

December 23, 2022

Provincial Land Use Plans Branch
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**Re: Review of A Place to Growth and Provincial Policy Statement
Consultations on More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-2023**

We, the undersigned, at the Centre for Urban Research and Land Development at Toronto Metropolitan University, have reviewed the Proposal Summary prepared by the Ministry of Municipal Affairs and Housing for a housing-focused review of *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* ("the Growth Plan") and the *Provincial Policy Statement* ("PPS").

We support the goal of streamlining the land use planning policy framework to increase the housing supply more quickly. However, we question whether the streamlining is needed province-wide. Instead, we suggest streamlining focus on urban regions as delineated by Statistics Canada (census metropolitan areas) where housing growth is expected to be concentrated.

We also suggest that the most significant policy for increasing the supply of new housing is already found in the PPS (policy 1.4.1) as modified in the Growth Plan (policy 2.2.6.2). These policies instruct municipalities to maintain an inventory of "shovel-ready" lands to develop a range of housing in built-up areas and greenfields. Unfortunately, most municipalities are not following these policies, and the Province is not monitoring or enforcing them. An ample inventory of serviced and approved sites to meet the expected demand for a range of housing is crucial to accelerate homebuilding and enhance affordability.

More specific comments and recommendations follow.

Residential land supply

We have been trying to track the short-term supply of land greenfield and built-up areas in the Greater Toronto Area ("GTA") in our research since 2015. Unfortunately, most municipalities are not regularly monitoring their short-term land supplied by unit type as required in the PPS. This lack of monitoring differs from the situation during 1993-2003 when CMHC, the Province and the housing and development industry jointly funded an annual inventory of short-term land by municipalities in the GTA, including addressing adequacy to meet anticipated demand.

Key findings:

- None of the GTA regions appear to be keeping track of their supply of land with servicing capacity by type of housing unit in relation to projected PPS requirements regularly. Only two local municipalities – the Town of Whitby and the City of Oshawa – prepare an annual demand/supply analysis which allows an assessment of compliance with the PPS's "at least three-years" land requirement directive.
- Moreover, the analyses reviewed, whether by a region or a local municipality, interpret the PPS's requirement in terms of total units (ground-related and apartments combined) rather than by unit type or mix.
- Finally, where demand/supply analyses have been conducted, the analyses ignore the PPS's requirement to maintain at least a three-year supply of land "at all times". With annual monitoring, as Whitby and Oshawa are doing, this would require a minimum of a four-year supply of short-term land.

Recommendation:

The study recommended that the Ministry of Municipal Affairs and Housing immediately undertake to create an inventory of the short-term land supply by unit type in the GTA, to require regions to report on the adequacy of their short-term land supply at least annually and to work with errant regions to accelerate their supply of short-term land. Unfortunately, the Province has not yet followed this recommendation.

Monitoring land supply has long been recognized as an important aspect of the success of Smart Growth containment policies in the United States which is the policy framework that the Ontario Growth Plan/Greenbelt represents.¹

A Fair Inventory of Short-Term Residential Land in the GTA According to the Latest Data: So, What's the Problem? (CUR), December 2021

Key findings:

- In the GTA, only York Region has released a recent short-term land inventory by dwelling type and municipality for greenfield lands for 2020. Peel, Halton, and Durham Regions do not release land inventory statistics.
- The City of Toronto releases short-term land inventory data for total units only – all this inventory is in the built-up area.
- Within the Region of Durham, only the City of Oshawa and the Town of Whitby released 2020 inventory data by dwelling type for greenfield lands.
- Within the Greater Toronto and Hamilton Area ("GTHA"), only the City of Hamilton releases land inventory by dwelling type for its greenfield lands and built-up areas.

¹ Bolen, Richard, Gerrit Knapp, and Ethan Seltzer (2003). 'Metro's Regional Land Information System: The Virtual Key to Portland's Growth Management Success.' Working Paper, Lincoln Institute of Land Policy. [Online] Available: https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1119&context=usp_fac; and Knapp, Gerrit, ed. (2001) 'Land Market Monitoring for Smart Urban Growth.' Cambridge, Mass: Lincoln Institute of Land Policy.

Recommendation:

It is time for the Province to instruct all municipalities in the Greater Golden Horseshoe (“GGH”) to regularly compile data on their short-term land supplies in built-up and greenfield areas by dwelling type and density and take practical steps to ensure compliance. The Province could direct municipalities to accelerate their approvals process or provide financial incentives to municipalities to do so.

Attainable Housing Supply and Mix

Attainable

We suggest that the term "attainable housing" not be used so as not to dilute attention from the need to increase the housing supply significantly and improve affordability.

Housing mix

We agree that municipalities need greater certainty to provide an appropriate range of housing options and densities to meet projected market-based demand and affordable housing needs of current and future residents.

- The Proposal Summary mentions ground-related housing and missing middle housing. However, these housing categories overlap because townhouses are included in both.
- In a 2020 submission to the Ministry of Municipal Affairs and Housing, we recommended that the following three housing types be required at a minimum when doing a land needs assessment: Lower-density: single-detached and semi-detached houses; Mid-density ("missing middle"): duplexes, townhouses, stacked townhouses and apartment buildings less than five-storeys; and Higher density: apartment buildings of five or more storeys.² Unfortunately, the Province did not follow this recommendation.
- The case for separating missing middle housing is robust since (a) many current and future households demand ground-related housing; (b) missing middle housing types are much closer substitutes to single- and semi-detached houses than higher-rise apartments; and (c) the provision of more missing middle housing in built-up areas will encourage households to move into these dwellings instead of moving further away in a quest for affordable houses.
- The 905 regions in the GTA and the City of Hamilton, following the minimum intensification and density targets of the Growth Plan, are planning for many fewer single- and semi-detached dwellings than market-based demand indicates. Oddly, they intend to replace the suppressed market-based demand for houses with higher-density apartments, not missing middle dwellings.³
- Our review of the 2021 Census of Canada data found that the number of missing middle housing units in the City of Toronto's housing stock declined between 2016 and 2021.

² Centre for Urban Research and Land Development (2020). ‘Submission: Proposed Land Needs Assessment Methodology for A Place to Grow: Growth Plan for the Greater Golden Horseshoe.’ [Online] Available:

https://www.torontomu.ca/content/dam/centre-urban-research-land-development/pdfs/CUR_Submission_Proposed_Land_Needs_Assessment_Methodology_A_Place_to_Grow_July_2020.pdf

³ Frank Clayton (2022). ‘GTHA 2021-2051 Land Needs Forecasts Lack Viable Alternatives to Single-Detached Houses.’ Centre for Urban Research and Land Development. [Online] Available: https://www.torontomu.ca/content/dam/centre-urban-research-land-development/CUR_Land_Needs_GGH_and_Missing_Middle_Aug.2022.pdf

Recommendation

Given the importance of building a lot more missing middle housing units throughout the GGH, it is recommended that the October 2022 housing targets formulated by the Province for all municipalities in the GGH be expanded to housing types: at a minimum single- and semi-detached houses, missing middle (townhouses and low-rise apartments separately), and higher density apartments. The Province should also monitor and publish data on housing starts by type, including apartment buildings by the number of storeys, which are available from CMHC.

If you have any questions about our submission, don't hesitate to get in touch with us.

Sincerely,



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