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Planning Consultation Ministry of Municipal Affairs & Housing 17th Floor – 777 Bay St Toronto, ON M7A 2J3

OPPI Comments on Missing Middle Consultation (ERO 019-5286)

On behalf of the Ontario Professional Planners Institute (OPPI), I am pleased to provide our comments on the Ministry of Municipal Affairs & Housing's recent consultation posting regarding *"Opportunities to increase missing middle housing and gentle density, including support for multigenerational housing"* (ERO 019-5286).

About OPPI

OPPI is the recognized voice of Ontario's planning profession. With over 4,600 members, it serves as both the Professional Institute and regulator of Registered Professional Planners (RPP) in the province. Our members work across the planning spectrum, for consulting firms, provincial and municipal approval bodies, private developers, community agencies and academic institutions.

RPPs are skilled, professional, and dependable navigators employed to help lead communities towards the Ontario of tomorrow. RPPs are the local experts who bring together differing points of view; they consult and develop recommendations that provide informed choices for decision-makers and elected officials. RPPs act in the public interest as professionals who work to improve the quality and livability of communities in Ontario today and for their sustainability long-term.

Introduction

OPPI supports the government's policy objective to address housing affordability in the Province of Ontario. The issue is shaping up to be a priority public policy challenge; a complex issue with multiple dimensions that involves all orders of government.

As professional planners, OPPI's focus is on land use planning and its role in the housing policy conversation. To that end, we have worked with the government to advance measures that will lead to more housing being built and built faster in the Province of Ontario. Our initial collaboration has enhanced delegation of technical planning approvals through Bill 13, *Supporting People and Businesses Act, 2021* and then Bill 109, *More Homes for Everyone Act, 2022*.

OPPI has also developed its <u>Top 10 Housing Supply and Affordability Recommendations</u> that include measures such as:

• Creating a Chief Planner of Ontario (CPO) as an independent, non-partisan Officer of the Legislature to respond to the Auditor General's December, 2021 recommendations and ensure effective implementation of provincial land use plans and policies;



- Promoting new tools that streamline the planning process such as the Community Planning Permit System (CPPS); and
- Leveraging RPPs to streamline decision making by providing sign off on certain planning reports.

OPPI also supports policies that encourage the "Missing Middle"; laneway housing, garden suites, duplexes, triplexes, fourplexes, rowhouses, townhouses, and low-rise apartments should be an essential part of our new housing mix.

We are pleased to provide our comments to the four discussion questions posed in the Ministry's consultation posting.

Discussion Questions

1. What are the biggest barriers and delays to diversifying the types of housing built in existing neighbourhoods?

Key barriers to more missing middle housing relate to municipal standards, government fees and charges, and high land costs.

On standards, municipalities across Ontario have a variety of requirements that guide what needs to be in place for duplex, triplex, fourplex or other types of missing middle housing to be approved.

These include aspects such as:

- Additional parking spaces for incremental units;
- The type of additional parking spaces (i.e., tandem, side-by-side);
- Minimum square footage for additional units;
- Maximum square footage for additional units;
- Lot size requirements; and
- Setback requirements.

In some municipalities, these types of standards may be prohibitive to the policy objective of promoting gentle density and more missing middle housing options.

On government fees and costs, given individuals and companies who develop duplexes, triplexes and other missing middle housing are generally not large developers, government fees and charges may pose a significant barrier to getting these units to market.

The Province made legislative changes in 2019 under the *More Homes, More Choices Act* to exempt second dwelling units in new residential buildings from Development Charges (DC). This was a step in the right direction; however, these costs remain for other types of missing middle housing.

In addition, processing time for building permits also adds cost to these types of projects. Some municipalities have quick turn arounds to issue permits for duplexes and triplexes; it can be a matter



of a couple of weeks while others take many months. This additional time adds holding costs to the projects, which in turn, makes it more expensive and less feasible.

To the earlier point, duplexes, triplexes, fourplexes and other forms of smaller missing middle housing options are mostly pursued by 'mom and pop' investors who would benefit from a more seamless and expedited approach to unlocking these additional housing units on their properties.

High cost of land also represents a significant barrier to building more missing middle housing, especially in urban areas. Land is increasingly becoming a larger cost driver among housing projects. Projects with a large quantity of units (mid-rise and high-rise) can spread the land cost over many units. However, multiple-unit lower density projects such as triplexes or fourplexes retain a high per unit land cost. This often leads to missing middle projects primarily targeting the luxury market where costs can be passed onto to end consumers and results in a shortage of missing middle housing more suited for middle income residents.

2. What further changes to the planning and development process would you suggest to make it easier to support gentle density and build missing middle housing and multigenerational housing, in Ontario?

Building on the barriers cited in the response to the previous question, measures that serve to reduce the potency of those barriers would, by definition, make it easier to support gentle density and build the missing middle in Ontario.

On municipal standards, setting prescriptive site-level standards through provincial legislation or regulation could pose significant challenges as on-the-ground conditions vary across the Province. One approach to address this issue could be to prohibit incremental planning provisions for additional housing units if the footprint and envelope of the building structure is not changed. For example, no additional setback or yard size requirements should be allowed if an individual is seeking to convert a two-storey single-family home into a triplex within the existing building structure.

On government fees and costs, the province could consider expanding the DC exemption for a second dwelling unit to a third or fourth unit on an existing lot. Reducing or eliminating other government fees and charges associated with this type of development could also be explored.

The Province could also consider requiring municipalities to assign zones and plan for missing middle housing within those zones or areas. An incentive structure that provides targeted funding for local planning to unlock the missing middle could be used.

3. Are you aware of innovative approaches to land use planning and community building from other jurisdictions that would help increase the supply of missing middle and multigenerational housing?

A Community Planning Permit System (CPPS) is an innovative planning tool that could be used to support planning and development of missing middle housing in municipalities across Ontario.

Recommendation #2 in *OPPI's Top 10 Housing Supply and Affordability Recommendations* calls on the Province to encourage use of the CPPS tool in Strategic Growth Areas by providing implementation funding to municipalities. A CPPS is an existing *Planning Act* tool that combines



Zoning By-Law Amendment, Site Plan and Minor Variance into a single streamlined application and approval process. Once implemented the process can significantly speed up the approval process.

The use of this tool can help update zoning and allow more as-of-right development of mid-rise and other missing middle housing across these growth areas.

4. Are there any other changes that would help support opportunities for missing middle and multigenerational housing?

The Province has a strong framework to promote the missing middle under the *Planning Act* and the Provincial Policy Statement. However, implementation of those policy objectives is where challenges often arise.

Recommendation #1 in *OPPI's Top 10 Housing Supply and Affordability Recommendations* calls on the Province to create an Office of the Chief Planner of Ontario (CPO) as an independent, non-partisan Office of the Legislative Assembly to provide implementation oversight of provincial land use plans and policies.

The CPO would publish an annual report on local progress towards various policies including growth targets. The report would also provide recommendations to municipalities that may be misaligned with provincial plans and policies on a path to conformity.

Conclusion

Thank you for the opportunity to provide our initial comments as the government considers measures to encourage gentle density and promote the missing middle in Ontario. We look forward to reviewing specific proposals and providing our ongoing advice as part of future consultations on this key issue.

If you have any questions on our comments, please feel free to contact Susan Wiggins at (647) 326-2328 or by email at <u>s.wiggins@ontarioplanners.ca</u>.

Sincerely,

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