

March 7, 2023

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**Subject: ERO 019-6619 - Municipal Reporting on Planning Matters**

## OVERVIEW AND EXPERIENCE

Altus Group Economic Consulting is submitting comments in response to an ERO posting seeking public input on municipal reporting on planning matters.

While Altus Group is a global company, our team's practice is focused on land economics and urban planning matters in Canada with a particular emphasis on Ontario. The team is led by Daryl Keleher, a registered professional planner (RPP) and full member of the Canadian Institute of Planners, and a frequent expert witness at the Ontario Land Tribunal on matters related to growth management, housing policy, land use planning, and municipal finance. Our clients include a range of municipalities, home builders, developers, and public agencies.

Our team is comprised of a mix of urban planners and economists that are responsible for the recently released Municipal Benchmarking Studies, one of which was a Canada-wide study commissioned by CHBA, and the other a Greater Toronto Area focused study for BILD. Both studies sought to compile data on planning applications and approvals in 30 municipalities across Canada, including nearly 20 municipalities in Ontario. As part of our study process, we contacted key municipal staff at all 30 municipalities to seek municipal approval timeline data and received data from a substantial number of municipalities. The municipal participation in the data gathering process greatly improved the quality of our study, and the findings we were able to make from reviewing the data provided.

Where municipalities were not able to provide data, we were able to compile hundreds of data points regarding municipal approvals for new housing development. However, based on our experience compiling the information, the process in many cases was extremely time-consuming and cumbersome. Accordingly, in both of the 2022 benchmarking studies, a key recommendation was for a "Planning Information Return" which would standardize and formalize municipal data regarding new housing approvals.

March 7, 2023

Page 2

Simply put, the only way to navigate a crisis is through robust, timely, and accurate data, as the recent COVID-19 pandemic demonstrated. There is currently little in the way of formalized, consistent data available to help Ontario planners, economists, researchers or the general public to objectively assess approval timelines, estimate land needs, know what quantities of housing approvals exist by unit type, among many other conceivable types of analysis not currently possible.

The proposed municipal reporting system would give a major boost to being able to better understand these issues and help policy analysts provide informed recommendations to these and other problems.

There are obvious inefficiencies in our system, but without formalized and standardized data from municipalities, those inefficiencies are unnecessarily difficult to spot. Similarly, without adequate data, understanding the scale or orientation of a policy or legislative problem is difficult to assess.

The data likely to be provided through the proposed annual reporting would also allow for a better understanding of why **approved supply** may not immediately translate to **built supply**, allowing for analysis of geographic areas or types of development that may be infeasible to build due to high costs, insufficient demand, or both. Knowing what types of approved supply that may not be proceeding to construction (and where) can help municipalities better understand market signals and work to overcome inefficiencies in policy, regulations or market demand.

The data will also enable internal municipal researchers and planners to undertake analyses and better learn from colleagues and experiences in other Ontario municipalities.

A similarly robust data set is already obtained annually by the Ministry of Municipal Affairs and Housing for municipal financial data, through the Financial Information Return (“FIR”). The FIR is an invaluable tool to researchers in the municipal finance field. The proposed “Planning Information Return” (for lack of a better name) would be equally, if not be more valuable, to understanding Ontario, as well as its current issues, and will help in identifying emerging issues before they become outsized.

## LESSONS LEARNED FROM OTHER MUNICIPAL REPORTING SYSTEMS

The creation of a standardized planning-oriented reporting system would not be precedent setting in either Canada, or in peer nations.

The Province of Alberta already provides for a *Statistical Information Return* (“SIR”) that includes municipal planning approval timeline information, however as noted in our Municipal Benchmarking Study for BILD:

*One weakness of Alberta’s dataset is that it provides aggregate (emphasis added) data of planning statistics. This limits the ability of researchers to understand several useful attributes such as:*

- *Approval/Refusal Rate;*
- *Average number of units approved per application;*
- *Break down of approvals or denials by structure size;*
- *Timelines of approvals by structure size; and*
- *Location of approvals and refusals. (page 73).*

March 7, 2023

Page 3

While the initial proposal list for data to be reported (Appendix 2 of ERO) provides a long list of requirements, the Ministry should consider emulating the approach taken by the State of Victoria in Australia.

According to the State of Victoria's Planning Permit Activity Reporting System (PPARS) website:

*The Planning Permit Activity Reporting System (PPARS) is an online system which supports the automated collection of standardised permit activity data on a monthly basis from 79 Victorian councils. Monitoring planning permit activity is a key part of improving Victoria's planning system.*

*The system has been collecting data electronically since July 2007 and uses this data to provide vital information to inform planning decisions, measure outcomes and improve services.*

*The availability of statistical data on planning permit activity:*

- *enables early identification of development industry trends*
- *provides information on activity levels,*
- *identifies factors affecting permit workload volumes for each council area, and*
- *identifies differences between and within metropolitan and rural areas across Victoria...*

*Information collected from each council area includes:*

- *what the permit applications are for*
- *the value of the works proposed*
- *how long they take to be processed*
- *how many are advertised*
- *how many have been referred to other agencies*
- *how many objections have been received*
- *trends in the numbers of applications and outcomes*
- *and much more...*

While we do not necessarily recommend adopting exactly same data collection parameters as the PPARS system, it could provide direction on how to add to and enhance the base reporting requirements being proposed in the current ERO.

## **POTENTIAL ADDITIONAL DATA POINTS TO INCLUDE**

### **Additional Detail and Nuance to be Considered**

Where relevant, we would suggest that the data reporting requirements include the following data points to improve the quality of the data reported and help researchers and decision-makers have the best available data that covers as much of the planning tools set out in the Planning Act as possible:

- Data regarding Resubmissions – quantity and length of time from submission to 'resubmission'
- Information on usage and length of time associated with Holding provisions

March 7, 2023

Page 4

- Information on nature of approval authority (Council, Committee, staff delegation, OLT)
- Information on decisions appealed for each development application
- Information on decision / non-decision / refusals for each development application
- Information on designated 'affordable' and 'attainable' units within development application
- Information on inclusionary zoning units included within eligible development applications
- Information on units proposed and/or approved by planning area:
  - Protected Major Transit Station Area / Major Transit Station Area
  - Built-Up Area (unit count, land area, units per hectare);
  - Designated Greenfield Area (unit count, land area, units per hectare);
  - Community Improvement Plan Areas;
  - Etc.

Matching the data requirements to the policy environment and provincially-mandated designations and policy directions will be crucial to ensure that municipal implementation is following provincial policy.

### **Data Regarding Unit Counts is Crucial**

The proposed data collection parameters for official plan amendments ("OPAs"), zoning by-law amendments ("ZBLAs"), and site plan applications as outlined in Appendix 2 of the ERO submission should include a requirement to provide data on unit counts by housing type at a minimum (e.g., apartments, townhouses, singles, etc.) and the amount of non-residential space, where applicable and where the data is available.

On a go forward basis for future municipal reports, site plan and subdivision application data should include unit counts by bedroom count (e.g., studio, 1-bedroom, etc.) in addition to unit type (townhouse, stacked townhouse, apartment, etc.), where the data is available.

Zoning by-law amendment applications should also be afforded the opportunity to provide unit count by bedroom type as well, as not all proposed development require a site plan application, however, not all projects have finalized this aspect of the development project, so it won't always be available.

### **Encourage Inclusion of Historic Data Where Available**

Municipalities should be encouraged to provide as much data as they can reasonably provide for historical data, while on a go-forward basis, the reporting format and data required should be adhered to as strictly as possible to ensure proper comparison across municipalities but also from year-to-year. The stringency of required data should be an aspect that the municipal reporting team examine in conjunction with municipal stakeholders and building industry representatives.

### **Consideration Expanding Requirements to Include Committee of Adjustment Data**

It is recommended that the municipal reports implementation team review KPMG's *Committee of Adjustment Review*, presented to the City of Toronto's Planning and Housing Committee on February 28<sup>th</sup>, 2023 (see Item 2023.PH2.5). The report highlighted issues with data availability regarding Committee of

March 7, 2023

Page 5

Adjustment decision making and other matters that may be relevant to municipal reporting on planning matters.

## **DATA INTEGRITY BEST PRACTICES**

Unified definitions should be created, in consultation with municipalities, to ensure consistent treatment and categorization of certain housing types, such as stacked townhouses (defined as apartments by Statistics Canada but sometimes treated as townhouses in local policy documents or by-laws). It is recommended that definitions of unit type mirror those provided by Statistics Canada as closely as possible to allow for comparisons with Census data.

Proposed uses should also be given as separate specified definitions and the avoidance of the term “mixed-use” should be considered. Mixed-use development can include any combination of residential, retail, office, institutional, or other forms of uses. Some mixed-use development may, for example, only include commercial (sales office) and industrial uses (warehouse) or any combination of uses other than residential. This can make it difficult in future analysis to determine what kind of mixed-use is exactly being specified, and it may be too broad of a category to provide much value. All applicable uses should be individually accounted for separately and hybridized catch-all terms should be avoided.

Commercial uses should also have separate categories for office, retail, and other appropriate categories. Having a catch-all term for commercial uses that includes a range of activities from restaurants to law offices within a single term will significantly dilute the usefulness of the information in later analysis.

Consideration of this issue should also be given for other uses, such as ‘institutional’ and ‘industrial’. Depending on feedback from municipal partners in terms of administrative burdens, it may be appropriate to address these issues as part of a future on-going adjustment to the base proposal.

We would also recommend the Ministry provides a highly-detailed guide book for municipalities for how to fill out the forms with the requisite information and conduct extensive training sessions to ensure that the end product is as robust as possible.

## **FORMAT OF REPORTING**

The format of the reports should be in machine readable formats and potentially mirror the schedule system found in the financial information returns (“FIRs”). PDF documents should be avoided wherever possible. Consideration should be given to provide the data through database that includes an application programming interface (“API”) key that allows for easy extraction of large datasets.

## **BENEFITS OF ROBUST PUBLIC SECTOR DATA**

It is critical that the data collected by the Ministry be made available to the public either through the Ontario Open Data Catalogue or through a dedicated website in a similar fashion to FIRs. As previously noted with Alberta’s SIR data, it is of critical importance that the data be provided in both aggregate and disaggregate formats to maximize the usefulness of the information.

This data has many applicable applications that staff in other ministries, such as economic development may find critically useful, for public researchers, for civil society groups seeking to see more housing built, for municipalities wishing to better understand practices and trends occurring in other jurisdictions and

March 7, 2023

Page 6

other noteworthy actors or situations. Municipal reports on planning has the potential to help break many of the institutional silos that hinders good planning practices across a range of jurisdictions, ministries, and groups and as a result, may cause sub-optimal decision making.