources to run municipal services all the way out there. They preferred densification downtown.

When you're talking to other big-city mayors—and this was controversial in the last iteration of city council, whereas the new city council—

**The Chair (Ms. Laurie Scott):** Final 60 seconds.

**Mr. Joel Harden:** What are you hearing from mayors about what they need from the province to make sure that we build smart and we don't build in places it's going to cost environmentally later?

**Mr. Cam Guthrie:** The biggest theme is, again, a wish that there had been more consultation. This dropped the

day after our elections. Some of us only had our inauguration meetings yesterday, like me. If the government could just speak to municipalities like they have before and not skip on the consultation process, we probably would be able to be a lot further along together on this. That's what I'm hearing from some of those—where the official plans have been modified. I think consultation is just the best way to go. It's the best way for relationships. And honestly, it's the best way to build homes.

1620

**The Chair (Ms. Laurie Scott):** MPP McMahon.

**Ms. Mary-Margaret McMahon:** I'm with you, Mayor Guthrie, on—well, we're in a housing crisis, as we all know. We want to work together collaboratively, be respectful, and have everyone at the table. If you don't have a seat at the table, what do they say? Bring a folding chair. Everyone should be there. We should be hearing your voices loudly and strongly.

I want to ask you specifically—speaking of my colleague mentioning marshlands: Do you feel the conservation authorities have done a good job over the years of protecting Ontarians and protecting our Ontario lands? We know the high cost of inaction, with not being prepared for emergencies and these disasters in a climate emergency.

**Mr. Cam Guthrie:** Certainly. Of course, conservation authorities have done a great job. I'm sure all of us would say that with no hesitation.

Where we're concerned on the municipal side about some of the changes is, if all of a sudden building can occur in some of these areas that weren't allowed before and there are no restrictions or oversight on some of those types of builds that would happen, what happens when municipalities are pulled into—almost forcing to give approval, because the conservation authority oversight isn't there anymore? What happens to even insurance costs for homebuilders and—not homebuilders, but homeowners—at the end of the day, where they're building in certain areas now where it was to be protected? Is that going to transfer liability issues—having struggles with insurance costs and risk management in those areas? Those are some of the concerns that we've had with some of the pullback on the oversight of the conservation authority.

We need to look in our own backyards, and, respectfully, that includes the conservation authorities. But we do have some concerns that I think need to be fleshed out a little bit.

**Ms. Mary-Margaret McMahon:** Rapid-fire for everyone, with under a minute each, for sure—one piece of advice for us as we consider Bill 23, starting with Jacqueline.

**Ms. Jacqueline Howard:** I'll echo what some of the other panel members are saying. It is super important that, if we're going to do this, it involves all levels of government—it's not just on the province; it's on the municipalities as well as the federal government. And from the perspective as a non-profit rental housing developer, anything that we can do to reduce costs and save time is a huge benefit to an organization like ours.

**Ms. Mary-Margaret McMahon:** Marlene?

**Ms. Marlene Coffey:** We presented five recommendations today, which I would recommend, obviously—and to really, as a next step, look at the Housing Supply Action Plan and solely look at affordable housing in partnership conversations with municipalities, provincial and federal governments, Indigenous communities, not-for-profit, and private sector. Have us all at the table talking about housing affordability and deep affordability that will be with us long-term in Ontario.

**The Chair (Ms. Laurie Scott):** Fifty seconds.

**Ms. Mary-Margaret McMahon:** Cam?

**Mr. Cam Guthrie:** Big cities have to do this pledge by March, so, government, committee, I'd make a recommendation that especially on these financial impacts that have not been fleshed out yet, just pause. If you want to go forward on some of the other issues, fine. There are some good things in Bill 23. But on these financial impact things, just delay and allow us to work with you at the same table with the Association of Municipalities Ontario and other groups to really get to the heart of some of these impacts so we can be fully informed before legislation is enacted. Give us the same time frame, till March, to work together. We're in a crisis. We want to get going, but we—

**The Chair (Ms. Laurie Scott):** Thank you.

Government side: MPP Grewal, go ahead.

**Mr. Hardeep Singh Grewal:** My first question is to Homes For Heroes, Ms. Howard.

First of all, I'd like to thank you and your organization for the amazing work that you do for veterans across this province. Coming from a family that has all been army officers or veterans—I'm the only generation in my family that hasn't gone to the army yet—I really want to thank you for the great work you do providing veterans with homes and advocating on their behalf. The last thing we want is to see them on the streets, because, at the end of the day, it's because of their sacrifice that we're all sitting here today. So thank you for that.

I was going to ask you a follow-up question, but MPP McGregor beat me to it in the first round of questioning, so I already got my answer on that.

My second question is for Ontario's Big City Mayors.

For the last 15 years, all of us have been with the status quo—the rules have been the same, which has led to this housing crisis that we're all in today. We've been talking about it; we've been consulting about it over the last decade on how we get this going. Now action is finally here. This government's plan is going to build more houses across the province.

I understand a lot of these concerns that the cities have brought up with the development charges. However, with the acceleration of more residential units, a city's tax base is going to grow based on the annual property taxes that these homeowners will now be paying, which will then lead to growth of the city's tax bases, depending on which city you reside in and how much growth occurs within that city. I would just like to ask you how our plan right now, the way it is, is going to help increase that tax base for the cities.

**Mr. Cam Guthrie:** The only issue I have—and I'm happy to talk after this, by the way, if you want to—is, growth really isn't paying for growth right now as it is. If there's already a loss of us trying to pay as it is, that means the existing tax base is subsidizing that growth. Some of the things that you're suggesting in Bill 23 will probably make that worse. The existing tax base is going to have to cover that off. So even if you have new assessment growth come in, it probably won't be even a wash, depending on how you are doing your math. I'm doing the math in my head, as you can tell, but I believe you've got to be careful with the infrastructure costs compared to the operating costs, and it also depends on what type of housing units they would be, where they're done in cities—whether it's infill or in green space. There are a lot of factors to consider in that. I don't think it's just a straight line to an answer that you might want—

**Mr. Hardeep Singh Grewal:** I'm just going to pause there, for the sake of time.

**Mr. Cam Guthrie:** Yes.

**Mr. Hardeep Singh Grewal:** My follow-up to that is going to be that these development charges breaks apply to specific categories—incentivized to build more rental units, build more purpose units to go with the core mandate of the government. Do you think these incentives are going to be successful in spurring those types of developments?

**Mr. Cam Guthrie:** I think those incentives are going to be very helpful to spur on those developments, and I think the provincial government should fill the gap where the incentives are done.

**Mr. Hardeep Singh Grewal:** I appreciate that.

Thank you all for being here today.

I'm going to be sharing my time with MPP Smith.

**The Chair (Ms. Laurie Scott):** MPP Smith.

**Ms. Laura Smith:** Thank you for everybody's contributions today. We truly appreciate the time and effort.

This is to Mayor Guthrie. Just circling back to the amounts that are in the reserve funds: There are substantive funds that are presently available, and I wonder if you could speak to that. I have a further question, though.

**Mr. Cam Guthrie:** Hopefully I'm not repeating myself here, but the DC background studies—and these studies take a long time and a lot of money to compile—clearly identify projects that need to be done within the city for supporting the growth that is occurring. So some of that money that is collected is going immediately to projects for supporting that growth. Some of it, though, is more longer term—and they are all identified in the DC bylaws that are enacted. So it's not just money sitting there for nothing; it's money that's there identified to a project.

1630

**Ms. Laura Smith:** Right now, I'm just looking at the figure and it's \$8,396,517,801. It's quite substantive.

**Mr. Cam Guthrie:** Yes, and that's all earmarked for a project.

**Ms. Laura Smith:** But you agree that that amount is significant, regardless of being earmarked for projects at this time?

**Mr. Cam Guthrie:** But if you have a waste water facility that needs to be updated or a water expansion that needs to be updated to support growth, and you know that's coming up 10 years or 15 years down the road, or eight years—it doesn't matter—you have to be collecting that money in advance to then support those infrastructure projects, which then support more homes being built. So that money is earmarked for such projects.

**Ms. Laura Smith:** I'm going to switch paths. You talked about something progressive; you talked about partners and pledges and a united way of proceeding. If this is passed, Ontario's largest cities will be an important partner in the implementation, and we're also working with our federal government to ensure municipalities continue to receive the support for critical infrastructure they need to accommodate this.

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Ms. Laura Smith:** Could you talk more about that partnership, given the new roads and infrastructure will partially be provided via federal money?

**Mr. Cam Guthrie:** Thank you for the question.

This is one of the things that municipalities are really asking for clarity on. When this bill was first announced—and especially around the incentives that were going to be imposed, it was indicated from the government that maybe the federal government would fill that gap, but we are hearing that that is not the case. We think that incentives are great, we think we need to build more homes, we're all on the same page—kumbaya moment—but if you're going to be asking for those gaps, then, to exist, should that fall on the existing tax base of municipalities or should it be helped with the province or the federal government, which has financial tools that you have available to you that municipalities don't have—

**The Chair (Ms. Laurie Scott):** Sorry. The time is up.

We have finished our round of questions. We thank the presenters who are on screen and invite the next set of presenters to either appear on the screen or come to the table before us in the committee room.

ENVIRONMENTAL DEFENCE

ONTARIO FEDERATION OF  
AGRICULTURE

FEDERATION OF SOUTH TORONTO  
RESIDENTS' ASSOCIATIONS

**The Chair (Ms. Laurie Scott):** For the next group of presenters, we have Environmental Defence, Ontario Federation of Agriculture, and the Federation of South Toronto Residents' Associations. I'll just remind everyone that you have up to seven minutes for your presentation and, at the beginning, please state your name for Hansard purposes.

We will start with Environmental Defence. Please begin.

**Mr. Phil Pothén:** Good afternoon. My name, for the record, is Phil Pothén. I'm a land use planning and environmental lawyer and the Ontario environment program manager with Environmental Defence. We're a non-partisan

team of experts who are focused on identifying and then advocating for the most effective policies to safeguard Ontario's nature and species at risk, prevent runaway climate change, but also to fix problems like environmental racism and environmental inequality that can be produced by housing shortages in existing neighbourhoods. That's why we have been consistent for years now about telling government that there is no way to solve these problems without permanently slamming the brakes on outward suburban expansion, and without rapidly and drastically increasing the supply of homes within Ontario's existing neighbourhoods and built-up areas. We need enough homes in those existing neighbourhoods and built-up areas very quickly to house every household that wants to live in Ontario, and we need enough to transform all of our existing low-density, car-dependent and, particularly, post-World War II communities into denser, walkable and transit-supporting complete communities, where most people feel that they don't need a car to live comfortably.

Based on the way the government described this bill and continues to describe this bill, we can understand some of the stuff that we've heard from folks who are supportive, because it sounded great. We were hopeful that Bill 23 would deliver on the really sharp and radical U-turn in this government's approach to land use planning and farmland and habitat that we'd been asking for. Unfortunately, despite the fact that there are some good elements here—I invite you to ask me about what's great about this bill—there are a lot more problematic elements, and they outweigh the positive effects of the few elements which I'd be happy to talk about soon. So the overall effect is actually quite the opposite. The measures to enable badly needed home construction in existing cities are tepid and watered down, and they won't deliver anywhere near the big jump in housing supply that we'd need in those existing neighbourhoods. The main thrust of this bill will be to cause catastrophic biodiversity loss and a sharp increase in flooding and landslides by attacking conservation authorities, wetland habitat, woodlands and other conservation lands.

Cumulatively, Bill 23 will, in our view, likely result in fewer homes, not more, and especially—and please note this—fewer family homes in the existing neighbourhoods where they're actually desperately needed; we need a lot more family homes in existing low-rise neighbourhoods. The reason for that is that this approach to development will squander the resources that are needed to build homes on more of the inefficient and expensive, low-density sprawl that is the cause of our housing crisis.

Given that the most impactful parts of Bill 23 are about stripping away environmental protections and pushing environmentally harmful sprawl, it's concerning that, as far as we can tell, there were only two environmental NGOs in this Queen's Park component of your testimony. As a consequence, I'll have to omit a lot of the serious problems with this bill from my submissions today. I will rely on the testimony of the Atmospheric Fund regarding changes to site planning and related matters within cities. We endorse the comments of More Neighbours Toronto

regarding the gross inadequacy of measures to add housing to existing neighbourhoods and built-up areas. And we rely on the testimony of the Advocacy Centre for Tenants Ontario regarding the dangers of constraining or interfering with municipal rental replacement policies.

Our own submissions are going to focus on three key recommendations—and if we don't get through them, I invite you to ask me to elaborate on them:

(1) This committee should delete in its entirety schedule 2, which would, in practice, destroy the capacity of conservation authorities or municipal governments to prevent flooding and landslides. Along with it, it should remove components of schedule 9 that would restrict conservation authority appeals of land use planning decisions.

(2) This committee should delete the provisions of this bill, especially of schedule 4, which would strip upper-tier municipalities, like Simcoe, Durham, Halton, Peel, Niagara, Waterloo and York region, of planning authority, thus destroying coordinated regional planning in those areas that is required to effectively marshal our constrained construction resources to maximize the number of homes built rather than the size and the resource intensiveness of those homes.

(3) This committee should delete portions of schedule 4 that eliminate third-party appeals for all land use planning decisions and limit this change to decisions that actually add more homes to existing built-up areas without adding parking.

(4) This committee should amend the provisions that are supposed to target exclusionary zoning so that they actually work by permitting at least four storeys and four residential units with zero additional parking spaces and facilitating adjustments to height, setback and external appearance as of right in existing neighbourhoods that are currently limited to single detached neighbourhoods.

We expected that the government, based on its promises, was going to deliver literally hundreds of thousands of units in existing low-rise residential neighbourhoods—neighbourhoods that would give families an alternative within existing communities, rather than having to move out to sprawl. Instead, according to the leaked document, which, frankly, all of us have seen now, you've been told, and you know this, that it will only create 50,000 units over the next 10 years—a tiny fraction of what's needed. That isn't good enough. You've got to upgrade that in order to make it deliver the housing supply we need.

I'm just going to drill into the first of these glaring problems, which is schedule 2.

**The Chair (Ms. Laurie Scott):** You have 35 seconds left.

1640

**Mr. Phil Pothen:** All right. I invite folks to ask me about schedule 2, about the attack on regional planning, about the elimination of third-party appeals and the changes that could be made to improve local planning and actually get rid of exclusionary zoning.

**The Chair (Ms. Laurie Scott):** Thank you very much.

We'll move on to the Ontario Federation of Agriculture. Please state your name and begin your presentation.

**Ms. Peggy Brekveld:** I'm Peggy Brekveld, and I'm the president of the Ontario Federation of Agriculture. I'm glad to be here today. I am proud of the people the Ontario Federation of Agriculture represents. It's an innovative industry worth about \$47 billion in GDP and 860,000 jobs from field to fork.

More importantly, if you eat today, a farmer grew it—most likely, at least. The only question, really, is, where did they grow it? We know that Ontario grows some of the best-quality food and some of the best-tasting food. Our vision is farms and food forever.

Agriculture and cities have always been connected. In fact, the earliest settlements were located near food, water and shelter. Farms feed cities, and cities buy the food, fuel, fibre and even flowers that we grow. It is a symbiotic relationship. We need each other. There is only one landscape, and everything has to fit, but those basics—food, water and shelter—haven't changed in 100 years. They are the cornerstones of life.

What has changed is the actual landscape itself. We have lost farmland by sprawling cities with little regard for where. It likely looks like there is farmland everywhere when you look outside of the city boundaries, that it shouldn't matter, but it does. Farmland is a finite resource. When something is rare, we treat it as precious, like a gem or a diamond. Agricultural land makes up less than 5% of our province, but we don't hold it as precious.

The OFA understands the need to build more houses in Ontario, in particular affordable housing. We aren't against that. In fact, even rural and agricultural Ontario needs more labour, and we want to retain our youth and our rural communities, and they in turn need houses too. Ontario can build houses, but again, the question is where.

Farmland is farmland, whether it is inside or outside of the greenbelt. Between the last two censuses, 2016 and 2021, we lost 700,000 acres of farmland. The urban boundary expansion announced will use up more farmland—and once it turns into housing and development, it never goes back to farmland.

The OFA, even before Bill 23, has been promoting intensifying cities and building inside the current urban footprint. So parts of Bill 23 make sense: building along transit lines—as one person called it, the pearl-necklace effect—as well as the intensity targets of, if I have a single detached dwelling, I can add the two extra units. We also agree that that's not going to be enough. We get that. There are more ways to intensify and to hit intensity targets. We can incentivize hitting intensity targets with government dollars. We can remove exclusionary zoning. In fact, here in Toronto, 70% of the land base is single detached units. These are places to review and renew, and to build in and up. There are examples of how to do this.

Waterloo is a great example. They have spent a lot of time turning warehouses into shops and businesses on the bottom floor and condos above. They have looked at who their demographics are, and they know that they need more single and double units etc.

Another example is actually right here in Toronto. I can't count the cranes around here; there are so many of them.

People are renewing and reviewing. Inside of the urban footprint can be done—they have to, because once they get past their boundaries, they're into another city. There are regions that want to do this.

I also hold up Toronto for another reason. Some of the best farmland in the province is under this asphalt and concrete. Do we want that to continue? You used to be able to see most of the prime agricultural land from the CN Tower. When was the last time you were up there, and how much farmland did you see?

It's 319 acres a day that is being lost. That is 75 million carrots, 25 million apples, 1.2 million bottles of VQA wine—if you like to finish your day that way—each year, every year. That's why this matters to every single one of us around this table.

We must remember that farming cannot happen anywhere and everywhere. You need the right soils—you need the sun, the water, the climate. Even greenhouse owners will tell you that it's all about location, location, location. At some point, we put shelter over food, and that doesn't make sense. Both matter; we have to plan for both.

The beautiful thing about renewing and reviewing, building in and up, is that it gives us a chance to build improved, complete communities, and it makes infrastructure like sewer and waterlines and transit more efficient. It can provide walkable and bikeable communities. Affordable housing isn't just about the house itself; it's about the community. And it protects the farmland that feeds the city itself.

I think there are a couple of principles that we can all rally around:

We need to plan and develop houses that make sense for the long-term needs of Ontario.

We need a thriving agri-food economy that enables and attracts innovation and investment.

We need to support farmers in the agriculture sector and work together to make their lives easier and not harder.

Farmland and agricultural land and local food are critical to our future in a growing province.

I'll leave you with two thoughts. First, farmers don't farm with years in mind; they farm with a thought of generations. Cities and houses should be built with the same vision.

**The Chair (Ms. Laurie Scott):** Thirty seconds.

**Ms. Peggy Brekveld:** Then the second one is: There are seven regions in the world that have the ability to export more food than they import. We are privileged to be sitting on top of one of them. Ontario has a responsibility to grow food for Ontario, Canada and the world.

Do build more houses—I think it's a great goal—but let's do it with a mind of food, water and shelter, the cornerstones of life.

**The Chair (Ms. Laurie Scott):** Thank you very much for that presentation.

We'll now go to the Federation of South Toronto Residents' Associations. Please begin.

**Mr. Don Young:** Hi. I'm Don Young. I'm presenting for the Federation of South Toronto Residents' Associations. FoSTRA represents 24 residents' associations in

Toronto's five downtown wards. Thousands of our residents are upset by Bill 23's effect on our neighbourhood, the city, and the province that we love. FoSTRA is recommending improvements that address our concerns.

As it stands, Bill 23 will not deliver the housing we need. Some of the bill's initiatives are good—you can read about them in our written report—but even the good measures do not go far enough. They place burdens and restrictions on lower levels of government while sacrificing our heritage and environment. Bill 23 takes away citizens' rights, undermines local planning and public consultation, threatens current stocks of affordable housing, and compromises the quality of life for the people of Ontario.

Claiming that an increased supply of housing will drop prices ignores the developers' reluctance to build when prices are falling. The bill's nudging of developers in better directions may lead to modest improvements in affordability for those with higher incomes, but it relies heavily on the trickle-down theory to provide housing for everyone else.

The financial costs of this legislation will be downloaded to the municipalities, and their control of development will be further reduced. Environmental and heritage protections will be sacrificed in the process. The province will contribute absolutely nothing.

The market will never provide housing for those in Toronto Community Housing, where family incomes average \$16,000 annually, or for the over 480,000 on waiting lists for subsidized housing across the province. It does nothing for the homeless or those in need of supportive housing, where money is drying up and people are being turned out onto the streets. Nor do we believe that developers will build housing for lower- and middle-income families who need much lower prices and rents to live in Toronto. The market needs a government-supported base upon which homes for everyone can be built.

There is not enough time to read even a quarter of our submission, but I hope that committee members will read it. It's packed with details and evidence. Instead, I will read our recommendations and hope we have time to conclude.

#### 1650

Limiting or setting conditions for Toronto's rental replacement bylaw can only reduce the amount of existing affordable housing. This provision should be removed.

The limitations on the city's site plan controls will give rise to problems with garbage collection, encroachments, loss of green standards, and a raft of other poor decisions. This provision should also be removed.

The Conservation Authorities Act: Until the province enacts environmentally progressive legislation, any weakening of the powers of the conservation authorities should be removed. The province should either support CAs or assume the responsibility and bear the blame for environmental disasters. Restore the CAs' mandate to comment and take action on potential pollution and land conservation, or we may be left with wastelands and cesspools. The provision of forbidding CAs from even commenting on matters dealt with by the Planning Act and other specific acts should either be deleted or the act should be revised

to include environmental concerns, and the ministers in charge of these acts should be made responsible for any disasters on their watch.

**The Development Charges Act:** Redefine affordable housing according to current definitions and the ability of people to pay 30% of gross family income. Increase the number of inclusionary zoning areas in Toronto and the required percentage of affordable housing in them—5% is grossly inadequate. Commit to supporting affordable and social housing for lower- to middle-income systems with a government-funded program. Designate that affordable housing units remain so for the life of the building, or at least 50 years. Compensate cities for loss of revenue from reduced or eliminated community benefits, development charges and parkland designations. In Toronto, the estimated loss is \$200 million annually.

Extend rent controls to newly constructed buildings and have them carry over to new tenants. Rent controls do not discourage development, as empirical studies continue to prove.

Tax all vacant lands and lands owned for development but not developed because the owners are waiting for higher prices. We need “use it or lose it” legislation.

Develop complete, healthy and mixed-income communities, like Toronto’s St. Lawrence Market neighbourhood.

**The Ontario Heritage Act:** The province must either assume legal and moral responsibility for the potential historical and cultural damage that may result, or delete its risky provisions. In Toronto, if the risky provisions remain, a 60-day designation deadline should be restored and consultation with the Toronto Preservation Board should be required before a property can be removed from the registry. At the very least, Toronto must be given four or five years to process its entire backlog of over 4,000 listed properties.

**The Planning Act:** Restore rights to land use planning for upper-tier municipalities. Allow municipalities to determine how they will meet the provincial housing targets. Allow municipalities more flexibility in how to implement the province’s gentle density strategy. Restore the rights of third parties to appeal to the Ontario Land Tribunal, but reform the process to moderate third-party participation with education, pre-hearing mediation, higher-but-not-prohibitive fees and costs for lost appeals.

**Conclusion:** Why is this legislation being rushed through before the newly elected municipal councils even get a chance to meet? Why has such a massive bill been allotted only two days of hearings? Should its enactment be delayed? And what is the justification for all of the negative effects of Bill 23?

**The Chair (Ms. Laurie Scott):** Forty seconds.

**Mr. Don Young:** The need to build 1.5 million homes in the next 10 years—the province’s own affordability task force admitted that 250,000 homes and apartments approved in 2019 or earlier have not yet been built, and the GTA already has enough land designated for development within the existing boundaries to last for the next 30 years. Even if the need is exaggerated, FoSTRA does not believe

that more homes for everyone will be built faster with Bill 23. It may mean more housing for the affluent or investors; it won’t be affordable for all Torontonians.

Ministerial authority has been enhanced throughout the bill, giving the sitting government—

**The Chair (Ms. Laurie Scott):** Thank you very much. I’m sorry; your time is up.

I will now move on to questions. MPP Bell from the official opposition.

**Ms. Jessica Bell:** Thank you for coming in virtually and in person to share your expertise today. I really appreciate it. I’ve got questions for all three of you.

My first questions are for Ms. Brekveld. I’m very interested in your take and OFA’s take on two issues. One is the government’s decision to open up sections of the greenbelt in a sharp reversal of their position before the election—

**Mr. Graham McGregor:** Point of order.

**Ms. Jessica Bell:** The word “greenbelt” is actually mentioned in the legislation.

**The Chair (Ms. Laurie Scott):** MPP McGregor, point of order.

**Mr. Graham McGregor:** I just wanted to see where our government plan to grow the greenbelt by 2,000 acres is included in the bill.

**The Chair (Ms. Laurie Scott):** Thank you, MPP McGregor, but that’s not a point of order.

**Ms. Jessica Bell:** Thank you.

Does the OFA have a position on the Ontario government’s decision to open up lands to the greenbelt? And then also—

**Mr. Graham McGregor:** Point of order.

**The Chair (Ms. Laurie Scott):** Point of order, Mr. McGregor.

**Mr. Graham McGregor:** Sorry. As previously disclosed, the plan to grow the greenbelt by 2,000 acres is not part of this bill.

**The Chair (Ms. Laurie Scott):** Thank you. It’s not a point of order at this point, but the point is made.

**Ms. Jessica Bell:** Thank you. I think I’ve made my question clear.

Then the second piece is OFA’s take on the decision by this government to open up urban boundaries across southern Ontario to allow development on upwards of 14,000 hectares of farmland and green space

Those are two issues that I happen to be pretty concerned about.

**Ms. Peggy Brekveld:** I often compare the greenbelt to if you have 100 guests coming to your house and you have 100 pieces of pie, and you take the apple one and you eat two pieces, then you say, “There you go; you can have blueberry instead.” Reality says you’re now down to 98 pieces and two people are going to go hungry.

Moving the greenbelt—the greenbelt was always meant to be a protectionary ring, but reality says farmland goes beyond the greenbelt. It doesn’t matter what colour belt it is; it’s farmland. Specifically, I would say, protect farmland. As far as adding acres to it, I would like people to look at the maps, because I don’t know that the additions

actually even add protection to any particular—or not much farmland. Most of it is river valleys that were already protected under other legislation.

On the urban boundary expansion: As I said, we talk about building in and up, because once you build on other land, it's gone forever. There are opportunities inside of a footprint, and even communities like the one I come from, Thunder Bay, are talking about doing more things inside of their footprint. It makes sense for the community. It makes sense for agriculture and who's going to feed it.

**Ms. Jessica Bell:** Thank you for your answer.

My next question is to Phil Pothén from Environmental Defence. You had some additional commentary, I believe, around regional planning and this bill's attack on regional planning, as well as land tribunal reform and eliminating third-party appeals. Could you clarify your position on those two issues?

**Mr. Phil Pothén:** Sure. As we mentioned regarding regional planning, it's our position—and we've consulted with a lot of the independent experts who don't have land that they want to develop, let's put it that way—that getting rid of the top-tier regional planning will actually produce less housing. It's counterproductive for housing affordability as well, quite over and above being environmentally disastrous.

History has shown us that devolving planning decisions to lower-tier municipalities produces development that is more scattered and thus more environmentally harmful, but also more uncoordinated and more expensive. It takes more resources to deliver the same number of units when it's developed in such a scattered way. This is precisely the opposite of what's needed at a time when we need to marshal a severely constrained supply chain of construction materials, construction labour, equipment and supporting infrastructure. That's really the crux of our problem here. All of that stuff is constrained by factors that the government can't control. We need to marshal that to maximize the number of units and put them in places where they can be built with maximum efficiency at low cost. That all requires more power in the hands of the regional-level government and less at the lower-tier government level.

It's also vital, in order to make this affordable, that we rapidly roll out public transit and transform existing post-war subdivisions into transit-supporting complete communities, because a big part of your real housing costs is needing to support a couple of cars. We really need to eliminate that. Those services are typically provided at the regional level, so unless the regional government has a clear hand on the reins of where development goes, so that it only goes in places that can easily be served by transit, you're going to end up squandering a lot of construction resources and delivering less housing—and less affordable housing, especially.

1700

With third-party appeals, the issue here is—there are places where getting rid of third-party appeals could be useful, particularly around projects that add more homes to an existing lot, more homes to an existing neighbourhood. If that's what this was about, then the elimination of third-party appeals would only apply to projects that add

more units to an existing lot without adding extra parking. It wouldn't apply to appeals that have to do with aggregate pits, building parking lots or any other form of development other than housing.

It looks to us like the housing issue is being—it's important; it's a nice-looking horse, but it's a Trojan Horse full of Greek soldiers that are attacks on rural areas where housing isn't going to be built. So, really, it should be narrowed to those intensification provisions.

**Ms. Jessica Bell:** Very nice analogy.

My next question is to Mr. Young, and it speaks to the issue of development charges and what they're used for. You and I both live in areas that are very dense—we both happen to live in areas that are four storeys or more, actually. There is a real value in making sure that there are development fees that are available to go to all the services that residents in Toronto need, from parks to sewage to electricity.

**The Chair (Ms. Laurie Scott):** Final minute.

**Ms. Jessica Bell:** I want to speak to the parks piece—especially living in downtown Toronto. What's your take on Bill 23's move to limit the amount of park space that should be allocated for any new development? How would that affect you and the residents you represent?

**Mr. Don Young:** Well, we were shocked to find out that in large-scale developments, the parkland designations would be cut in half. We're talking about huge towers, 80 storeys high, with even less parkland. We have a park committee that's trying to focus on how to get more parkland in the city. There are areas of the city that are already completely divorced from that opportunity—

**The Chair (Ms. Laurie Scott):** Thank you very much. I'm sorry; the time is up.

MPP McMahon for four and a half minutes, please.

**Ms. Mary-Margaret McMahon:** Thank you all for coming in, taking the time and sharing your thoughtful experiences and knowledge. We really appreciate it, and we all need to hear it.

Peggy, I can listen to you speak all day. I feel you need a Pulitzer Prize for that prose. So keep that going and maybe write a book. Take out some billboards.

I have a question for you, and I have a very short period of time, which includes your answers. It was great that you were mentioning the land that used to be here in Toronto, below the concrete. Once we pave over farmlands and wetlands, we're not getting them back. Would you like to comment on that?

**Ms. Peggy Brekveld:** My husband and I rent a field. It's 45 acres. This year, we were allowed to use about half of it, because the owner subdivided it into three lots and there will be three houses and there will be magnificent lawns. But at some point, I won't have that field to use for our cattle feed. That's what happens when we do urban sprawl. We take out large amounts of acres in a very short period of time. I think we can do better. I really think we can make better planning decisions.

I take great pride in growing food; all of my members do. They love what they do. They love to feed the cities. When you go to a country market or a local food market,

they're going to tell you all about the great things they grow and how much passion they have.

**Ms. Mary-Margaret McMahon:** Thank you for feeding us every day.

Over to Phil from Environmental Defence: Thank you for all the great work that Environmental Defence continues to do—and you, especially, with getting the message out about this and other things.

The other day the Minister of Municipal Affairs and Housing mentioned multiple times that the bill helps with the management and protection of wetland loss.

Could you explain the impact this bill would actually have on wetland protections in Ontario?

**Mr. Phil Pothen:** I cannot fathom what the minister was thinking of when he said that.

The reality on the ground, across Ontario, is that municipalities rely on conservation authorities, first of all, to use the refusal of permits, and secondly, on their authority to appeal land use decisions to ensure that sprawl and other land use changes they approve won't destroy wetlands—that it won't cause flooding, landslides or pollution. Schedule 2 and the related amendments in this bill—in particular, section 4.1 of schedule 9—would strip away these important powers.

What's incredible is that schedule 2 is also designed to prevent municipalities themselves from filling the gap in protecting wetlands, flood prevention and environmental protection, because it gags conservation authorities. It would prohibit them from entering into agreements with municipalities to give them the expert warnings and advice that they require in order to know when to refuse permission for dangerous land uses and flood-causing land uses themselves.

**The Chair (Ms. Laurie Scott):** Sixty seconds.

**Mr. Phil Pothen:** With respect to the very small subset of activities that would still be subject to conservation authority approval—schedule 2 would strip them of the power to even manage pollution, things that are very fundamental to their role. It's not about removing redundancies. It is actually about exposing a lot of territory, a lot of risk. It's going to be left wide open, and there is nothing in this bill that fills those gaps. This is not redundancy—this is removal of protection for wetlands, removal of flood protection, removal of what protects us from becoming like Florida or Manitoba or Alberta, where so-called natural disasters are a frequent feature of life for people.

**The Chair (Ms. Laurie Scott):** We'll move on to the government side. MPP Pang.

**Mr. Billy Pang:** Through you, Madam Chair: Thank you for the presentations.

I love Canada, and I love Ontario. That's why I came here from far, far away, from the other side of the world.

My first question is for Environmental Defence. Through your website—what are the steps to manage growth? You have a website posting. There are several pieces to the MCR process. That includes calculating the land budget, which determines how much new land will be needed to accommodate people and jobs, which looks at opportunities to fill in empty lots and redevelop single-use public land, like parking lots at GO stations. Municipalities

cannot require property landowners to build up and redevelop, but they can identify an area for intensification, change the zoning, and put incentives in place that make redevelopment attractive. Those are your words.

So you have an intensification plan stating that leveraging greater density within existing residential geographics may protect natural heritage and limit settlement boundary expansions—sounds great.

However, I don't know whether you have engaged in any local consultation—

**Mr. Phil Pothen:** Huge amounts. I came to Environmental Defence from the private sector, where I worked on those all the time, often for small developers. I know that process through and through. I've been to many of those.

**Mr. Billy Pang:** Yes, so you say. However, I think you may also have heard that there's a very strong pushback by the existing neighbourhood—"not in my backyard." So this is not about communication. Some witnesses today said, "It is about communication." No, it's not about communication. It's about willingness. They don't want to change the existing neighbourhood, the environment, the intensity.

How does Environmental Defence provide solutions to deal with these "not in my backyard" initiatives?

**Mr. Phil Pothen:** Thank you so much for bringing attention to that problem. It's something we've been talking about aggressively for more than two years, since I started there. You'll look at my article in the Star taking on so-called green NIMBYism. It's a very important issue.

The first thing is to tell people to recognize that those NIMBYs who show up at meetings are nowhere near the majority of residents. We did extensive polling on consumer preferences, but also willingness to accept density near you, and the number of people who support adding apartments in buildings, of four to six storeys even, vastly outweigh the number of people who oppose them, even when you're talking about their own immediate neighbourhood. So, first, recognize that they are not the majority, and second, just go ahead and do it.

**1710**

Rather than dismantling the entire democratic system itself, focus on the substantive zoning and up-zone those lots. Do it yourself. Make four units as of right, four storeys as of right; make it easier and the most profitable thing to do with any bungalow lot that gets redeveloped in Toronto. You can do it yourself, without any complications—zone so that that can be done as of right, so you can get more square footage by adding more units than by adding one large McMansion. It's very simple. We've identified how to do it in our housing affordability backgrounder, and we will support you every step of the way. Call me up; if you've got a problem in a neighbourhood, I will show up and make the case that that is the best thing for the environment.

**Mr. Billy Pang:** I will bring you to my riding, because I can see that the long lineup of the residents there—

**Mr. Phil Pothen:** Which is true—

**Mr. Billy Pang:** —they presented until midnight. That's frustrating.



**Mr. Phil Pothén:** Please let me know your riding, and I will happily do a webinar right there. I've been doing them all over the province. We have grabbed people and dragged them forcibly into understanding that the best thing for the environment is to add as many homes as we can to existing neighbourhoods. That opinion has shifted, and environmentalists are unanimous now on that question.

**Mr. Billy Pang:** Also, last year, Canada welcomed over 405,000 newcomers, and most of them we—they said that in 2025 there would be 500,000. The plan also brings an increased focus on attracting newcomers to different regions, and we know that most of them will come to Ontario.

So what would you say to the young and new Canadians here who live and work in Ontario but cannot find an affordable home? We know that we're behind by 500,000 homes already. How can we catch up?

**Mr. Phil Pothén:** I would say, "We will make room for you in the neighbourhoods that already exist, in the neighbourhoods that you thought of when you decided to come to Canada."

People who come to Canada don't think, "I just want to move to some random place in Canada. I just want to move to some random general place in the GTA." People know Toronto. They want to move to Toronto. It's Toronto's job to build enough homes for every person who thinks, "I want to move to Toronto," right here in the city, on these existing lots.

We made a huge mistake, after World War II, in building vast amounts of the city—especially Scarborough, Etobicoke and North York—at densities that are far too low to support shops and restaurants within walking distance, to make it sustainable and cost-effective to provide public transit. Those neighbourhoods desperately need those new immigrants. We need them so badly, and we need them added on those existing residential suites.

So with every single bungalow lot that gets redeveloped, it's your job, as the government, to ensure that the most profitable thing to do with that lot is to split it into four different homes rather than building one single detached home. That means that you have four times as many units on that same lot.

There is vast capacity right here within the city of Toronto, which is why I've been making all the rounds—you might have seen me on *The Agenda*. I said that Toronto needs to at least double its population target, but it's up to the provincial government to do that. Toronto has never failed to meet the population target assigned to it.

**The Chair (Ms. Laurie Scott):** Final 60 seconds.

**Mr. Phil Pothén:** It's not the government dragging its feet—the provincial government has failed to assign to Toronto enough housing. So you should assign to Toronto a minimum of at least double the current target for Toronto. I know—we've consulted with experts—Toronto can easily handle that. They won't resist. They will do it if you tell them and you assign it through the growth plan system. And it's the same with Mississauga and the other communities—you say, "You must deliver this many homes within your existing settlement area boundary."

There's no need to expand further. There's 350 square kilometres of designated greenfield area in the greater Golden Horseshoe sitting unused right now, already within settlement boundaries and designated for development. We've just got to use it efficiently. Develop it at at least 100 people and jobs per hectare and in patterns that can easily be served by transit, and we're off to the races. We can do this.

**The Chair (Ms. Laurie Scott):** The next round of seven and a half minutes goes to MPP Harden.

**Mr. Joel Harden:** One is not supposed to pick favourites at a committee, but I've particularly enjoyed this panel of folks. They've brought some energy to our committee this afternoon. Thank you very much, all of you, for that.

I want to begin by offering the fellow who is joining us by virtual link—I'm assuming you're part of the same organization? Is there anything you haven't heard that you'd like to contribute to the debate so far?

**Mr. Rick Green:** Basically, the underpinning of all of this is the premise toward developing affordable housing definitions. There is great concern about using market pricing and some discounting of that to determine affordability, where everybody else in the financial world uses income as a basis for affordable housing. I'm really concerned about using the market as a standard for determining that. If the market takes off and salaries don't follow, then you're chasing an unattainable dream. I would be very interested in seeing how that unfolds within the framework of this bill.

**Mr. Joel Harden:** Mr. Green, I'll wholeheartedly concur.

Mr. Pothén, something you didn't get a chance to elaborate on is the impact of housing replacements for tenants. I want to submit that if we are going to meet some of the ambitious targets you were talking when my friends in government were asking the questions about NIMBY-ism, we also have to deal with the fact that many of the large units that we are losing in our urban centres—it's certainly the case for Ottawa too—are places where tenants living on extremely low incomes are seeing entire housing complexes being bought up by real estate investment trusts, renovated and turned into extremely expensive housing. They're being pushed out of the city, leading to the problem that we were hearing about from our friends from the OFA. So what's a better approach?

**Mr. Phil Pothén:** First of all, I want to say to you I talked a little bit about how public attitudes toward densification and change in the neighbourhood have changed, how people are starting to embrace it. One of the biggest communities that is most embracing of that change is Toronto, and the reason is the rental replacement policy, because that is what destroys any concern about gentrification forcing existing residents out of neighbourhoods. This is the essential lubricant to make this policy work—having a rental replacement policy.

Rental replacement policies are not standing in the way of generating new units. If you hear from a proponent or from developers—often, many of my clients—they would say, "It would be helpful today, because we currently keep most of the single detached residential land off-limits for

apartments.” But it is much easier to build an apartment by replacing a couple of single detached homes than it is to tear down an existing apartment and build a new one. The solution to getting those apartments built is, rather than removing protection for those existing units, open up some single detached areas and assign those as apartment areas.

I live in a neighbourhood like that—where that was done before we didn’t allow that anymore. I live a block away from big clusters of tall apartment buildings. I’m someone with a single detached house, actually, but it’s mixed with apartments, and they’re done in ways that really contribute to our quality of life. They’re the reason everything I need is within walking distance. That’s what we need to do, and by doing that we’ll keep the buy-in for intensification in neighbourhoods, and we’ll get all the housing built that we need.

**Mr. Joel Harden:** Seeing the road beyond NIMBYism. This is an exciting afternoon.

Chair, how much time do I have left?

**The Acting Chair (Mr. Hardeep Singh Grewal):** Three minutes and 40 seconds.

**Mr. Joel Harden:** Over to our friends at the OFA: Thank you so much for being here. You mentioned the situation we have now, where many people can’t afford to live in our urban centres; it’s certainly the case for downtown Ottawa. They’re moving out and often compromising arable, important land.

Many farmers are critical, certainly for everywhere—but we feel the presence in Ottawa. Farmers’ markets are overrun with people patronizing them every single weekend. I’ve talked to a number of people who run the stalls in Ottawa, and they’ve mentioned the cost of housing. You mentioned people who are in the family business, wanting to develop the family business; people who are brought over from other countries to work and pick the fruit. Could you elaborate on that? That’s a perspective we don’t hear enough—the housing costs and the enterprise costs for people, if we continue to push people out. Those farm industries are competing now with people who want housing in farming and arable land districts.

**Ms. Peggy Brekveld:** One of the challenges, when you move more and more people into the rural areas, is what’s called urban-rural divide or conflict. The challenges that we might have seen if Stratford had put the glass plant so many kilometres away from the city of Stratford, for example—and all those farms in between would have seen the pressure every time they tried to turn out of their driveway in order to get across the road to the other field. They would have felt it when they spread nutrients—and the smell that naturally comes from that—and new people who move in say it’s a problem.

1720

Farmers are doing the best they can with their land and soil and have to have agricultural systems to work best. Agricultural systems include the ability to get back and forth to the grain elevator with their loads; it includes the ability for milk trucks to get around and be able to pick up the milk; and it includes good roads and such too. The more housing pressures you put on those rural areas, the

harder it is to farm. It’s part of the reason why defined boundaries make a difference and why in Waterloo, where they have their country line, that makes a difference—because, beyond that, the farmers can do the normal farming practices they need to do and do it well.

**Mr. Joel Harden:** How much time do I have left, Chair?

**The Acting Chair (Mr. Hardeep Singh Grewal):** One minute and nine seconds.

**Mr. Joel Harden:** I’m happy to take over for you anytime. You’re doing a great job.

Mr. Pothen, could you elaborate on the point we just heard from our friend at the OFA—the expansion of the boundary? We just found out in Ottawa that not only the official plan we had submitted would be approved, but further expansion—in some cases, into marshland—city staff are saying is not only unviable but dangerous to build housing. What’s a better approach? What’s your advice for the government with respect to how they’re proposing to municipalities, with very little notice, to redraw their official plans?

**Mr. Phil Pothen:** I would say, to get back to that original point, that the underlying source of the problems we’re having now in terms of a housing shortage is not policy over the last 10 or 15 years; this is a hangover from bad decisions about expanding and absorbing too much land at too-low densities in the past. Expanding these settlement-area boundaries is doubling down on exactly the wasteful decisions that are the reason people can’t afford homes now. The solution is to add a lot more 1,000-square-foot family homes within existing built-up areas, existing residential lots and cancel those boundaries—

**The Acting Chair (Mr. Hardeep Singh Grewal):** That’s it for the time.

MPP McMahon.

**Ms. Mary-Margaret McMahon:** Back to Phil: You’re still in the friendly hot seat.

In a climate emergency, how important is the Toronto Green Standard?

**Mr. Phil Pothen:** Toronto and local NGOs that weren’t able to be here, like Toronto Environmental Alliance, because they weren’t selected have made it clear that Toronto cannot meet its emission targets without those green standards. It’s very simple: At the very least put in a carve-out in the site plan control change so that provisions that are actually designated towards energy efficiency and towards environmental protection are exempted from that carve-out. Secondly, also, that’s part and parcel with bringing those communities up to the density that is required. Car dependency and poor building design, and buildings and transportation—those are our two big sources; the third one is gas plants, which we’ll talk to you about another day. We can fix all those things, and the power is with you, with legislation like this, but it’s got to be very different in order to accomplish that.

**Ms. Mary-Margaret McMahon:** Do you have any thoughts for dealing with vacant properties?

**Mr. Phil Pothen:** We’re not folks who believe there are vast numbers of thoroughly genuinely vacant properties sitting unused. If you look at the data, a lot of that

property is stuff that is temporarily vacant or is not occupied on census day.

The real issue is vacant space within structures. We have huge numbers of people who have bought homes that are much bigger than they wanted because that's the only type of home that's available for them. They want something ground-related.

In 1975, the average size of a house that we were building for a single family home was 1,000 square feet. Try finding a single detached 1,000-square-foot home these days. The average size of a single detached home in Mississauga being built now is over 3,900 square feet. This is our problem.

**Ms. Mary-Margaret McMahon:** One rapid-fire for everyone—as we consider Bill 23, do you have any advice for us?

I'll start with Don and Richard.

**Mr. Don Young:** I think that much more time should be taken to listen to the advice that you are getting and the recommendations that you've received. Before enacting, I think there should be some revisions.

**Ms. Mary-Margaret McMahon:** Peggy?

**Ms. Peggy Brekveld:** It's a much bigger landscape than just where we're going to put the houses. We have to think bigger; we have to think wider and think about the entire landscape. That includes farms and how we feed our cities; it includes the cities and ensuring that they're healthy, livable and complete communities; and it actually includes all of the spaces in between that make this province great.

**Ms. Mary-Margaret McMahon:** Phil?

**Mr. Phil Pothén:** There is a clear solution to delivering all the homes we need very quickly, and that is a laser focus on maximizing the number of units and putting them in the existing neighbourhoods where people want to live. Expanding settlement-area boundaries, making it easier to pave wetlands, getting rid of regional planning—these are all pushes in the wrong direction that are going to result in fewer homes, not more homes.

**Ms. Mary-Margaret McMahon:** Thanks for coming in.

**The Acting Chair (Mr. Hardeep Singh Grewal):** I'd like to move to the government side. MPP McGregor.

**Mr. Graham McGregor:** Thank you all for being here.

I can appreciate for all of your organizations that you have other specific focuses, but you realize that housing is a major issue. Whether it's for young families who are priced out currently, or whether it's for new Canadians who are trying to find a place to live in Ontario, or whether it's for seniors who just can't find the right size of housing or the right place where they feel comfortable to downsize, clearly, we don't have enough housing to fit the need. That's what I've heard from the testimony today. Certainly, it's what we hear from our opposition colleagues. I think it's a good starting point for something that we can all agree on. We might disagree a little bit on the mechanics of how we get there. We've heard a little bit of that today, and I can appreciate that.

The first question is for Peggy. You walked through a little bit of numbers about the amount of acres of farmland

that we've lost—it was about 700,000. Do you mind just giving us—700,000 acres between when and when, when those have been lost?

**Ms. Peggy Brekveld:** Well, 700,000 acres have been lost between 2016 and 2021. That averages out to 319 acres a day.

**Mr. Graham McGregor:** Perfect. That's based on—

**Ms. Peggy Brekveld:** The census data.

**Mr. Graham McGregor:** —the agricultural census.

**Ms. Peggy Brekveld:** Yes.

**Mr. Graham McGregor:** The agricultural census also says that there is more land in crop rotation today than there was 10 years ago. There are 9.05 million acres that are in crop rotation today. There were 8.92 million acres that were in crop rotation in 2011.

**Ms. Peggy Brekveld:** That's right.

**Mr. Graham McGregor:** It sounds like more land is actually currently being farmed. Is that accurate, or could you walk me through if I misunderstand?

**Ms. Peggy Brekveld:** The very last sentence was the only place that we would say no.

What it means is that people have converted—farmland has been lost and contracted, but as well as contracting, some of the farmland has now become crops where once it was pasture land; or it maybe was sensitive land that we didn't farm but now have said that the price of crops is high enough that we're going to turn it into a field.

**Mr. Graham McGregor:** So is there a higher yield today? Are we farming more today or are we farming less today than in 2016 or 2011?

**Ms. Peggy Brekveld:** We are farming less acres than we ever have before.

**Mr. Graham McGregor:** But in terms of yield—crops—is there more of an output today or is there less of an output?

**Ms. Peggy Brekveld:** If you're asking for specific crops etc., I cannot answer that.

I can say that we are an innovative industry, and I can say that we have moved the boundaries through research. I will also say that research cannot make me grow wheat in a container. It will never make sense. So we need the land base. I won't be growing field tomatoes in northern Ontario. I'll do a great job on canola, but I won't be growing field tomatoes there.

**Mr. Graham McGregor:** I totally understand. You can't grow wheat in a container. But it's possible that the industry might be growing more wheat today than they were 10 years ago.

1730

**Ms. Peggy Brekveld:** They won't be doing more acres, and the more acres you lose, in the end, you'll lose wheat.

**Mr. Graham McGregor:** Right. I appreciate your reference to the apples and carrots and VQA wine; I won't ask you about those yields. And I don't mean to dissuade from the point that, frankly, anybody here, whether—if you ate today, you thank a farmer. Certainly, on our side of the Legislature, we appreciate everything that your members do to feed people in Ontario.

Unsung heroes of the pandemic—when a lot of people weren't able to go to work, farmers were going to work, showing up every single day, keeping our supply chains strong. I'm a new MPP, so I haven't been able to say that on the Hansard. I just want to say on the Hansard, thank you to the members of the OFA for getting us through that pandemic.

**Ms. Peggy Brekveld:** They will hear that.

**Mr. Graham McGregor:** Some of the changes that we're making around more density around transit areas—are those things that the OFA supports? I understand maybe there are parts of the bill you don't like, but could you walk us through a little bit more about the parts of the bill that you do see some value in?

**Ms. Peggy Brekveld:** I definitely see value around continued development—and I called it the pearl necklace around your transit hubs. I think that makes a lot of sense. I think that you've lowballed the intensity conversation with three units per lot. I think we can do better. I think that there is potential there to do more. I think that there are also other spaces that we will share in our document with you—

**Mr. Graham McGregor:** Awesome.

**Ms. Peggy Brekveld:**—but there are pieces that make sense, or at least, the goal is well-intentioned. Your challenge is those expansions into farmland, and those are not—you can't go back.

**Mr. Graham McGregor:** I really appreciate that feedback. Again, we can disagree on some of the technicalities of what the government is doing—and we certainly do disagree on some of the policy sides—but I really appreciate your being here; I think we all do on our side, and we certainly appreciate the work of your members.

To our friend from the Federation of South Toronto Residents' Associations: I wanted to see, from your association's point of view, if you've looked at all at the Housing Affordability Task Force report put out by the Ministry of Municipal Affairs and Housing. Around 1.5 million homes over the next 10 years—does the association have an opinion on whether that's a worthy target? Is that going to help with the problem? Will it solve the problem? Will it fall short? Where does the association see those numbers fitting?

**Mr. Don Young:** Well, we wonder whether 1.5 million is a realistic figure.

**The Acting Chair (Mr. Hardeep Singh Grewal):** One minute.

**Mr. Don Young:** As Phil has indicated, there's enough land existing within municipal boundaries now to last for the next 30 years.

**Mr. Graham McGregor:** To hit 1.5 million over 10 years, or—

**Mr. Don Young:** Yes, over 30 years. That's right—enough land within municipal boundaries to last for 30 years.

**Mr. Graham McGregor:** But, sorry, it's 1.5 million over 10 years. But you say you don't—

**Mr. Don Young:** Yes, okay, and I'm saying that—

**Mr. Graham McGregor:** You're not sure if that's the right goal?

**Mr. Don Young:**—for 30 years, there's enough within municipal boundaries for development.

**Mr. Graham McGregor:** Our friend from Environmental Defence indicated that there are things he liked about the bill.

What do you like about the bill? What are we doing right?

**Mr. Phil Pothen:** I like the focus on major transit station areas and the removal of development charges from affordable housing.

What we'd like to see is actual, substantive improvements. In particular, it wasn't clear—

**The Acting Chair (Mr. Hardeep Singh Grewal):** We're up on time, so I'd like to thank the three of you today for joining us and presenting. Thank you for all your comments.

We're ready to start our next round.

## ACORN

### PAULA FLETCHER

#### FRIENDS OF KENSINGTON MARKET

**The Chair (Ms. Laurie Scott):** The presenters now coming up are ACORN, Paula Fletcher and Friends of Kensington Market. There are seven minutes for each presenter. Please state your name when you begin your presentation.

Alejandra, I will ask you to begin, please.

**Ms. Alejandra Ruiz Vargas:** Thank you. It's wonderful to be here face to face. There's nothing like being face to face.

I want to remind everybody that today is the first snowfall of the season. Whatever we're going to decide today is going to affect all the people who are out there sleeping rough and who are sleeping on couches in the city and across Ontario.

I have the privilege today to be here representing 46,000 Ontarians. I'm coming from ACORN. ACORN is an organization, a tenant union of low-income and moderate-income. We and all allies have fought for almost two decades for affordable housing issues—loopholes in the Residential Tenancies Act and licensing of landlords—and for one decade pushing for fair inclusionary zoning laws. Today, we are here because we have an opportunity that has been given to us to speak out about Bill 23.

Bill 23 has a very nice name: More Homes Built Faster Act. This sounds so good, so appealing, so attractive, even sexy. However, this bill is going to create less affordable housing, and probably very low housing in general. Let us simply consider what this law is intended to do.

Tenants in Ontario are in a very extreme position: choosing to pay rent or to buy food. And in thought of that, this government has decided to take more from us, at the same time leaving us more unprotected than what we really are right now. This bill doesn't really work for the people. This government has said that they are here for the people. Well, certainly, as tenants, we are not the people that they are working for.

Tenants in Ontario are about 30% of the population, and they are 55% of the Toronto population. So if we're going to be fair, we should be more involved in this democratic process than we are right now.

The other point that is very problematic for us is that this government has sent to us these missiles—because we feel it like that; this is our sentiment. There are missiles against us so suddenly and so fast—that the consultation has been so quick and has not given us so much room to work with it. This is not working at all for us.

So let's talk now about the law, specifically about Bill 23. For government, restricting the inclusionary zoning bylaw to only major transit stations areas in 2019—Bill 23 is going even further. If passed, it will limit municipalities to require affordability to a maximum of 5% of units in any housing development—and it's important to note that we already wanted in Toronto 16% units for affordable, purpose-built rentals, and 22% in ownership units. Bill 23 caps the number of years they will be kept affordable for 25 years only, and it changes the definition of “affordable” to 80% average market rent.

1740

The other very problematic point for us, for tenants, is the rental replacement bylaw. This bill will give a red carpet to developers to vanish affordable rental units in the city in a speedy time. As per the data by the city of Toronto, over the last five years the city's rental replacement policy framework has secured the replacement or renewal of almost 2,200 existing private market rental units. The existing rental replacement policy is a major deterrent for landlords to demolish apartment buildings, as this will require them to build replacement rental units. Toronto, Ottawa and Hamilton are in the process of developing anti-displacement and anti-renoviction or tenant relocation policies—again, something ACORN members have wanted, but we will lose it if Bill 23 comes. In fact, the bill has not even been passed, and the province has opened an online consultation to standardize the rental replacement bylaws across cities—something that we don't agree with, because Bill 23 not only won't create more affordable housing, but it will destroy already affordable housing. So where are all these people going to go?

The last point that we would like to express here is that Bill 23 will strip away the money cities need to create and maintain critical infrastructure like sewers, transit, roads, libraries. The government says that developers will be exempt from paying development charges. This will put more money in the hands of wealthy developers, but the bill doesn't specify how this resource gap will be bridged. The fact that cities won't have the money to create the necessary infrastructure at the end of the day will stall the creation of more housing, not accelerate it.

The other aspects of this bill that are deeply concerning to us are the reduced role of conservation authorities and not allowing third parties, including any individuals or groups beyond the developer or the municipality, to appeal at the Ontario Land Tribunal.

**The Chair (Ms. Laurie Scott):** You have 60 seconds left.

**Ms. Alejandra Ruiz Vargas:** Thank you.

So I only want to tell you that there are people right now who are afraid every time they receive a note on their door. They are thinking, “Oh, it's about the guideline increase? Or it's an increase? Are they going to demolish the building? What are we going to do?”

People live all the time in fear. This is not fair, and this should not be happening in a G7 country.

I have more time?

**The Chair (Ms. Laurie Scott):** Twenty seconds.

**Ms. Alejandra Ruiz Vargas:** Well, I probably will say that this is not fair, and I will finish. Thank you.

**The Chair (Ms. Laurie Scott):** Thank you very much. There will be question-and-answer time later.

Paula Fletcher, I would ask you to start, please.

**Ms. Paula Fletcher:** Thank you very much for having me today. I wish I could have been there in person, because it would be much better. I'm just virtual, but I'm happy to be here with you all. Thank you for selecting me to appear before these really important hearings on Bill 23.

As you probably know, I am a Toronto city councillor. I represent Ward 14, Toronto-Danforth, which is a diverse community with 38,000 renters.

Today I'm going to be speaking about the potential impact of Bill 23 on the affordable housing stock in Toronto. I know it's something that every one of us has a very big interest in, for our families, for everybody we know having a good place to live.

The potential changes related to Bill 23 and the city's rental replacement policy are something I want to speak with you about today. In 2007, the city of Toronto's rental replacement bylaw was brought into force and effect. Our bylaw does not impede the building of new units, but it does ensure that the building of new units is fair to existing renters. When the market supports building new developments, the bylaw ensures that the existing renters can come back to their apartments and, if they choose not to, that these replacement units will remain affordable, which is critically important in today's rental market. I'm just going to assume that everyone here at this hearing really understands the affordability crisis that we're facing in Toronto and all of Ontario.

In my ward, there's what's called “apartment neighbourhood zoning”—and it's a large area, a swath, in East York, which includes Cosburn Avenue, Gamble and Broadview—that created thousands of apartments and has a housing mix of seniors, service-industry workers, teachers, nurses and young people. And it actually is a very affordable place to live.

Over the past 15 years, nearly 5,000 affordable rental units in Toronto have been protected and kept on the market through this policy. I know the earlier speaker said 2,000 and some—and that was just in the last five years. When we look at the whole term of the rental replacement policy, it has been very powerful in ensuring existing rental remains affordable and is rebuilt.

The rental replacement bylaw does ensure that when a rental building is redeveloped, the outcome is an extension of the housing supply that maintains affordable living in our city, which, as you all know, is getting very unaffordable. It guarantees a net gain rather than a net loss of

affordable rental units. I believe that that's something that we all represent—we're all elected and all represent people. I really believe everybody wants to see more housing, more affordable housing and maintaining those situations for renters—and there are quite a few of them in the city of Toronto; 47% of Torontonians rent.

Without rental replacement, there's really nothing that could stop a developer from purchasing a large rental building, converting it to a building with fewer units with higher rents—so we have a net loss of units and, actually, affordability itself.

I want to draw to your attention that the cost of building a new affordable unit in Toronto—we do have a very aggressive new build program through the city of Toronto called Housing Now—but the cost of the unit is \$500,000. If we were to estimate the cost of rebuilding those 5,000 units—we did save 5,000 units—if they'd been lost, the rebuilding of those affordable units would actually cost about \$2.5 billion.

In Toronto, we have 71,866—I'm going to be very specific with that number—purpose-built rental apartments that were built before 1960, and our rental replacement bylaw actually gives assurance that these units will be maintained for those who rent. Any watering down, overriding or creation of any loopholes in the rental replacement bylaw would accelerate the loss of affordable housing; tend to drive up rents; could push more singles, seniors and families out of the city or to move into cramped living quarters, or, in the worst cases, into an overloaded shelter system, which we have in Toronto. Renters can't really afford to lose this bylaw. I'm going to ask that you would please allow yourself time to review the impact of changes in this bylaw in Bill 23 on the rental stock and the cost to replace current affordable rental stock before proceeding.

I'd like to speak with you about another element in Bill 23 that has been receiving a lot of attention—I've really enjoyed listening to your questions and to the presenters today—and that is the proposal to allow the development of the greenbelt. We all recognize there is a need to build more housing, and, as I've said, our Housing Now program is very aggressive, with 10,000 units on city-owned land—building and getting them ready. I believe we need to build more housing, but we need to look at opportunities for densification rather than proceeding on the greenbelt. We need to do that first, with densification.

In Toronto and across the GTA, and all the cities—the province does own a lot of sites in our city, across the GTA, and that is, specifically, all the LCBO locations that you have. Here in my ward, there are three LCBOs, and all three are right near a transit node. There's Broadview subway that has a large LCBO, one storey. There's Pape and Carlaw LCBO, one storey. There's Danforth and Greenwood LCBO, one storey. They're all right at transit stations—

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Ms. Paula Fletcher:** Thank you very much.

I would like you to focus, and the province to focus, on building thousands of units that could be built very quickly on accessible, attractive locations that you own already. Don't go to the greenbelt; use what you have, and don't add to new urban sprawl.

**1750**

I just want to thank you very much and say that we've had a great understanding between the city and the province in building in our city, and a good partnership to bring in density. I think we should just reconsider how well that partnership is working and not proceed with Bill 23, against the time-honoured and successful approach that has worked, actually, to build our communities up for decades. Thank you very much.

**The Chair (Ms. Laurie Scott):** Thank you very much for your presentation.

We'll now move to Friends of Kensington Market. Please state your name and begin your presentation.

**Ms. Serena Purdy:** Thank you for the privilege of speaking today on Bill 23. My name is Serena Purdy, and I am the chair of Friends of Kensington Market.

Normally, I would be restricting my comments to the impacts on Kensington; however, given that this is a very expansive bill, I also want to say that I'm speaking as someone who grew up in a farming community on the escarpment.

You've had a long day of deputations, and you'll have another long day tomorrow. But I want to take the time, as a member of the coalition for inclusive development, to acknowledge the many organizations representing voters across Ontario that have not been able to depute before you.

I'm here today to say that this is a fiscally irresponsible bill. It is short-sighted and breaks promises to many communities, including Kensington Market, and aside from acquiring a significant tax increase for working-class and middle-class Ontarians, it represents a tax on the future opportunities that we have an obligation to protect.

The most pressing issue for Kensington Market is the proposed changes to the Ontario Heritage Act. Kensington Market has been seeking heritage designation for 10 years. We are also on the advisory panel for the city's new proposed cultural district designation. The proposed changes in the bill would make it almost impossible to protect many of Ontario's identified heritage properties.

In addition, the city of Toronto's recent official plan amendment 558—which, I think, has already come up a little bit—defining housing affordability in line with income as opposed to average market rate, is being appealed by developers who are arguing that they can't feasibly build if they are required to include affordable units in line with this definition.

Both of these major municipal actions—the cultural district designation and OPA 558—have taken place with extensive democratic consultation. This bill is an approach that disregards these municipal functions throughout the province, as Paula Fletcher alluded to.

In addition to making it easier to erase our history, this bill will result in a massive tax increase for the average

working and middle-class Ontarian through downloading the cost of infrastructure. The bill cuts taxes on developers, eliminating hundreds of millions that are used to fund roads, sewers and transit, but those roads, sewers and transit services are still needed. Funding them with diminishing development charges will put significant pressure on the property tax base. I, as a homeowner, am very concerned about this. Toronto mayor John Tory said the city would lose \$200 million, a cost that would require an 8% property tax increase to offset.

This bill also reduces the voice of community in being able to advocate for affordable units and protect neighbours from renovation and demoviction. I can speak from experience when I say that it is already an incredibly unbalanced system.

We had an issue over the summer with one of the developers on Spadina. As we were going through the consultation process in good faith, there was another developer that sent an email around to all of the community groups asking if they could fund our appeal and said very explicitly in the email that they were doing it out of spite, because the developer that we were consulting with had beat them out on another site application. I know; it feels very kindergarten politics. The developer we were dealing with, while we were in a meeting with our city councillor, laughed it off because they thought it was hilarious, and said they do this all the time. So it was not just a waste of the community's time and a waste of our city councillor's time; it was a waste of the Ontario Land Tribunal's time, and they thought it was funny. They have more than enough resources to be able to do that, and they have more than enough resources to be able to help us build functioning communities around the buildings they want to put up and profit from. These are the people you're entrusting our future to. These are the people whose voices you're amplifying through this bill.

I also want to ask, what is in this legislation that makes you want to rush through and avoid public scrutiny? There are going to be long-standing implications for Ontario, as you've heard from many of the speakers before me. In my hometown, many voted Progressive Conservative because Doug Ford promised to stop the quarry and protect our sensitive ecosystems. This is, I think, for them confusing, because the party line for the PCs has been "promise made, promise kept," and in my hometown they view this bill as a broken promise. They see you as promise makers and promise breakers.

We do need more homes, but without affordability, you're not building more homes; you're building more assets. And you're building it on Indigenous land—land where we need to grow food, and on endangered species, and without the ability to maintain the communities we know and love. You're proposing to pave paradise, and of course the pavers are going to agree with you. But what does it say when community and housing advocates disagree? Have you even talked to your constituents, and do they know about the tax hike you're sending their way when you pass this bill?

York regional council passed a motion requesting that the province halt Bill 23 and allow for more fulsome analysis and meaningful consultation and collaboration with Ontario's municipalities. We urge you to take that very seriously and to do your homework so that we can do this properly.

The majority of the standing committee members are Progressive Conservatives. This bill is not progressive. You can't be very forward-thinking if you're building on arable land. This bill is not conservative—

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Ms. Serena Purdy:**—thank you—as it prevents us from protecting our heritage and culture and communities that are near and dear to us, like Kensington Market, and like my hometown on the escarpment. And it's not about removing red tape. This is about removing safeguards and voice for our communities.

**The Chair (Ms. Laurie Scott):** Thank you so much for your presentation.

We will now move to the official opposition for seven and a half minutes. MPP Bell.

**Ms. Jessica Bell:** Thank you to Alejandra, Councillor Paula Fletcher and Serena Purdy for coming in and speaking to Bill 23 today. I have questions for all of you.

I would like to start with Councillor Paula Fletcher. I was struck by your comments about the need for the province to really take advantage of the land that it owns to build the kind of housing that we need. I just had a conversation with Infrastructure Ontario about the properties that they have available to them and asked them what they intend to do with some of the properties that are available in University–Rosedale, which were protected because of the decision to stop the expressway going all the way down to downtown Toronto. I did not get any commitments from Infrastructure Ontario that they were interested in building affordable homes on the many pieces of property that the province has control over.

What would you recommend we do to utilize provincial land to meet our affordability housing targets and our housing supply targets, Councillor Fletcher?

**Ms. Paula Fletcher:** Thank you for that question.

I'm just going to go to our Housing Now plan at the city, where we've taken housing on our land, and there's one third that's devoted to condos, one third devoted to rental, and one third devoted to affordable rental. That's the spread on how we're proceeding with our lands.

When I raised this about the LCBOs—I think everybody, in their mind, can imagine an LCBO. That's a one-storey building, and many of them are in perfect areas for more density. It's not simply affordable but mixed housing on that site—and with the transit-oriented communities that is being suggested by the province to the city, it's just a great idea. So before proceeding into the greenbelt and other areas, I think it's really wise to look at the property that the province controls and how that could be densified. I think IO, which is a provincial agency, is in a perfect position to do that. I do note that at the transit-oriented community at Gerrard and Carlaw—I've had to ask IO,

“Could you please include the liquor store? Because it’s not part of the development.” Some of the silos that are existing at the province—we do have them at the city too, and we fight to break them down.

I think that’s a great recommendation from this committee around Bill 23—start with your own property.

**Ms. Jessica Bell:** Thank you, Councillor. It is shocking to me that there has been no affordable housing requirement in any development that the provincial government or Metrolinx has made on land on top of transit or near transit.

My next question is to Alejandra from ACORN. I want to thank you for all the work you, Councillor Fletcher, Serena Purdy and a broad community have done to advocate for a meaningful inclusionary zoning law, an affordable housing definition that goes much closer to where we need it to be, and for being instrumental in making sure we have rental replacement laws in the first place—and the need to strengthen them.

**1800**

I have two questions for you that I’d like you to elaborate on. I know you’ve been doing some work to move Burnaby, BC’s rental protection policies over to Toronto to provide stronger protections for renters who are facing displacement, eviction or renovation. It would be good if you could speak to that. And the second thing is, what kind of inclusionary zoning policy should municipalities have? What would you like to see?

**Ms. Alejandra Ruiz Vargas:** The Burnaby case has been fantastic, and this is why we wanted to replicate it in every city in Canada, because the housing crisis is not only built houses, it’s all—what the complexity is right now is that we have, specifically here in Ontario, the above-guideline increases, the vacancies that we don’t have control over. This is why, when a developer wants to develop a site, the renters need to be protected. The developer needs to have the ability to allow the tenant to come back when they finish the project and actually pay a top-up—do a top-up for when they’re going to look for another apartment, until they finish the project.

Councillor Paula Fletcher has been a champion with us as well, helping us with this law that has happened. We have been gaining some movement forward in Toronto specifically, and then in Hamilton and in Ottawa we were starting. So we were very happy. But with his bill, we really feel that we are pulling back. You know when you’re going forward, and then you feel when somebody is pulling you back? This is Bill 23 for us. We don’t know even how to explain it to people, because this is taking all the hope that people can have. When you receive notice that the building where you’ve lived for 20 years or 30 years is going to be demolished or you need to move, well, you know what to do. But when we say, “Don’t worry. There is a hope. You can move, then they will pay for it, they will top up your rent. And then you can come back,” people think, “Okay”—it’s inconvenient, but at least there’s something, at least there’s like a mattress there. But now it’s like they took the mattress with Bill 23. Again, I don’t even want to start explaining it to people, because what are we going to say?

The inclusionary zoning: Well, we have Manhattan, 40% of New York—

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Ms. Alejandra Ruiz Vargas:** They have 40% inclusionary zoning, so why can’t we do it here? I know that we started good—22%. We were looking for 30%, but 22% is bright. But now 5% is like a killer, isn’t it? It’s not good at all. So this is what we would like to see.

**Ms. Jessica Bell:** Thank you for that, Alejandra.

In the next round of questioning, Serena, we’ll make sure that we ask you a question, too.

**The Chair (Ms. Laurie Scott):** MPP McMahon, would you like to begin?

**Ms. Mary-Margaret McMahon:** Thank you, everyone, for coming in and taking the time. Councillor Fletcher, we appreciate it.

Serena, my question is for you, first off. We haven’t heard a lot about heritage. I’m interested in you elaborating on your concerns with Bill 23 and heritage.

**Ms. Serena Purdy:** Actually, because people were a little bit confused about who was selected to depute and how that process went, I know that there are a number of organizations that did want to speak to that.

I received some correspondence from Architectural Conservancy Ontario expressing their concerns about the Ontario Heritage Act. I have it in front of me. So I think, given that they’re actually experts on it—we are experts from the community, but we’ll never be planning experts. We’ve worked on this for a long time, but I think, in general, the community has to work to get up to that point. They say, “Whether intended or not, the changes proposed for the Ontario Heritage Act ... in Bill 23 will make it practically impossible to protect most of Ontario’s identified heritage properties.” They basically narrow it down to two proposals: “Forcing communities to drop ‘listed’ properties from their heritage registers if they are not designated in two years and requiring that the standard for designation of properties be hiked from at least one of Ontario’s heritage criteria to two”—so that makes it harder to meet that definition and harder to stay on the list, and some of the things that they point out are problematic about that.

**Ms. Mary-Margaret McMahon:** I’m going to stop you there. Unfortunately, I only have four and a half minutes, which includes answers. Thank you. I’ll read the submission.

Councillor Fletcher, congratulations on your election.

**Ms. Paula Fletcher:** Thank you.

**Ms. Mary-Margaret McMahon:** You made an interesting point about provincial lands and LCBOs. It’s always a concern as to why we’re building one-storeys in the city of Toronto.

We heard this morning that the Premier told Guelph mayor Cam Guthrie that all of the big city mayors have to look in their own backyards. So I really appreciate you encouraging us at the province to look in our own backyard.

You’ve been a strong advocate for sustainability in your ward, in your city and beyond. How important, in a climate emergency, is the Toronto Green Standard?



**Ms. Paula Fletcher:** I think it's extremely important, and it took quite a long time to accomplish that. Every city has a target for greenhouse gas reductions. It will make it harder to meet our targets if that's eliminated. Green standards are such an important part in addressing climate change.

As far as your earlier note about using your own lands—the city is using their own lands, and all of the housing now will be at a certain standard. We know we have to build to our own green standard. And I'll just reiterate that I think you have quite a few one-storey LCBOs in your riding as well. So we've got a lot of land that could be developed very quickly, and I really urge the province and your committee to set that course.

**The Chair (Ms. Laurie Scott):** Final 60 seconds.

**Ms. Mary-Margaret McMahon:** Do you have any ideas on dealing with vacant properties? I'm sure you have some. I have some in my area as well.

**Ms. Paula Fletcher:** To ensure that they're being—not just sitting vacant, but they're being built. The other thing that often happens is, there's a development application and it gets approved, and then nothing gets built on it. We're really trying to encourage building and housing. We all have the same goal, but we need to really sit down as partners and figure out what's the best for the future, the best for the economy, the best for the environment—the easiest and fastest way to do it.

**The Chair (Ms. Laurie Scott):** The government side: MPP Thanigasalam.

**Mr. Vijay Thanigasalam:** Thank you to all the presenters for taking the time to be here.

I'll start off with Serena. Serena, you said you support more housing. That's good. But you also said that this bill is rushed through. I just want to add a few points and ask some questions. For example, as a government, we are committed to building 1.5 million houses in the next decade. We really want to get that done, because over the last 15 years, there have been many, many consultations happening, and no one built. That's why we are in a housing crisis right now.

When it comes to the public hearings—for example, last week, we had two days of consultations and public hearings. In total, it was four days of full public hearings. Out of that, two of the four days were undersubscribed for public hearings, and now this is the third day and we have one more day. We actually went all the way to Markham and all the way to Brampton. And now we're having a hybrid: virtual and in-person. We really want to get the public hearings done.

At the same time, we want to start building as well, because in the last 15 years, no one has built that much. We know 2021 was the year that we built more houses than in the history of this province.

The crisis is real, and we really want to have an impact on starting to build houses—and the most crisis impact is on the bigger cities, the larger cities. It's not only affecting the bigger cities; it's affecting the entire province.

What's your opinion in terms of the changes we can do to be most helpful to increase the supply of attainable housing in Ontario?

1810

**Ms. Serena Purdy:** I think it's a bit of an oversimplification to say that it's a supply issue, to begin with. From developers, we're always hearing simultaneously that it wouldn't be a viable business model if we built something that nobody could live in—and then in the same paragraph say they can't afford to build it if they have to do anything that the average person in that area could afford to live in.

Actually, in 2021—and I can send the figures following up—there were eight units built for every one newcomer to Toronto. And every single year, we've got more vacant units than we have homeless people on the streets of Toronto.

So like I said in my talk, what does it mean to you when you hear repeatedly from housing advocates that this is not the way to do it, and when we ask for real affordability and for bills like this not to run over the actual work that municipalities have done to make sure that people can afford to live in the units that we build? Otherwise, like I said, we're not talking about building homes; we're talking about financialization, and those units represent assets. They don't represent homes. When people can't afford to live in them, they represent parked money. In order to build a city better, in order to build the province better, we need to bear that in mind—I don't think anybody is silly enough to think it's just about building a whole whack more units wherever you want—and that's what we're hearing, across the board, from so many people who are speaking in front of this panel.

**Mr. Vijay Thanigasalam:** When it comes to the bigger comments that we are hearing from residents—it's that their children cannot afford a house. For example, the millennials feel like they cannot afford a house in bigger cities. New Canadians feel the same way. Even seniors can't reduce their housing.

You touched on the topic of heritage, especially in your area. How else can the government balance the needed growth as we see new Canadians coming to Ontario, and how can the government balance development with heritage conservation?

**Ms. Serena Purdy:** For example, when we're going through this process, dealing with OPA 558—there's one development that's being proposed on a heritage site. It's a church where a lot of people in the community who are vulnerable would go to if they needed help, where a lot of newcomers to Canada would find community. And while they say that their application will not impact the heritage status of the site because they're keeping enough of the facade to satisfy it, they're appealing OPA 558 because they're saying they can't build it if there's a minimum number of affordable units, when you're talking about affordability tied to income. So they're actually explicitly arguing at the Ontario Land Tribunal right now that they cannot build it if it's affordable.

So when we're talking about newcomers to Canada, people who've lived here for generations and want the next generation to have a place to live, to be able to own property or afford to rent, how does building more luxury units that they actually argue right now they can't build if

they're affordable—how does that give people more places to live? There were people who spoke to the panel just before me who gave you some beautiful ideas about how that can be accomplished with the land that we have.

**Mr. Vijay Thanigasalam:** My next question is to Alejandra.

Alejandra, you touched upon the conservation authorities. We heard, especially from my constituents and across Ontario that—we even received letters from private individuals, home builders, noting the delays in receiving CA approvals. What do you think is causing these delays, and why are people so frustrated with the CA permitting process?

**The Chair (Ms. Laurie Scott):** Just over a minute to respond.

**Ms. Alejandra Ruiz Vargas:** Thank you. I really cannot say much about why they're so delayed or they are not fast enough, because I really don't know too much about it. But the piece on the conservation that we were concerned with is that if people don't have the ability to speak of how, really, we are going to do democracy here—and this is very concerning, because we, the tenants, have been failed and let down for many years.

**Mr. Vijay Thanigasalam:** In the short time left, I just want to thank Councillor Fletcher.

As government, we are building transit-oriented communities across the GTA, including across the Ontario Line and the Scarborough line. The Ontario government is using these lands to build subways and transit-oriented communities. What's your take on that?

**Ms. Paula Fletcher:** The city is supporting transit-oriented communities and more density around subway stations and transit stations. And the new Scarborough subway definitely should have lots of density.

My point is that, in particular, where you have provincial lands, there—

**The Chair (Ms. Laurie Scott):** I'm going to have to cut you off. I'm so sorry, Ms. Fletcher.

Next round: MPP Harden for the official opposition.

**Mr. Joel Harden:** I'll just pass it to Councillor Fletcher so she can finish her thought, and then I have a question for our friend from Kensington Market.

Over to you, Councillor.

**Ms. Paula Fletcher:** It was just that where the province owns land—and I'm not sure that you even know where all the provincial holdings are, let's say, in the city—that it really is worth looking at that. Where can you increase density along transit lines with your own property?

Toronto actually has more cranes in the sky right now than any other city in North America, and we're not building factories; we're building housing. So the notion that we're not building housing and freeing it up is quite incorrect. I would just ask the government side to consider what the city is doing—taking our land and bringing it in, where relevant, to increase the density of affordable, rental and condos all on the same spot.

**Mr. Joel Harden:** Serena, let's talk about Kensington Market. Again, I'm a visitor to the city, when I come down the 401, and one of the places I've really enjoyed getting

to know a little bit better is your community, which is truly beautiful. It's very eclectic—one could even say bohemian—with a very mixed community.

What do you see happening to Kensington Market if Bill 23 passes—and also keeping in mind legislation that I just found out about today, which is expanding strong-mayor powers to allow mayors to make decisions with a third of the city council, truly seeming to expedite processes without majority consent.

**Ms. Serena Purdy:** I think for many people, Kensington Market stands out in the city as a very unique place that has a really strong sense of community. Part of the reason people call it “the village in the city” is because we've been able to build it up together, as a neighbourhood. There are so many planners that—everybody's an expert on Kensington Market. Everybody is chasing the idea that we can build another one. And yet, when we think in the way that this bill lays out, we start to erase those opportunities to self-determine and self-direct. So what we always say is build with us, not on us. And the more that we erase the voices of community members to have input in what that looks like—people are not, in Kensington, afraid of tourists. We're from all over the world. It's one of those linguistically diverse, and diverse by country of origin, places in the heart of the city, and we want it to stay that way. Those are the things that we hold dear. When I was growing up, that's what I was promised we would see more and more of.

To see this kind of overriding of our communities—once it's gone, we don't get it back. That's part of why I'm here and fighting so hard on this.

**Mr. Joel Harden:** When you hear folks suggest that asking developers to stick to community plans, and when you're in meetings, as the one you described, where someone is really participating in an obviously facetious way—how do you respond to the charge of NIMBYism? Is that what you're hearing? Phil was telling us that it doesn't reflect downtown communities that he surveyed. What does that look like for Kensington Market? Could it be credibly asserted that Kensington Market has a singular NIMBYist perspective and is not open to more density of housing?

1820

**Ms. Serena Purdy:** We have fairly recently established a land trust that is working to develop affordable housing on city land. We have strongly supported the application from the Scott Mission to build affordable units on Spadina Avenue. We have repeatedly, strongly and vocally, supported developments that allow people who live here to live here, and that make it affordable for newcomers to come without being exploited.

We are not here to say “not in my backyard.” We are here to say, “Yes, we want affordable housing. Yes, we want to be part of that conversation.” This bill does not represent that.

**Mr. Joel Harden:** How much time do I have left, Chair?

**The Chair (Ms. Laurie Scott):** Three and a half minutes.

**Mr. Joel Harden:** Thank you.

Alejandra, thank you so much for being here. Full disclosure: I'm an ACORN member too, as well as being a politician, and I have been for many years. Some of the best community organizers in Canada are ACORN organizers.

**Ms. Alejandra Ruiz Vargas:** Thank you.

**Mr. Joel Harden:** I want to just recount for you a story I shared earlier today about a mass eviction that happened in our city, at Heron Gate, where 400 people were thrown out of their homes. Those homes were replaced by beautiful executive housing that those members could not afford. Thanks to the work of a colleague of ours, MPP Fraser, they managed to find homes in other parts of the city, but very, very far away from their churches, from their grocery stores, from the places where their kids played. It was the disintegration of a community, in many respects.

Are you seeing that happen? I'm assuming there has not been a 400-person eviction here in Toronto, at least not one that I'm aware of.

When you see the demovictions that are happening when a developer or a real estate investment trust wants to purposefully empty a building and change it, Toronto's rent-replacement regime, as you said very well, is that fail-safe to make sure that those fixed-income families can get back into those homes and stay part of their communities.

What do you see happening with this legislation, if it passes? What is the risk to the people you work with?

**Ms. Alejandra Ruiz Vargas:** The risk is that we are probably going to lose all the small buildings in the city—totally vanished—because this is opening the door for developers to say, “Now I can demolish these small buildings that we see through the neighbourhoods in the city and make tons of money.” They don't care what they're going to do to people there.

What we have seen is people feeling totally displaced, people feeling totally invisible—when you feel that nobody can help you, because even though there are authorities, the authorities don't have the tools. If this bill will go, this will be the sentiment.

**The Chair (Ms. Laurie Scott):** Sixty seconds remaining.

**Mr. Joel Harden:** Closing remarks?

**Ms. Alejandra Ruiz Vargas:** We see the quality of life of people when they have been displaced—how they change, especially seniors and fixed-income people. When you have a fixed income and then the rent is increased, well, you are two or three years from being in the streets. This is what is going to happen across the city.

**The Chair (Ms. Laurie Scott):** MPP McMahon, please.

**Ms. Mary-Margaret McMahon:** I only have four and a half minutes, and that includes your answers. So I'm just going to do a rapid-fire—I'll ask you to be succinct, a minute or so each.

We all know we are in a housing crisis. It's not about whether we build or whether we grow; it's about how we build, how we grow—in the right place, sustainably, equitably, fairly, safely.

Do you have one piece of advice for us as we consider Bill 23?

I'll start with Alejandra.

**Ms. Alejandra Ruiz Vargas:** Well, I want more co-ops. I came to Canada 17 years ago, and this was paradise. We had co-ops. We had social housing.

We need to do the rental market for sure, because if people have the money, why not spend their money on housing—good. But we need co-ops and we need more social housing.

**Ms. Mary-Margaret McMahon:** Serena?

**Ms. Serena Purdy:** My mind is swimming. There are so many things. I would repeat my urge to take a little bit more time and think about this. I understand that it feels like we've been having this conversation for so long. I was actually thinking, the other day, that I can't remember when we started saying we were in a housing crisis—it has been so long.

I would echo Alejandra's statement. We need to support co-ops, land trusts, community housing. We need to support off-market public housing that we can use to help keep our communities diverse and have a mix of incomes, and make sure that developers are doing their part, are paying their part—because they will tell you over and over that they just can't build more units if they have to do the bare minimum to give back to the community, and that's just not right.

**Ms. Mary-Margaret McMahon:** Councillor Fletcher?

**Ms. Paula Fletcher:** I certainly agree with what you just said. Take just a little bit more time to really look at the impacts of certain pieces of this bill on cities, particularly Toronto.

Next week, I think city council will be having our first meeting, and we will be discussing Bill 23—I hope we will be—and will be able to give some practical advice back.

We worked so well together during the pandemic—our city government and the province. We couldn't have gotten through it without a great partnership. I would just ask your committee to please honour that partnership and work to make whatever changes necessary to build as much housing in the city as you can, using land that you own and not impacting the greenbelt and other sensitive spots.

**Ms. Mary-Margaret McMahon:** And especially those LCBOs.

Thank you, everyone.

**The Chair (Ms. Laurie Scott):** I'll go over to the government side. MPP McGregor.

**Mr. Graham McGregor:** I just want to thank everybody for being here.

The housing supply crisis is such a generational moment, I really think, for lawmakers, for community leaders, for everybody. When you look at the struggles that young families are having, where they're being priced out of the neighbourhoods that they grew up in; the struggles that new Canadians have, where they're unable to find a place to live; the struggles that our seniors are having, where they want to downsize but they can't find the right amount of housing in the right place to justify that downsize—I think we all know that the right type of housing isn't available for everybody. I think we can all agree on that. Although I can understand that you have some differences of opinion for how we tackle that challenge, I think we're all united in that goal. I certainly get that from your

testimony, and we're doing what we can to try to tackle that challenge.

My first question is for Alejandra. Thank you for being here. I do want to preface and I just want to put it in Hansard: I notice that you ran in a federal election for the NDP. I don't say that as a "gotcha" moment; I say that to commend you for putting your name on a ballot. The system is better when good people put their name on the ballot and fight for their ideas and fight for their community, so I just wanted to thank you for doing that.

The government put together an Ontario Housing Affordability Task Force. There were folks from the financial sector, from the building sector, Habitat for Humanity, the president of Ontario Aboriginal Housing Services. They came up with a plan that said we needed to build 1.5 million homes over the next 10 years to catch Ontario up to what was seen as a lack of supply, or at least a supply out of sync with the demand.

Does ACORN or do you personally have an opinion on that figure—1.5 million homes over the next 10 years? Is that a worthy goal? Is that too little? Is that too many? How do you feel about that number?

**Ms. Alejandra Ruiz Vargas:** I remember we had a number in mind, but I don't remember exactly how many houses we were thinking of.

Something that I think is important for everybody to remember is that building housing is not going to be the solution only, because we can build even 10,000 more houses than what you're saying, but we need to be able to maintain the prices or the rent—

**Mr. Graham McGregor:** I do have limited time. I don't mean to cut you off. I just want to understand—just for the record: It's a part of the solution; it's not the full solution.

**Ms. Alejandra Ruiz Vargas:** No, we don't think so.

**Mr. Graham McGregor:** From your perspective?

**Ms. Alejandra Ruiz Vargas:** Yes.

**Mr. Graham McGregor:** For Ms. Fletcher, I would just put the same question—1.5 million homes over the next 10 years. Did the province get that right?

**Ms. Paula Fletcher:** I'm not sure if you've tested that. It's 150,000 homes a year to be built and to be planned to be built. It's a great goal. But when we're talking about homes, I would ask you, what is a home? Is it a single-family home on farmland? Is it a single-family home in the greenbelt? Is it condos over an LCBO site? I just think you need a bit more time to think about this.

I've raised the LCBO issue with you. You have a lot of property that you could use quickly.

1830

**Mr. Graham McGregor:** Thank you, Ms. Fletcher. I totally heard you on the LCBO the last few times.

We do want to build all types of homes, single family and all kinds.

I did want to ask about the perceived downloading of costs. We see here that the city of Toronto has \$2.2 billion in unspent reserves to be used for infrastructure and to be used for what have you—development charges.

**Ms. Paula Fletcher:** Right.

**Mr. Graham McGregor:** It's not being spent.

**Ms. Paula Fletcher:** Oh, sorry. It's all planned.

**Mr. Graham McGregor:** Do you think we should spend it?

**Ms. Paula Fletcher:** No, no. It's all planned spending. And as you would well know, being an MPP and a government MPP, all the state of good repair for transit, for housing, for sewers, for water—and that includes bringing on new housing supply—we need to have all of those things well run. Those are the costs of running a big city of almost three million people. So I think the reserves are set for that, and there are a lot of dollars for that—

**Mr. Graham McGregor:** So the \$2.2 billion in reserve, just for the record, is not being spent. It's being planned to be spent, and the city intends to spend—

**Ms. Paula Fletcher:** No. I think if you look at your transportation division in the province, you'll see that they have a plan for capital over a certain period of time. Usually it's a 10-year window—the same as your 1.5 million homes. There's a 10-year window for that, and that is a 10-year window. Our budget is very transparent. I'm happy to send that to you.

**Mr. Graham McGregor:** Thank you, Ms. Fletcher.

What's the residential property tax rate in the city of Toronto currently?

**Ms. Paula Fletcher:** Our residential—it was at inflation. That's how we've always—the cost of living, inflation, that has been what it has been, and will probably be more increased this time. We also have other charges. We have a business unit for water, a business unit for solid waste. We have a percentage for transit, because when your Premier was—

**Mr. Graham McGregor:** The percentage on—

**Ms. Paula Fletcher:** Sorry; I just want to finish.

**Mr. Graham McGregor:** —residential property tax—just the number, please.

**Ms. Paula Fletcher:** I think it's about 2.5%, and then we have higher on commercial and higher on employment. But we do have a special fund for building transit, which was brought in when your Premier was our city councillor and his brother was our mayor. We established a number of different stand-alone funds on top of the property rate—

**The Chair (Ms. Laurie Scott):** You have 60 seconds.

**Mr. Graham McGregor:** Ms. Fletcher, I'm so sorry. I have to share my time with my colleague—

**Ms. Paula Fletcher:** I'm sorry.

**Mr. Graham McGregor:** —but I appreciate your testimony today.

MPP Grewal.

**The Chair (Ms. Laurie Scott):** MPP Grewal.

**Mr. Hardeep Singh Grewal:** How are we doing on time?

**The Chair (Ms. Laurie Scott):** You've got 45 seconds.

**Mr. Hardeep Singh Grewal:** All right. I don't think we're going to get any conversation out of 45 seconds. I'll just say thank you to all of you for being here. We really appreciate you taking the time out to join the conversation on Bill 23 and providing your input. Together, hopefully,

we'll achieve our target of building 1.5 million homes in the next 10 years. Thank you, everyone.

**The Chair (Ms. Laurie Scott):** Thank you to the presenters in this last round for your patience and time and for appearing before committee today.

That concludes the business for today.

I see that MPP McMahon has her hand up.

**Ms. Mary-Margaret McMahon:** Good things come to those who wait, hopefully—and that was me being very patient today with my motion.

We've heard from people time and time again that they have not had enough time, that not everyone has been able to give a presentation. We've had MPP Bell and MPP Harden suggest extra days, and it hasn't happened. I'm just saying that, in light of what happened this morning, which was very unfortunate, that a former mayor of Toronto, who came down—and there were two of them here.

I have a motion.

I move that the committee agreement dated October 31, 2022, be amended by striking out "1 p.m." on the fourth bullet of the second paragraph and replacing it with "12:30 p.m." so that the committee may hear from three additional witnesses tomorrow: Barbara Hall, former mayor of Toronto; David Crombie, former mayor of Toronto; and John Sewell, former mayor of Toronto;

That these three witnesses be scheduled in as a group of three, with each presenter allotted five minutes to make an opening statement, followed by 15 minutes of questioning for all three witnesses, divided into one round of six minutes for the government members, one round of six minutes for the opposition members, and one round of three minutes for the independent member.

It's a big compromise. It's shortening our question time, and it's shortening their speaking time, and it's just having us come back a little bit early at lunch tomorrow. I would love your support on that. It's the right thing to do, I think.

**The Chair (Ms. Laurie Scott):** Any further debate? Further debate? Seeing none—

**Ms. Mary-Margaret McMahon:** Recorded vote, please.

**The Chair (Ms. Laurie Scott):** MPP McMahon has asked for a recorded vote.

All those in favour of MPP McMahon's motion, please raise their hands.

#### Ayes

Harden, McMahon.

#### Nays

Grewal, Holland, McGregor, Pang, Sabawy, Thanigasalam.

**The Chair (Ms. Laurie Scott):** I declare the motion lost.

MPP McGregor?

**Mr. Graham McGregor:** I move that the committee adjourn for the day.

**The Chair (Ms. Laurie Scott):** Thank you very much. I'm going to do a reminder that the deadline for filing written submissions to Bill 23 is 7 p.m. on November 17, 2022.

The committee is now adjourned until 9 a.m. on Thursday, November 17. Thank you very much, everyone.

*The committee adjourned at 1836.*





**STANDING COMMITTEE ON HERITAGE, INFRASTRUCTURE AND CULTURAL POLICY**

**Chair / Présidente**

Ms. Laurie Scott (Haliburton–Kawartha Lakes–Brock PC)

**Vice-Chair / Vice-Présidente**

MPP Laura Mae Lindo (Kitchener Centre / Kitchener-Centre ND)

MPP Jill Andrew (Toronto–St. Paul’s ND)

Mr. Hardeep Singh Grewal (Brampton East / Brampton-Est PC)

Mr. Joel Harden (Ottawa Centre / Ottawa-Centre ND)

Mr. Kevin Holland (Thunder Bay–Atikokan PC)

MPP Laura Mae Lindo (Kitchener Centre / Kitchener-Centre ND)

Mr. Graham McGregor (Brampton North / Brampton-Nord PC)

Ms. Mary-Margaret McMahon (Beaches–East York L)

Mr. Billy Pang (Markham–Unionville PC)

Mr. Sheref Sabawy (Mississauga–Erin Mills PC)

Ms. Laurie Scott (Haliburton–Kawartha Lakes–Brock PC)

Ms. Laura Smith (Thornhill PC)

Mr. Vijay Thanigasalam (Scarborough–Rouge Park PC)

**Substitutions / Membres remplaçants**

Ms. Jessica Bell (University–Rosedale ND)

Mr. Rick Byers (Bruce–Grey–Owen Sound PC)

Mr. Rudy Cuzzetto (Mississauga–Lakeshore PC)

Mr. Anthony Leardi (Essex PC)

Mr. Todd J. McCarthy (Durham PC)

Mr. Amarjot Sandhu (Brampton West / Brampton-Ouest PC)

**Clerk / Greffier**

Mr. Isaiah Thorning

**Staff / Personnel**

Mr. Michael Vidoni, research officer,  
Research Services