

City of Mississauga  
**Corporate Report**



<p>Date: February 24, 2022</p> <p>To: Mayor and Members of Council</p>	<p>Originator's files:</p>
<p>From: Andrew Whittemore, M.U.R.P., Commissioner of Planning &amp; Building</p>	<p>Meeting date: March 2, 2022</p>

## Subject

**Report of the Ontario Housing Affordability Task Force and Implications for Mississauga**

## Recommendation

1. That the report titled "Report of the Ontario Housing Affordability Task Force and Implications for Mississauga" from the Commissioner of Planning and Building, dated February 24, 2022, be received for information.
2. That Council endorse positions contained in this report.
3. That the City Clerk forwards this report to the Ministry of Municipal Affairs and Housing; Mississauga's Members of Provincial Parliament, the Association for Municipalities Ontario, and the Region of Peel.

## Executive Summary

- On February 8, 2022, the Minister of Municipal Affairs and Housing received a report from Ontario's Housing Affordability Task Force that included 55 recommendations aimed at supporting housing affordability.
- This Corporate Report provides Council with an overview of the Task Force's recommendations; the potential impacts on the City; and, seeks authority to submit comments to the Minister for further consideration.
- The Task Force considers that a lack of housing supply is at the root of Ontario's affordability crisis with all recommendations aimed at bringing 1.5 million houses to market in the next 10 years. The proposed changes touch on many aspects of the planning system, its financing and public participation.
- Overall, Mississauga has demonstrated a strong commitment to affordable housing. However, staff are concerned that many of the Task Force's recommendations may diminish the planning process and quality of life in the city, but fail to deliver affordable housing.

## Background

On December 6, 2021, Steve Clark, Minister of Municipal Affairs and Housing (the Minister) established Ontario's Housing Affordability Task Force (the Task Force). Their mandate is to address housing affordability by increasing the supply of market housing, reducing red tape, accelerating timelines, supporting economic recovery and job creation.

The Task Force is chaired by Jake Lawrence, Chief Executive Officer and Group Head at Scotiabank, with the following eight (8) members:

- Lalit Aggarwal, President at Manor Park Management
- David Amborski, Professor at Ryerson University's School of Urban and Regional Planning
- Julie Di Lorenzo, President at Diamante Urban Corporation
- Andrew Garrett, Senior Principal at Investment Management Corporation of Ontario
- Tim Hudak, Chief Executive Officer of Ontario Real Estate Association
- Justin Marchand, Chief Executive Officer of Ontario Aboriginal Housing Services
- Ene Underwood, Chief Executive Officer of Habitat for Humanity Greater Toronto Area (GTA)
- David Wilkes, President and Chief Executive Officer of the Building Industry and Land Development Association (BILD)

Mississauga's staff and elected officials were invited to meetings by the Task Force, as follows:

- On January 17, 2022, the City's Planning & Building senior leadership provided input on the barriers to development, role of government in overcoming housing barriers while balancing other priorities, and supporting innovative change.
- On January 19, 2022, Premier Doug Ford and the Minister met with big city mayors and regional chairs to discuss the housing crisis at the Provincial-Municipal Housing Summit.

On February 8, 2022, the Task Force delivered its report to the Minister, which includes 55 recommendations. The report is included as Appendix 1. The Minister has not yet indicated which of these recommendations will be supported, nor has a timeline been provided. However, the spirit of the proposed recommendations signal sweeping changes with potential impacts to the City from a financial, community building, public engagement and growth management perspective.

The purpose of this report is to: provide Council with an overview of the Task Force's recommendations; the potential impacts on the City; identify high level areas of support for the recommendations and areas that could be reconsidered; and, seek authority to submit these comments to the Minister for further consideration.

## Comments

### Overview of Task Force Recommendations

The Task Force considers that a lack of housing supply is at the root of Ontario's affordability crisis with all recommendations aimed at bringing 1.5 million houses to market in the next 10 years. The Task Force is proposing sweeping changes that touch many aspects of the planning system, public participation and growth related charges. The Task Force places a significant portion of responsibility for this housing crisis on slow approvals, outdated zoning, high fees, frivolous appeals and community opposition. The following is a summary of the Task Force themes as presented in their report.

- Theme 1: Make the creation of housing a greater planning priority, require greater density and broadly expand development rights.
- Theme 2: Reduce, shorten and streamline planning application processes and implement province wide zoning and urban design standards.
- Theme 3: Depoliticize the planning process by eliminating restrictive zoning and removing neighbourhood character considerations.
- Theme 4: Fix the Ontario Land Tribunal (OLT) and prevent abuse of the appeals system.
- Theme 5: Support municipalities that commit to transforming the system.

The Task Force's recommendations and the staff response is listed in Appendix 2 for Council's consideration.

### Staff Responses and Implications to Mississauga

The City has demonstrated a strong commitment to support provincial aims to create more housing, a greater mix of housing and efforts to make home ownership and renting more affordable. The City further supports the government's commitment to reduce red tape and make it easier to live and do business in Ontario.

Staff have concerns, however, that some of the Task Force's recommendations may remove some decision making powers from Council, reduce community engagement, lower design standards and could undermine the creation of complete communities. Moreover, certain changes could reduce revenues generated by development related charges which could be a risk to infrastructure and parkland provision.

More specifically, most of the Task Force's 55 recommendations, staff either support or are neutral about. Certainly the City has already enacted or is working on implementing many of these actions. However, there are almost 20 actions that staff believe will not contribute to improved housing affordability, but could adversely impact quality of life in the city. Please see Appendix 2 for more detailed information.

Staff have undertaken a review of the Task Force report and considered the potential implications to Mississauga.

### **1) Unlimited development rights may not lead to increased housing, or more affordable housing**

Many of the Task Force's recommendations are based on a premise that broadly increasing development rights to permit increased heights and densities will lead to more housing being built, which will translate to the creation of more affordable housing. This premise is questionable, and staff have found that developers phase growth in order to manage any downward pressure on unit prices.

City staff note the following for consideration:

- Mississauga staff question the premise that development permissions translate to the development of more housing units.
- The City's Planning and Building Department has approved zoning for 20,000 units, but developers have not yet applied for building permits for these units.<sup>1</sup>
- Moreover in 2001, Mississauga pioneered "unlimited height and density" permissions in its Downtown Core. These innovative permissions streamline and bring certainty to the development process, allowing a developer to lift a holding provision and move straight to site plan approvals in this area.
- Mississauga staff estimate that the Downtown Core could readily accommodate a further 50,000 units under this regime. Given there are approximately 10,000 units currently in the development pipeline, lands in the Downtown Core are pre-zoned to accommodate a further 40,000 units (e.g. in addition to the 20,000 units identified).
- Therefore, Mississauga has pre-zoned for at least 60,000 units, but these increased or even unlimited development rights have not resulted in major increases in housing supply or addressed the City's affordability issues.
- There are many reasons why developers may not have built these projects. To name a few, there may be adjacent development completions, challenges securing construction contracts, financial capacity, inflationary pressures leading to increased material and labour costs, or a desire to enshrine development rights for the long term. Affordability is

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<sup>1</sup> Notably, over half of these units received zoning approval more than two years ago. In these cases, developers have had ample time to receive site plan approvals and move to the building permit stage.

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also influenced by macro trends, such as low interest rates, the banking system, high levels of housing demand, immigration, etc.

Overall, there are a broad range of issues that impact housing affordability that have not been explored by the Task Force. Certainly in Mississauga's case, development rights (or even unlimited development rights) have not led to significant increases in housing supply or affordability. Any broad changes to development rights on the basis of these recommendations should be carefully considered, as once these development rights are enshrined they will be very difficult to take away.

Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec # – See Appendix 2	N/A	Rec #38	N/A	Rec # 1-2

## 2) Municipal planning processes help to address local issues and community safety

The Task Force has several recommendations that seek to reduce decision making timelines, eliminate the need for site plan approvals (in some cases), reduce public meetings and limit appeal rights. All of these recommendations are intended to speed up the planning process.

City staff note the following for consideration:

- Timelines:* Planning staff and agencies are already challenged by existing timelines. In particular, the Province's own commenting agencies often do not meet the existing deadlines. Any additional shortening of these timelines will further reduce opportunities for municipalities to meaningfully refine applications, and likely further add to OLT caseloads. Notably, Bill 108 almost halved development timelines and in the intervening period there has been no noticeable improvement in affordability.
- Community Meetings:* Community meetings provide important forums for public input and resolving issues. If these issues are not dealt with at local meetings (or allowed to be dealt with at local meetings), all these matters will then go to Council and will significantly slow down the number of applications that can be heard at each Council meeting, which will in turn slow down the approval processes.
- Site Plan Processes:* The site plan process also helps to resolve many issues (e.g. resolving issues around fire safety, servicing, etc.). By eliminating site plan processes, these matters will be transferred to the building permit stage. This will slow down the building permit process and put additional pressure on building permit reviewers and inspectors, where planners are trained and experienced at resolving these matters.

- *Incomplete Applications:* Many of the delays are caused by the applicants themselves. Either because a complete application has not been provided or the applicant has not resubmitted information that has been requested. The City's Planning staff provide a lot of support to help educate inexperienced applicants on the planning process. However, applicants could significantly speed up the process by engaging their own experts to help support them through the process, or by promptly responding to requests for further information. To improve quality and ensure completeness of applications, it would be beneficial to require a Registered Professional Planner (RPP) to sign-off on planning reports prior to submission.
- *Community Engagement:* Along with reduced public participation in the planning process, the recommendations also aim to reduce public participation in the appeals process and suggest increasing third party appeal costs, which would make it prohibitively expensive for general members of the public to participate. Staff consider that this overall aim to reduce public participation could prevent the building of trust, transparency and meaningful engagement with residents through the planning process. Community input invariably leads to more context sensitive development proposals and better community outcomes.
- *Premature Appeals:* Again, many reasons for delays at the OLT are a result of applicants not resolving crucial matters. For example, applications are often slowed down at OLT as developers have not resolved key requirements (e.g. servicing) before submitting appeals. It is further noted, that all appeals slow down the planning process as each appeal requires municipalities to dedicate staff and resources that could otherwise be spent expediting applications.

Overall, many of the planning processes that the Task Force claims take up time can in fact be working together to proactively resolve issues with an applicant and potentially save time in the entire process. Again, it is noted that development approvals are only one factor in affordability. Since the mid-1990s Mississauga has allowed unlimited height and density within the Downtown Core. Notwithstanding that services are available and a large percentage of the land is vacant, two decades later the area is still not built out.

Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec #s – See Appendix 2	Rec # 14, 20, 26	Rec # 27a, 27c, 31	Rec # 8, 9, 13, 18, 19, 27b, 28, 29	Rec # 3b, 15

### 3) The City is working to reimagine its neighbourhoods

Many of the Task Force's recommendations are focused on increasing development permissions in so called "stable neighbourhoods". Mississauga has been working to realize

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opportunities to reimagine areas in the city that are predominantly comprised of single detached dwellings. The City is supportive of second suites and is in the process of creating more permissive land use planning policies to support growth and change, as well as, reducing parking requirements.

City staff note the following for consideration:

- *Official Plan Review:* The City is reviewing its Official Plan to update policies that support gentle density and infill development, all with input from the community.
- *Increasing Housing Choices in Neighbourhoods:* This Study is examining and testing different housing formats, such as garden suites or garage conversions, as well as, considering a range and mix of housing types and different living arrangements. These efforts will support up to three dwellings on a lot in many of the City's neighbourhoods.
- *Major Transit Station Area Planning:* Staff are actively planning for provincial targets in over 60 MTSA's with over 2,000 hectares of new areas being delineated for intensification as part of this process.
- *Parking Regulations Study:* This Study is reviewing parking standards and reducing them to better align the City's parking rates with current transportation trends, intensification and provide support for affordable housing.

Overall, the Task Force's recommendations are broad "one size fits all" suggestions that propose heights and densities beyond what would be appropriate in many of Mississauga's neighbourhoods, especially those with small lots, narrow roads and unique circumstances. The City is already on the path to reimagine and expand permissions in its neighbourhoods, all while working closely with local communities.

Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec #s – See Appendix 2	Rec # 5, 6, 7, 20	Rec # 10, 11	Rec # 12a, 12b	Rec # 3a, 15

#### 4) Well designed and complete communities will be crucial for a strong Mississauga

Several of the Task Force's recommendations are intended to streamline and standardize zoning regulations and urban design standards, as well as, eliminate neighbourhood character considerations. There are also recommendations that allow for the conversion or change of use in employment areas or on commercial properties to support high density residential development. Some recommendations also undermine the benefits of planning to support local heritage values.

City staff note the following for consideration:

- *Urban Design:* Urban design helps to support unique, livable and high quality communities. Province-wide guidelines have the potential to greatly hinder creative and innovative urban designs that could maximize and boost the visual appeal of a local neighbourhood. Province-wide guidelines may result in a simple, standardized look that do not allow neighbourhoods to reach their full potential.
- *Supporting Businesses and Commercial Opportunities:* Redeveloping any or all underutilized commercial and industrial properties may be to the detriment of vibrant, local and independently owned businesses and complete communities. Generally, these underutilized commercial and industrial properties are older with affordable rents. This change could increase land values and displace local businesses or cause them to close permanently. Many of these businesses serve existing communities and without some protections, it is very unlikely these businesses would be replaced as part of a redevelopment as it is more profitable for developers to build condominiums.
- *Employment Area Conversions:* Mississauga has provided land and is planning to support more than double the residential growth forecasted by the Province out to 2051, the conversion of further employment areas is not warranted at this time. Moreover, ad hoc employment conversions could impact the viability of employment areas over the long term. This could be problematic in Mississauga as the city contains many Provincially Significant Employment Areas including the Airport Corporate Centre and Airport Operating Area. Notably in 2021, Mississauga was a net importer of about 46,000 employment opportunities and has become one of the most significant growth centres within the Greater Toronto Area.
- *Heritage Protections:* Similarly, when it comes to heritage planning and conservation, the Task Force is dismissive of its value and insinuates that municipalities are adopting underhanded practices. In general, the Task Force's recommendations seem to show a lack of understanding of the process and the protections afforded by Ontario's heritage framework. Moreover, Mississauga uses these tools appropriately to protect and enhance local heritage attributes. There are several examples of property owners in Mississauga's Heritage Districts transforming their properties to include multiple rental units.

Overall, many of these recommendations could undermine the creation of complete communities and could drive up land values to the detriment of local businesses. Single use residential neighbourhoods (without access to shops and services) are ultimately more expensive places to live where residents are forced to drive longer distances to access essentials, all of which can undermine affordability and quality of life.



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Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec #s – See Appendix 2	Rec # 40	Rec # 17	Rec # 12c, 12d, 16	Rec # 4

### 5) Mississauga is doing its part to streamline approvals and support development

Several of the Task Force's recommendations seek to modernize the planning process and make greater use of technology and data. Mississauga is working hard to drive towards these types of continuous improvements.

City staff note the following for consideration:

- In 2016, Mississauga implemented ePlans as a web-based solution for applicants to submit applications online through electronic plan submission, review and approval.
- These efforts have streamlined processes with developers and commenting agencies and have worked to expedite approvals, reduce duplication and eliminate the need for paper submissions. In regards to Site Plan applications alone, Mississauga has seen a 24% decrease in total review time and number of review cycles, as well as, a 57% decrease in average processing time for 5 years after implementation. The Province-wide modernization of approvals process with this type of technology would be beneficial to municipalities and applicants.
- In the next month, staff will be recommending that Council implement a streamlined rezoning application process for small developments and delegate the approval authority for Holding Provision Removal applications in accordance with the provisions of Bill 13, *Supporting People and Business Act* - Expanded Delegated Authorities.

Overall, City staff applaud the Province's recent amendments to the *Planning Act* and promoting the sorts of technological upgrades that help modernize planning processes. Certainly in Mississauga's case these efforts have helped to speed up planning processes.

Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec #s – See Appendix 2	Rec # 20, 22, 24, 45-47, 50, 53, 54	Rec# 43, 51, 52, 55	Rec# 25, 49	Rec # 21, 23

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## 6) Development related charges are helping to pay for growth and to build our city

The Task Force includes many recommendations that aim to reduce development costs, municipal fees and charges. Municipalities have limited revenue sources, which are mainly property taxes and development charges.

City staff note the following for consideration:

- Mississauga relies on municipal taxes, fees and development charges to annually plan and budget for community services and much needed infrastructure that residents use daily. If growth related charges are reduced, the City will need to make a decision on whether to increase property taxes or reduce the levels of service provided.
- The City does not apply development charges for second units and is currently examining financial and non-financial strategies to reduce costs for affordable rental developments including but not limited to development charge grants, discounted planning fees and reduced parking requirements. The City continues to support waiving fees in tailored ways that have demonstrated reduced costs to provide affordable rental housing.
- City staff also highlight that even if development fees are reduced, the Task Force's recommendations do not offer any safe guards that developers would pass savings onto purchasers. A report prepared by N. Barry Lyon Consultants<sup>2</sup> stated that developers will price housing at the maximum level the market will support. Any increases/decreases in fees do not affect the sale price of units (the scope of the report was on owned homes and not rental units).
- Waiving development charges will also not work to ensure that housing mix, and "missing middle" housing would be built. Moreover, the waiving of fees does not support affordable housing. Developers tend to build higher end condominiums as they are more profitable and there are no recommendations that address providing more modest housing options.

Suggested City Position	Support	Neutral	Oppose	Mixed Response
Please refer to Task Force Rec #s – See Appendix 2	Rec # 37, 41, 42, 48	Rec# 36, 39	Rec# 32-35, 44	N/A

<sup>2</sup> N. Barry Lyon Consultants Limited, General Committee Presentation on 2019 Development Costs Review - The Effect of Development-Related Costs on Housing Affordability, (May 1, 2019) – accessed here: [https://www7.mississauga.ca/documents/committees/general/2019/2019\\_05\\_01\\_GC\\_Agenda.pdf](https://www7.mississauga.ca/documents/committees/general/2019/2019_05_01_GC_Agenda.pdf)

## 7) Other tools that could empower municipalities and support affordable housing

There are several tools or process changes that the Minister could consider implementing in order to empower municipalities and support affordable housing.

City staff note the following for consideration:

- Develop a mechanism to discourage invest-owner residential real estate and leverage the potential of provincially and federally owned land for affordable housing.
- Apply HST rebates for affordable housing, make revenue tools available to municipalities to raise funds for affordable housing and offer direct funding to municipalities to support middle-income workforce housing.
- Require a Registered Professional Planner (RPP) to sign-off on planning reports prior to submission to speed up applications by improving their quality and completeness.
- Provide municipalities with the power to zone for residential rental tenure so that new multi-residential developments, particularly on large sites or at key strategic locations (transit stations), must include both rental and ownership housing.
- Expand the City's ability to obtain off-site works (such as streetscape and road improvements) from removal of Holding Provision applications, as well as Rezoning and Site Plan applications, which would reduce overall processing time and eliminate the need for additional applications.
- Extend the two year prohibition of new Official Plan Amendment requests from property owners/developers to five years.
- Implement the ability to use zoning expiration regulations (use-it or lose it zoning) to realize the approved-but-not-built backlog units and to more efficiently allocate servicing capacity.
- Allow Conditional Zoning to be used to mandate rental units or to provide an incentive for developers to build more quickly, rather than going through a time consuming Official Plan Amendment. This effort would help get housing supply on stream more quickly, whether affordable or not.
- Allow for cash-in-lieu of Inclusionary Zoning, which would help municipalities lower the administration costs of doing Inclusionary Zoning for smaller redevelopment projects.

## Financial Impact

There is no financial impact.

However, if the Province decides to implement any or all 55 of the Task Force's recommendations there could be financial implications. Staff will continue to advise Council on the impacts of any changes stemming from these recommendations, as implementation details become available.

## Conclusion

Mississauga has demonstrated a strong commitment to support provincial aims to create more housing, a greater mix of housing and efforts to make home ownership and renting more affordable. The City further supports the government's commitment to reduce red tape and make it easier to live and do business in Ontario.

However, Mississauga staff question the fundamental premise of the Task Force's Report. In that - by broadly expanding development rights, the market will be flooded in units and the price of housing will come down. In Mississauga's experience, having pioneered unlimited development rights, this has not been the case. Developers will phase development in order to reduce downward pressures on unit price.

More specifically, staff are also concerned that many of the Task Force's recommendations may reduce municipal autonomy, community engagement, design standards, quality of life and livability. Moreover, some of the Task Force's recommendations could reduce revenues generated by development related charges, which could be a risk to infrastructure and parkland provision.


Overall, the Task Force has provided no evidence for why many of its recommendations would succeed. In Mississauga's experience these recommendations won't contribute to improved housing affordability. It is questionable why so much would be risked and so much given away for so little reward.

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## Attachments

Appendix 1: Ontario's Housing Affordability Task Force Report

Appendix 2: Housing Affordability Task Force Recommendations, Mississauga's Position in Principle and Staff Comments



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Andrew Whitemore, M.U.R.P., Commissioner of Planning & Building

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