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Submitted by email to: mnrwaterpolicy@ontario.ca

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RE: Proposed Updates to the Ontario Wetland Evaluation System

The OHBA is coordinating our public policy response with regards to Bill 23, the *More Homes Built Faster Act, 2022* with input from members across Ontario. OHBA is proudly affiliated with twenty-seven local associations including the Waterloo Region Home Builders Association and the Canadian Home Builders' Associations.

OHBA Position on the proposed Bill 23, The More Homes Built Faster Act, 2022

The OHBA supports the introduction of the Ontario government's new, once-in-a-generation housing plan. The *More Homes, Built Faster Act* will make it easier to build new homes quicker, reduce housing costs, cut red-tape, and enable the construction of the 1.5 million new homes in the next decade, increasing supply and bringing affordability back to the province.

On average, 25% of the cost of a new home is composed of government fees, taxes, and charges. This can add as much as \$250,000 to the cost of a typical single-family home and municipalities add more than half of that. Housing approvals in Ontario take longer than in any other jurisdiction in North America. In some municipalities, it can take over three years to approve new housing projects, which adds a further \$50,000 to \$100,000 in costs to new homeowners.

The *More Homes, Built Faster Act* will help get Ontario back on track towards housing attainability and affordability, by focusing on addressing the core underlying problem: the lack of home supply. The province is taking the bold action needed to build more homes by a) incenting municipalities to meet legislated timelines for new housing approvals, b) adding more transparency on the municipal fees and charges imposed on new homebuyers and c) designating more lands for growth. This will allow Ontario families and aspiring homeowners to have a better shot at the dream of homeownership.

Revised & Modernized Ontario Wetlands Evaluation System

Introduction

The "Proposed Updates to the Ontario Wetland Evaluation System 2022-10-25" represents a positive and significant step forward to modernize the current, outdated evaluation system, originally developed in 1983. The changes that have been proposed will contribute to a more consistent and accurate approach to the identification and protection of wetlands that meet the definition of provincial significance. The immediate implementation of these changes will support the efficient and accelerated establishment of more homes and complete

communities. In addition to this immediate step, it would be helpful for the province to consider an ongoing review and modernization process that would bring more current approaches to certain aspects of the Manual.

Overarching Support for These Changes

The OHBA support the modernization of the Ontario Wetlands Evaluation System (OWES). Reviewing the OWES provides the opportunity to ensure Ontario is protecting truly valuable wetlands, providing greater certainty and clarity related to how significant wetlands are assessed and identified, and allows for further streamlining of development decisions to help facilitate more homes built faster. OHBA is supportive of the changes made and would like to especially emphasize our support for the following approaches and updates:

- Removal of the overlapping jurisdiction of Conservation Authorities in the determination of PSWs;
- Removal of the wetland complexing approach; this has been a significant barrier to the creation of new communities and in the implementation of efficient infrastructure and housing. The complexing approach has been used to delineate and to protect tiny, isolated areas with limited wetland values or functions;
- The formalization of rules around re-evaluating wetlands and mapping updates;
- The clarification of the relationship of agriculture to wetlands;
- The clarification of when (and by whom) a wetland can be determined to be provincially significant.

The introduction of re-evaluation to the Ontario Wetlands Evaluation System is a significant process improvement. Natural changes, climate change, and the effects of human impact and time has had significant impacts on our natural heritage features. OHBA is also supportive of wetland evaluations being considered a point in time assessment and believes that the opportunity for re-evaluation will develop a firm basis for determining a wetland's value.

Wetland Complexes

OHBA is supportive of the proposed change to remove the concept of wetland complexing. Wetland complexes had not been adequately defined by the province, and as such local delineations and interpretations have been inconsistent. Maintaining a focus on wetlands as discrete entities, rather than complexes should enable a more predictable framework for wetland evaluation.

Professional Judgement

OHBA is supportive of an increased reliance on the professional judgement of trained wetland evaluators. Applying an objective framework to natural features presents significant challenges on a province-wide basis, whereas relying on a properly trained evaluator with experience in the local context will produce better outcomes and allow for sustainable community development.

Locally Important Wetlands

The OHBA appreciates the renewed significance of Provincially Significant Wetlands as proposed through the modifications of the Ontario Wetlands Evaluation System. This Provincially focused approach should significantly reduce the need for locally developed guidelines that produce inconsistent requirements in differing local regions. As such, OHBA is supportive of the removal of references to locally important wetlands in the Ontario Wetlands Evaluation System.

Additional Areas for Review and Discussion

A few challenges persist that merit additional consideration. These are generally summarized below, with some specific reference to existing sections in the scoring component of OWES.

How the Scoring System Works

While the scoring in the system was developed over a decade through which extensive experience was gained, the proposed modifications, do not fully recognize, for example, that:

- Wetland science has advanced significantly since the scoring approach was developed;
- Some of the underlying technical reports upon which scoring is based have not been updated and are presumed to be less than reliable now (e.g., regional flora documents and status lists developed and held by some municipalities and conservation authorities);
- The current scoring approach still sets a low threshold for the determination of provincial significance (i.e., 600 of a possible 1000 score, or 60%);
- The recognition of the role of wetland origin (e.g., created, disturbance based) and condition (viability and sustainability in relation to landscape conditions and climate change).

Young Wetland Features and Resilience

The intention of OWES was to recognize important marshes that contribute substantially to various water quality, quantity, wildlife habitat and recreational functions. The term marsh is rather vaguely applied in practice. Instead, in urbanizing areas, many existing wetlands and complexes were defined to include small and low functioning marsh features with disturbance origins. This approach to wetland delineation perpetuated problems in recognizing true significance and in the ability to allow such features to be retained in a changing landscape. Those situations degraded the credibility of the OWES and created substantial failed investments of resources. A few examples of marshes erroneously included in existing wetlands and used to increase scoring are those that:

- Have developed on fallow agricultural lands and other disturbed soils;
- Ring old irrigation, golf course and farm ponds;
- Occur in old industrial land use depressions (e.g., oil/gas well pads);
- Are in areas where natural drainage has been impounded intentionally or inadvertently.

Recommended Scoring Changes

Over time, as relevant supporting technical materials and literature are updated, further changes to OWES and the scoring approach are expected. However, in the immediate term, there are a few areas where scoring needs to be changed, as follows:

1 Biological Component

1.1.2 Wetland Type

Marshes should only be weighted with the x15 factor when they are greater than 5 ha in size

1.2.2 Vegetation Communities

The maximum point cap would more reasonably 30 points

1.3 Size (Biological Component)

The determination of size should exclude small, low functioning marsh communities

4.0 Special Features Component

4.1 Rarity

The marsh component of the wetland rarity table should specifically exclude small, low functioning marsh communities

4.1.2 Species

This component is often the trigger for the determination of provincial significance, regardless of the details, source and quality of observations. Lowering the scoring for each species to 50 points while maintaining a cumulative cap of 150 points would be a more reasonable approach. This aspect also overlaps with the intention of the Endangered Species Act, 2007. This same approach should be applied to scoring in section 4.1.2.2.

4.1.2.3 and 4.1.2.4 Provincially Significant Animal and Plant Species

The definition of provincially rarity for this scoring section requires clarification and further consideration. For example, should provincial rarity be equated with S1 and S2 ranks? Is the NHIC updated and maintained in a current condition that can be depended upon for the accurate representation of the relatively more common (S3 vulnerable) species? There are no maximum scores for these components of the OWES. Reasonable maximum total point scores would be more appropriate and would reflect uncertainty regarding the currency of data (e.g., 100 points)

4.1.2.5 and 4.1.2.6 Regionally and Locally Significant Species

Lack of updates to the identification of regionally and local significant species and the continued use of those species in an uncapped, unrestricted way remains problematic. Current lists are outdated and do not represent the best science. A provincially significant wetland should not be defined in anything but a minor complementary way by features listed as locally or regionally rare. The assignment of scores for these features needs to be capped and reduced. A cumulative cap of 25 points would reflect the uncertainty regarding this component of wetlands.

There is a Need for Offsetting Policies within a Mitigation Hierarchy

As municipalities in the Greater Golden Horseshoe continue to grow at one of the fastest rates in North America, consideration for how to effectively balance land use including managing, protecting and enhancing environmental features in urban areas while allowing for growth should be a key public policy consideration. The reality within Ontario is that competing land uses will be one of the most challenging issues to address in the future. The development of a proactive Offsetting Policy will allow for improved development of sustainable complete communities that promote conservation, while allowing for practical, replicable, and implementable environmental outcomes.

Offsetting should follow conventions for mitigation and offsetting by following a clearly established hierarchical approach. A mitigation hierarchy or sequence offers a framework for managing environmental risk and potential impact on natural heritage features, while supporting informed decision making. It is an internationally recognized stepwise approach to preventing or limiting the negative impacts of human activity. The mitigation hierarchy has four steps: avoid, minimize, mitigate and compensate. Compensation approaches include offsetting. The mitigation sequence is intended to be applied in a stepwise fashion. Offsetting should only be considered when the requirements for avoidance, minimization and mitigation have been met. The OHBA supports the principle that where possible, avoiding and minimizing impacts is preferred. However, as Ontario continues to grow and develop at an unprecedented rate, there is a need to recognize that offsetting or compensation will be required for some projects where mitigation and minimization of impacts to natural features is not possible. The OHBA recognizes that offsetting will never be the preferred option and that the principles of the mitigation hierarchy should apply including that offsetting would only be considered once the avoid/minimize/mitigate components of the hierarchy cannot effectively be implemented.

Comments on Specific Definitions

OHBA also has some specific comments on the OWES provided below:

- Before a wetland evaluation can be deemed to be complete, landowners subject to a wetland evaluation need to be notified by the municipality – this should not be an optional or possible rule. Landowners need to know when an evaluation or re-evaluation is initiated and when comment opportunities are available.

- The concept of “Closely grouped wetlands” function together as one, needs to be better defined. The definition should exclude any features that have recent historic disturbance origins (e.g., old farm ponds, naturalized golf course irrigation and aesthetic ponds).
- Limits of Wetlands That Follow Meandering Streams should be updated with more current and appropriate stream definition language (e.g., stream tributaries or reaches).

Conclusion

The provincial government has a duty to protect the public interest. Now is the time for bold action on housing across Ontario. The Greater Golden Horseshoe is Canada’s primary economic engine and is the fastest growing region in North America. It is critical that there is a holistic provincial planning framework to provide a broad, long-term, and comprehensive plan that promotes prosperity, employment growth and an appropriate supply of housing. Through the changes in the Growth Plan (2019 and 2020), the Housing Supply Action Plans 1.0 and 2.0 and now Bill 23 and the Housing Supply Action Plan 3.0, the current provincial government has moved to restore balance in housing choice and permit the ability to provide housing that meets the aspirations of Ontario families, while balancing the need to continue to urbanize and achieve transit-oriented communities. After a decade and a half of policies that produced the current housing supply crisis, it will take time and a determined continued effort to turn things around.

OHBA strongly believes that a healthy housing system only exists when all levels of government work together with the private sector to ensure the right mix of housing choices and supply that provide all residents’ shelter needs through their full life cycle. A properly functioning housing system should provide stability to both renters and owners, at prices people can afford and in the choice that meets their needs. The housing system must also be able to respond to meet projected demographic and market requirements for current and future residents.