

12/30/2022

Minister's Office, Ministry of Municipal Affairs and Housing  
College Park, 17<sup>th</sup> Floor  
777 Bay Street  
Toronto, ON M7A 2J3

Attention: Hon. Steve Clark, Minister of Municipal Affairs and Housing

Dear Minister Clark:

**RE: Review of A Place to Grow and Provincial Policy Statement**

**ERO File No.: 019-6177**

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Hullmark is a third-generation family business that has been building communities in Toronto since 1950 and pioneered the condominium market that has taken off since the 1970's. Our portfolio of innovative city building projects continues to grow from the suburban template of the 1950's to the character defining urban landmarks Hullmark has become known for today.

Hullmark shares your commitment to building more homes for Ontarians and looks forward to working together to achieve your goal of 1.5 million new homes in 10 years. Merging the overlapping Provincial Policy Statement and Growth Plan creates opportunities for cutting red tape and reducing barriers to entry for building the homes we know Ontarians need.

While it is critical to move quickly in the face of unprecedented growth, it is important that policy interventions are also well thought out and consider short- and long-term outcomes, as their impacts will be felt for decades. Hullmark appreciates the opportunity to review and respond to the Ministry of Municipal Affairs and Housing "Review of A Place to Grow and Provincial Policy Statement" posted [online](#).

#### **Executive Summary**

As you know, while the foundation of creating complete communities is a robust and effective land use planning policy framework, there are important intricacies that ought to be considered beyond this foundation as well. Hullmark's holistic approach to improving the Province's planning and development system and thus increasing the supply of housing covers multiple points in the lifecycle of a project.

Our goal of creating more communities in which people will want to live and work is supported by the following four key pillars, which also embody the approach to our suggestions and thoughts regarding the harmonization of the Provincial Policy Statement and Growth Plan:

## ***1) Outcomes-Focused City Building***

Too often, the application of planning policy is performative and superficial. Merely “checking the boxes” of planning regulations fails to adequately account for the greater vision captured in official or secondary plans.

An execution and outcomes focused approach to the application of policy must be core to our strategy to address the housing supply crisis, creating the conditions for the Province, Municipalities and landowners such as Hullmark to act as partners for future and existing communities.

## ***2) Adaptability, Flexibility, and Resiliency***

Around the world, the most successful and resilient towns, cities, and regions are the ones who can adapt quickly to changing circumstances and requirements. Conversely, our local systems have become mired in layers of complicated and conflicting policies and guidelines, which have limited the ability for our growing region to adapt to new needs, while also diluting the overarching goals of these policy systems.

While regulation is necessary to ensure that the appropriate responses occur to external and internal pressures, an identification and relaxation/removal of unnecessary regulation is required.

## ***3) Supporting Housing Supply***

There is a critical need for housing supply, however, not all housing is built the same. Diversity in housing supply must be expanded to fully support the construction of diverse typologies as well as tenures. Municipalities across Ontario should prioritize growth within existing low-density neighbourhoods that exist today and are already connected to multiple forms of public transit, as well as focusing on the provision of “grade-related” housing typologies.

Additionally, labour shortages across all sectors will impact how housing supply can be delivered. To meet housing targets, planning staff need more resources to process a greater number of projects. The construction sector is particularly impacted by labour shortages, requiring new approaches to attracting and training the critical trade labour that will build the homes Ontario needs.

## ***4) Infrastructure and Environmental Stewardship***

Municipalities strive to keep the growth of their infrastructure, local services, and amenities in line with forecasted population and employment growth. Support must be provided to supply services which sustain growth; however, Municipalities should not have to sacrifice other responsibilities to make up for shortfalls. We encourage the Province to explore innovative ways to support municipalities in raising revenue and also ensuring that resources are utilized most effectively to expand and maintain critical services and infrastructure, where necessary.

As Ontario's population grows and construction of new homes, employment uses, and infrastructure continue to scale to keep pace, it will be critical to expand and further support sustainable green building practices. Policy intervention providing further financial incentives and partnerships will assist in encouraging sustainable building materials and energy usage for our future and existing buildings and infrastructure.

## **Harmonizing the Provincial Policy Statement and A Place to Grow: Growth Plan for the Greater Golden Horseshoe**

Hullmark supports the integration of the "Provincial Policy Statement" and "Growth Plan" with the goal of creating a more streamlined planning framework better able to meet housing supply need in Ontario.

The feedback Hullmark provides is informed by our decades of experience contributing to the vibrancy of urban Toronto and building celebrated and award-winning landmarks. Below are Hullmark's responses to the 5 questions posted for review by the Ministry of Municipal Affairs and Housing:

### **1) What are your thoughts on the proposed core elements to be included in a streamlined province-wide land use planning policy instrument?**

We support the proposed core elements currently proposed as they represent a strong basis to build upon. However, we also believe there may be more specific focuses these core concepts could take further to ensure that housing is not only a priority but is executed on successfully and maintained appropriately.

#### *Provide Specific Direction to Streamline Processes*

In our experience, the greatest drawback of the current municipal planning process stems from the layers of complex and opposing regulation, which creates a policy environment with no clear objective and lessens the ability for professional planning opinion to be flexible and support appropriate and needed growth.

We ask the Province to provide clear, specific direction and guidance to Municipalities to align policy objectives and simplify their frameworks and requirements, in turn saving time in the approvals process and allowing for greater flexibility in planning and executing. This also allows resources to be committed to creative solutions, high quality materials and design as well as sustainable building practices and maintenance.

#### *Support the Execution of Housing Strategies*

Municipal planning departments across Ontario are short the staff they require to process, approve and inspect new housing projects, which in turn fosters an adversarial relationship between the private and public sectors in the face of elongated timelines. We ask the Province to develop a province-wide housing industry recruitment and retention strategy. Such a strategy would seek to attract talent to our communities from across the country and around the world, and increase vocational training resources for the construction, inspection, and planning professions.

Additionally, there is a significant and acute labour shortage in the construction trade sector that severely bottlenecks the execution of approved housing. We recommend an additional “core element” be created within the new provincial policy instrument focused on increasing labour levels across all sectors involved in the development process with the goal of bolstering the jurisdictional capacity to expand housing supply.

## **2) What land use planning policies should the government use to increase the supply of housing and support a diversity of housing types?**

### *Enable Communities to Evolve Multiple Housing Formats*

In addition to the recent regulatory changes proposed by the Province and City of Toronto, focusing Provincial policy to utilize existing developed land to accommodate different forms of grade-related housing should be a priority, as well as allowing for these areas to adapt over time. This form of housing leverages existing development areas and existing infrastructure to create sustainable and walkable neighborhoods with denser, grade-related housing, which is highly sought after as a housing typology.

For example, gently intensifying existing low-density neighbourhoods by allowing properties fronting cul-de-sacs to be gradually combined to accommodate 4 to 6-storey residential apartments as-of-right would create opportunities for several single-family homes to be assembled into hundreds of housing units. Gentle intensification of this kind also allows small to mid-size home builders to take part in addressing the housing supply crisis and allows our neighbourhoods to become more dynamic.

Additionally, placing time limits on the zoning of single-detached housing in new developments so the as-of-right permissions expand to include gentle density (e.g. up-zoned following 20 years from construction) would allow adaptation over time to provide much desired “leafy” apartment neighbourhoods, without concentrating density only at key intersections.

The City of Toronto’s recent proposal of transition zones allowing for mid-size apartments between Neighbourhoods and Mixed Use-Areas is also an initiative we support, however, we believe there are additional opportunities to create and spread grade-related and transit-oriented density within existing development areas, and we ask the Province to explore these opportunities.

### *Emphasize “Activation” and Design to Develop an Outcomes-Focused Mindset*

Successful housing projects proceed through 3 main phases in their implementation lifecycle: planning/designing, constructing, and activating. Currently, the elongated time required to navigate the complexities and overlapping policies within the existing land use planning framework result in many landowners not being able to commit the appropriate resources to design high quality spaces or environmentally friendly buildings. This forces the activation phase to be abandoned or completed by already stretched municipalities.

Merely planning and building housing is not enough to guarantee success in the housing market; proper design and activation of the spaces we reside in distinguishes a home from any other building, inside and out. Additionally, trust is fostered between home builders and community stakeholders when high-quality, environmentally friendly, well-designed projects are constructed as part of their neighborhoods.

We ask the Province to outline a goal of balancing resources across a project's lifecycle through a consolidated policy framework, ensuring landowners, private and public, are provided enough time to create high-quality housing for future residents, with a focus on design, activation, and green building practices.

### **3) How should the government further streamline land use planning policy to increase the supply of housing?**

#### *Instilling Outcomes-Focused Approaches Through Municipal Project Leads*

While it is important to maintain appropriate levels of regulation, we believe that the development approval process would be more efficient if reoriented around an individual, focused project lead. This would be separate from long-range planning, or the regulatory approach which is typical of most planning departments. The case manager or department would be responsible for leading the approval process and would streamline the expectations landowners must meet while also instilling a critical outcomes and partnership focused approach between the public and private sectors.

Additionally, a consolidation of the development approval process through a dedicated lead would allow for decisions to be made which better align with overarching policy goals as well as providing much needed guidance and support to new and smaller builders and landowners, allowing them to better contribute to the supply of housing.

We ask the Province to consider requiring municipalities to appoint project leaders based on a Province-wide, standardized approach.

#### *Reduce Arenas for Conflict and Encourage Meaningful Consultation*

Public participation is essential to good planning; however, additional controls are necessary as bad faith actors and overindulgence in performative participation in reaction to necessary change has been exacerbated in the current framework. This directly impedes the development process, and we recommend prioritizing the importance of expert planning opinion and individuals with lived experience through a streamlined land use planning framework.

While we support the initial steps the Province took on restricting third party appeals for consents and minor variances, more can be done to rationalize the appeal system, reduce abuse, and hasten the construction of new housing projects. For example, the minimum fee to appeal an Ontario Land Tribunal (OLT) is only four hundred dollars – an intentionally low price to keep the process accessible to Ontarians. Comparatively, the fee to apply for a Minor Variance to construct a minor addition in the City of Toronto is around five thousand dollars. In many cases, appeals are used as stalling tactics or by parties who do not understand the

process, regardless resulting in undue administrative burden and considerable delays in project approvals. Frustratingly, these are sometimes appeals to relitigate zoning disagreements that have already been settled through official plan policies which themselves which are now approved by the Province. We ask the Province to consider raising this fee to allow for the process to still be accessible, but only to parties with valid concerns.

### *Public Funds to Support Housing Affordability Objectives*

A collaborative approach should be encouraged between the private and public sector, to work together as partners in addressing the housing affordability crisis in Ontario. Currently, Provincial housing targets are primarily achieved by private builders with profit incentive and the goals of building more housing and building more affordable units may come into conflict depending on the context. It is crucial now more than ever to encourage and implement predictable systems that create environments for collaboration, partnership, and learning between the private sector and public sector rather than shifting responsibility back and forth.

We ask the Province develop a unified approach for financially subsidizing the construction of affordable housing units within private development, which will mitigate this potential conflict, provide additional certainty for landowners, and maximize the amount of new and affordable housing constructed.

### *Flexibility for Employment Uses*

While certain heavy industrial employment uses are rightfully required to be protected, maintained, and have appropriate separation distance from more sensitive mixed-use areas, there are also many underutilized parcels of employment lands that could be successfully leveraged into thriving mixed-use communities with different forms of modern employment spaces integrated within. This is especially important as the nature of modern workplaces shift over time. Our successful portfolio contains a variety of creative and flexible commercial employment uses and tenants and underlines the need for greater flexibility within designated employment lands and existing commercial buildings, which again, could be successfully leveraged for additional housing while also providing employment opportunities.

As an example, the City of Toronto's outdated office replacement policy applies city-wide based on certain criteria, and often results in requirements to replace office space in areas of the City which are not viable locations for successful modern employment uses, sometimes stymying the development of these lands for a needed mix of uses, including housing. Further, while there may be solutions in these areas with flexible and modern forms of commercial spaces, existing definitions of "employment" do not reflect current market trends, leading to these requirements forcing replacement of outdated uses with more outdated, and likely future vacant, uses. Hullmark's detailed discussion on this topic can be found in our [2019 comments](#) on amendments to the Growth Plan and inclusion of Toronto's office parks in the Provincially Significant Employment Zones regime.

Additionally, while there are opportunities to provide flexibility within less sensitive employment areas, we also believe there are opportunities to provide greater certainty,

flexibility and protection to areas with heavier industrial employment, as there will be situations where more sensitive uses such as housing will begin to be proposed in close adjacency. These larger parcels of land are often among the best parcels for meaningful yields of hundreds to thousands of new housing units near transit, but they are protected from conversion for a web of municipal and provincial policies and regulations. While adjacency restrictions exist for good reason, there may be opportunities to examine creative land-value-capture tools to leverage the inherent uplift in land value experienced by successful land use conversion requests for large parcels of land to provide financial certainty to existing employment uses that expensive mitigation measures will be implemented. This type of tool would reduce some of the concerns associated with conversions in older, transit-rich parts of the region, while providing long-standing employers in the community with some support to continue adapting to their changing neighbourhood, allowing for the gentle evolution of our communities.

We ask the Province to examine current employment retention, replacement and protection policies in concert with municipalities and the private sector to determine opportunities for relaxation of requirements which hold back both the provision of housing, but also the supply of desired modern employment spaces.

- 4) **What policy concepts from the Provincial Policy Statement and A Place to Grow are helpful for ensuring there is a sufficient supply and mix of housing and should be included in the new policy document?**

#### *Strategic Deployment of Development Charge Reserves*

Both A Place to Grow and the Provincial Policy Statement mandate that a supply of land available for housing be identified. These lands, whether infill or greenfield, also require the services necessary to support growth. Recent development charge spending mandates to municipalities could encourage them to meet blanket spending quotas rather than strategically deploy those funds in areas that growth is likely to go next.

We ask the Province to ensure DC reserves are deployed for critical infrastructure capacity increases and public service expansions where the growth is going according to local market conditions and the policy environment, and also examine if the current 60% requirement is enough to ensure that infrastructure growth and maintenance keeps pace or exceeds housing demand and construction.

- 5) **What policy concepts in the Provincial Policy Statement and A Place to Grow should be streamlined or not included in the new policy document?**

#### *Partnership With Private Sector Leaders*

An efficient and streamlined partnership model is necessary to build and maintain to ensure success for an updated planning framework. While municipal planning and design tools are created with the best of intentions, often this occurs without sufficient input from the private sector who have the direct experience of financing and constructing the housing that is so needed, which results in requirements that are not physically or financially viable to construct or maintain.

We ask the Province to ensure that our on-the-ground experience is incorporated into municipal design guidelines and policy and that the public and public sectors work together to explore existing development approvals methods, overlap, duplication, or unrealistic requirements.

**Conclusion**

Thank you for inviting our input on the proposed merger of the Growth Plan and Provincial Policy Statement. Hullmark is encouraged by your Ministry's ambitious housing targets and goals for streamlining the planning process and reducing red tape.

Should you have any questions or would like to discuss our initial feedback, please do not hesitate to contact the undersigned, or Charles Arbez, Director, Development.

Sincerely,

Jeff Hull  
*President*