

October 21, 2019

The Ontario Association of Architects (OAA) welcomes the opportunity to comment on the proposed changes to the Provincial Policy Statement. The Association believes that the proposed changes may help to address the issue of housing affordability in Ontario. As the policy foundation for land use planning in Ontario, there are opportunities to leverage these proposed changes in order to streamline the planning approval processes at the municipal level and promote increased housing supply throughout the province.

The OAA has long been invested in improving housing affordability across Ontario and has explored architectural and land use planning solutions to address it. In addition to the 2019 Association-commissioned report, *Housing Affordability in Growing Urban Areas*, the OAA has commissioned Altus to produce two reports about Site Plan Approval (SPA) in Ontario. The first of these, which was released in 2013, found that SPA is not being implemented consistently across municipalities, resulting in unpredictability with the process and significant time delays for approvals. The follow up report, released in 2018, set out to quantify the economic impact of delays that result from this broken SPA process. It found that delays from SPA cost the province up to \$900 million annually – a figure that the OAA believes to be in excess of \$1 billion due to the conservative nature of the economic model that was used in the analysis.

The Association is encouraged by the extensive reference to "housing options" included throughout the proposed changes. Different housing unit configurations, unit types and forms of tenure are important considerations in the broader discussion of housing affordability. However, they are stymied by the extensive time delays that project proponents face at the municipal level.

The OAA recommends setting a mandatory timeframe for the development approval process that begins on the date that an application is received and encompasses the whole development approval process. The 2018 SPA report, Site Plan Delay Analysis, quantified the effects of site plan delays and found a staggering cost of \$100 million per month Ontario-wide. With so much focus currently on the housing affordability crisis, it is timely to identify a mandatory timeframe for the complete development approval process.

Recognizing that there are different realities in terms of size and staffing across municipalities throughout Ontario, this timeframe should be achievable by the most resource-constrained municipalities as well as those with the highest volumes of development approval applications. While many municipalities report that there is no economic impact to the delays in the development approval process, the reality is that not only are there impacts, but these impacts are significant and widespread throughout Ontario.

In a recent City of Toronto-commissioned report by KPMG, <u>End-to-End Review of the Development Review Process</u>, the authors noted that, "There is a significant gap between official processing timelines and the experience of staff and applicants." Moreover, due to competing divisional objectives at the municipal level, the report found that, "City positions and comments can change throughout the course of an application...reducing transparency and increasing timelines and costs." The report points out that uncertainty in the approval process is costly and can be frustrating for project proponents and city staff alike. This is particularly so in the case of small firms where reduced transparency and increased costs often keep them from undertaking small infill housing projects.

The OAA recommends modifying section 1.4, Housing, of the PPS to include the identification of minimum densities across urban areas throughout Ontario. In our 2018 report, Housing Affordability in Growing Urban Areas, it is recommended that densities in "neighbourhoods" throughout Ontario correspond to the Provincial Growth Plan 2017. The OAA strongly believes that a growth model that contemplates increasing as-of-right height limits throughout urban areas will help to address housing supply across Ontario. In addition to encouraging intensification of lands which are designated and available for residential development, this will also set a minimum growth standard across already developed areas throughout the province.

The OAA is encouraged by section 4.0, Implementation and Interpretation, and recommends that the PPS suggest SPA as a performance indicator. We noted with great interest that item 4.8 states that the provinces, municipalities and stakeholder, "shall identify performance indicators for measuring the effectiveness of some or all policies". As previously mentioned, SPA currently represents an enormous cost to the province; however, if repaired, it has the potential to help to fast-track residential projects, and reduce the time needed to process these applications. In March 2019, the OAA issued a letter to the Honourable Steve Clark, Minister of Municipal Affairs and Housing, with recommendations to fix the SPA process in Ontario. That letter is included as an attachment to this submission.

Other performance indicators that the PPS may also suggest include enhanced staff reporting from municipal planning departments. In particular, it would be useful to collect data about actual costs of processing delays as well as real time accounts of approval processes. Data from these reports can help to quantify and track costs and delays in comparison to provincially mandated guidelines.

The OAA is the licensing body and professional association for Ontario's architects. Established under the *Architects Act*, it is the mandate of the OAA to regulate the practice of architecture to ensure that the public interest is served and protected. The OAA has

collaborated extensively with Government, and looks forward to continued collaboration as the PPS continues to evolve.

